

TONBRIDGE & MALLING BOROUGH COUNCIL



EXECUTIVE SERVICES

Chief Executive
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NB - This agenda contains proposals, recommendations and options. These do not represent Council policy or decisions until they have received proper consideration through the full decision making process.

Contact: Democratic Services
committee.services@tmbc.gov.uk

15 May 2026

To: MEMBERS OF THE FINANCE, REGENERATION AND PROPERTY
SCRUTINY SELECT COMMITTEE
(Copies to all Members of the Council)

Dear Sir/Madam

Your attendance is requested at a meeting of the Finance, Regeneration and Property Scrutiny Select Committee to be held in the Council Chamber, Gibson Drive, Kings Hill on Tuesday, 26th May, 2026 commencing at 7.30 pm.

Members of the Committee are required to attend in person. Other Members may attend in person or participate online via MS Teams.

Information on how to observe the meeting will be published on the Council's website.

Yours faithfully

DAMIAN ROBERTS

Chief Executive

AGENDA

1. Guidance for the Conduct of Meetings

5 - 8

PART 1 - PUBLIC

2. Apologies for Absence
3. Notification of Substitute Members 9 - 10
4. Declarations of interest 11 - 12

Members are reminded of their obligation under the Council's Code of Conduct to disclose any Disclosable Pecuniary Interests and Other Significant Interests in any matter(s) to be considered or being considered at the meeting. These are explained in the Code of Conduct on the Council's website at [Code of conduct for members – Tonbridge and Malling Borough Council \(tmbc.gov.uk\)](https://www.tmbc.gov.uk/code-of-conduct-for-members).

Members in any doubt about such declarations are advised to contact Legal or Democratic Services in advance of the meeting.

5. Minutes 13 - 16

To confirm as a correct record the Notes of the meeting of the Finance, Regeneration and Property Scrutiny Select Committee held on 17 February 2026.

Matters for Recommendation to Council

6. Changes to the Constitution - Financial Procedure Rules 17 - 48

The report recommends changes to the Financial Procedure Rules set out in Part 4 of the Constitution.

Matters submitted for Information

7. Council Tax Administration: Government Response to Consultation 49 - 56

The report updates Members on the Government's response to the consultation on modernising and improving the administration of Council Tax.

8. Work Programme 2026/27 57 - 58

The Work Programme setting out matters to be scrutinised during 2026/27 is attached for information. Members can suggest future items by liaising with the Chair of the Committee.

9. Urgent items

Any other items which the Chairman decides are urgent due to special circumstances and of which notice has been given to the Chief Executive.

Matters for consideration in Private

10. Exclusion of Press and Public 59 - 60

The Chairman to move that the press and public be excluded from the remainder of the meeting during consideration of any items the publication of which would disclose exempt information.

PART 2 - PRIVATE

Matters for Recommendation to the Cabinet

11. Lease Arrangements for Tonbridge Farm Sportsground 61 - 74

(Reason: Part 2 - Private: LGA 1972 - Sch 12A Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information))

This report sets out a proposal relating to a lease extension at the Tonbridge Farm Sportsground.

12. Urgent items 75 - 76

Any other items which the Chairman decides are urgent due to special circumstances and of which notice has been given to the Chief Executive.

MEMBERSHIP

Cllr D Harman (Chair)
Cllr M R Rhodes (Vice-Chair)

Cllr A G Bennison
Cllr T Bishop
Cllr P Boxall
Cllr R I B Cannon
Cllr L Chapman
Cllr J Clokey

Cllr W E Palmer
Cllr B A Parry
Cllr S Pilgrim
Cllr K B Tanner
Cllr C J Williams

GUIDANCE ON HOW MEETINGS WILL BE CONDUCTED

- (1) Most of the Borough Council meetings are livestreamed, unless there is exempt or confidential business being discussed, giving residents the opportunity to see decision making in action. These can be watched via our YouTube channel. When it is not possible to livestream meetings they are recorded and uploaded as soon as possible:

<https://www.youtube.com/channel/UCPp-IJISNgoF-ugSzxjAPfw/featured>

- (2) There are no fire drills planned during the time a meeting is being held. For the benefit of those in the meeting room, the fire alarm is a long continuous bell and the exits are via the doors used to enter the room. An officer on site will lead any evacuation.
- (3) Should you need this agenda or any of the reports in a different format, or have any other queries concerning the meeting, please contact Democratic Services on committee.services@tmbc.gov.uk in the first instance.

