

Extract from 'The Council's Constitution' March 2025 Version

Virement

A.24 **Full Council** is responsible for agreeing procedures for **Virement** of expenditure between **Budget** headings. The definition of a Virement is set out in Section 5 of the **Policy & Budget Framework** as follows:

*Steps taken by the **Cabinet**, a **Cabinet Member**, a group of the Cabinet, or Officers, or **Joint Arrangements** to implement Council policy shall not exceed the budgets allocated to each relevant **Budget** head. However, such bodies or individuals shall be entitled to vire across Budget heads within such limits as shall be laid down in the **Financial Procedure Rules**. Beyond those limits, approval to any **Virement** across Budget heads shall require the approval of the **Full Council**.*

*A **Virement** is defined as where one or more **Budget(s)** are reduced to fund an increase in another Budget(s). There is no net change in the total Budget agreed by Council arising from a Virement.*

A.25 The table below sets out the approval level required based on the value of the **Virement**.

Value	Approval Level Required		
	Within a Budget Head	Between Budget Heads in same Directorate	Between Directorates
Between £0 - £4,999	Heads of Service	Heads of Service	Heads of Service
Between £5,000 and £24,999	Heads of Service and Strategic Directors	Strategic Directors and Portfolio Holder(s)	Strategic Directors and Portfolio Holder(s)
Between £25,000 and £99,999	Strategic Directors and Portfolio Holder(s)	Strategic Directors and Portfolio Holder(s)	Strategic Directors and Portfolio Holder(s)
Between £100,000 and £249,999	Cabinet	Cabinet	Cabinet
£250,000 and over	Full Council	Full Council	Full Council

Notes:

1. In all circumstances Virements require approval by the S151 Officer.
2. All relevant parties listed above must be in agreement.
3. Virements should not be artificially disaggregated.
4. Virement rules apply to capital and revenue.

Supplementary Estimates

A.26 A supplementary estimate is an addition to the Council's agreed **Budget**. Supplementary estimates can be one-offs, or recurring. In either case, supplementary estimates should only be considered after all other options, such as **Virements**, or savings, have been considered. Supplementary estimates include budgets fully funded by external grant or contribution.

A.27 The table below sets out the approval level required based on the value of the supplementary estimates.

Value	Approval Level Required	
	Fully Externally Funded	Requires Council Funding
Between £0 and £9,999	S151 Officer	S151 Officer
Between £10,000 and £99,999	Head of Service [then reported to Cabinet at next meeting]	Cabinet
Between £100,000 and £249,999	Cabinet	Cabinet
£250,000 and over	Full Council	Full Council
Notes:		
1. In all circumstances Supplementary Estimates require approval by the S151 Officer.		
2. Council funding includes (but is not limited to) revenue budget, reserves, Section 106, capital receipts and borrowing. S151 Officer decision will undertaken an assessment.		
3. Supplementary Estimates should not be artificially disaggregated.		
4. Supplementary Estimates rules apply to capital and revenue.		

A.28 Where in exceptional or unexpected circumstances a Directorate is faced with a material increase in its net expenditure, which cannot reasonably be contained within its resource allocation figure for the year, the **Chief Executive** or **Strategic Directors** must (wherever possible, prior to incurring the expenditure) submit a request to **Cabinet** or **Council** for a supplementary estimate to cover the additional expenditure. The Cabinet or Council will also decide how the expenditure will be funded, e.g. from grant, revenue, reserve, loan or otherwise.