Attendance:

- Members of the Committee are required to attend in person and be present in the meeting room. Only these Members are able to move/ second or amend motions, and vote.
- Other Members of the Council can join via MS Teams and can take part in any discussion and ask questions, when invited to do so by the Chair, but cannot move/ second or amend motions or vote on any matters. Members participating remotely are reminded that this does not count towards their formal committee attendance.
- Occasionally, Members of the Committee are unable to attend in person and may join via MS Teams in the same way as other Members. However, they are unable to move/ second or amend motions or vote on any matters if they are not present in the meeting room. As with other Members joining via MS Teams, this does not count towards their formal committee attendance.
- Officers can participate in person or online.

- Members of the public addressing an Area Planning Committee should attend in person. However, arrangements to participate online can be considered in certain circumstances. Please contact committee.services@tmbc.gov.uk for further information.

Before formal proceedings start there will be a sound check of Members/Officers in the room. This is done as a roll call and confirms attendance of voting Members.

Ground Rules:

The meeting will operate under the following ground rules:

- Members in the Chamber should indicate to speak in the usual way and use the fixed microphones in front of them. These need to be switched on when speaking or comments will not be heard by those participating online. Please switch off microphones when not speaking.
- If there any technical issues the meeting will be adjourned to try and rectify them. If this is not possible there are a number of options that can be taken to enable the meeting to continue. These will be explained if it becomes necessary.

For those Members participating online:

- please request to speak using the 'chat or hand raised function';
- please turn off cameras and microphones when not speaking;
- please do not use the 'chat function' for other matters as comments can be seen by all;
- Members may wish to blur the background on their camera using the facility on Microsoft teams.
- Please avoid distractions and general chat if not addressing the meeting
- Please remember to turn off or silence mobile phones

Voting:

Voting may be undertaken by way of a roll call and each Member should verbally respond For, Against, Abstain. The vote will be noted and announced by the Democratic Services Officer.

Alternatively, votes may be taken by general affirmation if it seems that there is agreement amongst Members. The Chairman will announce the outcome of the vote for those participating and viewing online.

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Finance, Regeneration and Property Scrutiny Select Committee – Substitute Members (if required)

	Conservative	Liberal Democratic	Green	Ind. Kent Alliance	Labour
1	Chris Brown	Garry Bridge	Lee Athwal		Paul Hickmott
2	Roger Dalton	Trudy Dean	Kath Barton		
3	Dave Davis	Frani Hoskins	Steve Crisp		
4	Sarah Hudson	Roger Roud	Anna Cope		
5	James Lark	David Thornewell	Mark Hood		

Members of Cabinet cannot be appointed as a substitute to this Committee

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Declarations of interest

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TONBRIDGE AND MALLING BOROUGH COUNCIL

FINANCE, REGENERATION AND PROPERTY SCRUTINY SELECT COMMITTEE

MINUTES

Tuesday, 17th February, 2026

Present: Cllr D Harman (Chair), Cllr M R Rhodes (Vice-Chair), Cllr A G Bennison, Cllr G C Bridge (substitute), Cllr R I B Cannon, Cllr L Chapman, Cllr J Clokey, Cllr W E Palmer, Cllr B A Parry, Cllr S Pilgrim, Cllr K B Tanner and Cllr C J Williams

In Attendance: Cllrs Mrs S Bell*, R P Betts, M D Boughton*, P M Hickmott, M A J Hood, D Keers*, A Mehmet and Mrs A S Oakley* were also present pursuant to Council Procedure Rule No 15.21.

(*participated via MS Teams)

Apologies for absence were received from Councillors T Bishop and P Boxall

PART 1 - PUBLIC

FRP 26/1 NOTIFICATION OF SUBSTITUTE MEMBERS

Notification of substitute members were recorded as set out below:

- Cllr Bridge substitute for Cllr Bishop

In accordance with Council Procedure Rules 17.5 to 17.9 these Councillors had the same rights as the ordinary member of the committee for whom they were substituting.

FRP 26/2 DECLARATIONS OF INTEREST

There were no declarations of interest made in accordance with the Code of Conduct.

FRP 26/3 MINUTES

RESOLVED: That the notes of the meeting of the Finance, Regeneration and Property Scrutiny Select Committee held on 16 September 2025 be approved as a correct record and signed by the Chair.

MATTERS SUBMITTED FOR INFORMATION

**FRP 26/4 CABINET MEMBER REPORT - INFRASTRUCTURE AND
TONBRIDGE REGENERATION**

The Cabinet Member for Infrastructure and Tonbridge Regeneration provided an overview of activities undertaken over the past 12 months and set out the plan for delivery in the coming year.

Members welcomed the approach taken to encourage all infrastructure providers to respond to the Local Plan Consultation, supported the concerns raised with South East Water about their ability to meet the demands of new development and ensuring sufficient water supply; noted ongoing discussions with the Integrated Care Board to secure improved delivery of health facilities in the Borough and noted the commencement of officer level meetings with KCC Highways to review the specification for highways work so it adequately responded to concerns raised by communities.

With regard to Tonbridge regeneration, good progress continued to be made on the East of the High Street Masterplan and public engagement on the Angel Centre replacement was currently taking place in advance of a planning application being submitted. It was indicated that, whilst the replacement of the Angel Centre was the first step in the wider regeneration proposals for Tonbridge, the East of the High Street Masterplan would continue to be monitored to assess financial viability.

**FRP 26/5 CABINET MEMBER REPORT - ECONOMIC DEVELOPMENT AND
PROPERTY**

Members were provided with an overview of the economic development and property-related activities undertaken over the past 12 months and the plan for delivery for the coming year was noted.

Particular reference was made to successful Shopfront and Vacant Unit Improvement, Green Business and West Kent Rural Grant Schemes which supported local communities and businesses.

A wide range of activities supporting the Borough Council's Corporate Strategy had been progressed and included renewables and energy efficiency measures at the leisure facilities; consolidation of the offices in Gibson Building East and the provision of directly owned temporary accommodation. Members were pleased to note that planning permission for a modular housing scheme at Blue Bell Hill for use as temporary accommodation had been granted.

Finally, the challenge in identifying further carbon offset and energy efficiency measures for the medium/long-term were recognised, although a number of options continued to be explored.

FRP 26/6 MEDIUM TERM FINANCIAL STRATEGY

The report of the Head of Finance and Section 151 Officer provided details of the Medium-Term Financial Strategy (MTFS) which supported the budget for 2026/27 and covered the period from April 2026 to March 2036.

Members were pleased to note that the savings target of £600,000 set by Council in February 2025 had been exceeded. In addition, the reductions in expenditure and increased income had been reflected in the 2026/27 estimates, as detailed in 5.2 of the report. Details arising from the Fair Funding Review and Business Rates Reset provisionally announced in December 2025 had also been incorporated into the budget.

The budget proposal to Council allowed for a Band D Council Tax of £252.65 and a total Borough precept of £13,812,921.

Particular reference was made to the final MTFS Projection for 2026/27 which showed that a balanced position was achieved in year 10, with a contribution to the General Revenue Reserve of £318,00 and General Revenue Reserve balance of £4.8m in 2023/26 and meeting the objectives set in paragraph 3.5

To achieve these results a zero-funding gap had been identified and it was decided that a Savings and Transformation Strategy would not be produced for 2026/27, although this could be revisited if the financial position changed.

Members were advised that the final local government finance settlement had been confirmed. Whilst there was no fundamental impact on the proposed budget for 2026/27, there would be a reduction of £173,000 in 2027/28 resulting in a change to the General Revenue Reserve which would reduce to £4.6M (from £4.8M).

Finally, a number of assumptions had been made in completing the MTFS and detailed explanations provided in 6.1 – 6.31 of the report were noted. However, these included council tax increases, inflation rates, local government reorganisation, the replacement Angel Centre and the Waste, Recycling and Street Cleansing Contract.

FRP 26/7 TONBRIDGE SWIMMING POOL BOILER REPLACEMENT

The report provided information on efforts to replace the end-of-life gas boilers at Tonbridge Swimming Pool.

Design engineers had conducted a feasibility study on a range of options, all of which included to a greater or lesser extent air or ground source heat pumps. The capital expenditure and estimated impact on

running costs was also estimated and a summary of the options was provided at 6.1 of the report.

Due to the considerable costs associated with all of the options outlined in the report, the fact that these would need to be funded by the Borough Council and that the boilers needed to be replaced to avoid potential significant disruption and a loss of income claim from the Leisure Trust, it was recognised that a scheme to replace the end-of-life boilers on a like for like basis represented best value for money.

Members expressed disappointment that efforts to decarbonise the building were not financially viable but acknowledged that modern technology would be more efficient than the now 30-year-old current boilers. It was noted that newer technologies would result in reduced gas usage, lower cost and CO2 emissions and an increased efficiency of around 20-30% could potentially be achieved with modern boilers operating at over 90%. Details of the carbon reduction expected for the new high-efficiency gas boilers would be clarified once the specification was known.

Finally, it was recognised that including energy efficient measures in a newly designed facility, such as the replacement Angel Centre, was simpler than trying to retrofit an older building constrained by space.

FRP 26/8 WORK PROGRAMME 2026

The Work Programme setting out matters to be scrutinised during the next year was attached for information. Members were invited to suggest matters for 2026/27 by liaison with the Chair of the Committee and the Scrutiny Officer.

MATTERS FOR CONSIDERATION IN PRIVATE

FRP 26/9 EXCLUSION OF PRESS AND PUBLIC

There were no items considered in private.

The meeting ended at 8.40 pm

Finance, Regeneration and Property Scrutiny Select Committee

26 May 2026

Part 1 - Public

Recommendation to Council



www.tmbc.gov.uk

Cabinet Member

N/a

Responsible Officer

Adrian Stanfield, Monitoring Officer
Paul Worden, Head of Finance and Section 151
Officer

Report Author

Paul Worden, Head of Finance and Section 151
Officer

Changes to the Constitution – Financial Procedure Rules

1 Summary and Purpose of Report

1.1 This report recommends changes to the Financial Procedure Rules set out in Part 4 of the Constitution.

2 Corporate Strategy Priority Area

2.1 Efficient services for all our residents, maintaining an effective council.

2.2 The proposals in this paper will contribute to the above priority area by ensuring financial decisions and adjustments can be taken in the most efficient and equitable way.

3 Recommendations

3.1 Members are requested to recommend to Council to agree the changes to the Financial Procedure Rules as summarised in section 5 below and shown in the tracked changes contained in **[ANNEX 1]**.

3.2 Members are requested to recommend to Council to agree the virement for funds exceeding £100,000 as detailed in section 6 of the report.

4 Introduction and Background

4.1 The current financial limits and arrangements within the Council's Financial Procedure Rules have remained unchanged for a number of years.

- 4.2 Following changes to operational matters after COVID and other world events, the Head of Finance and Section 151 Officer has reviewed the rules agreed in July 2025.
- 4.3 The proposed changes are firstly to align operational changes to procedures, secondly to incorporate changes in responsibilities on Risk as agreed by the Audit Committee and Council, and finally to be more proactive in terms of budgetary monitoring, control and virements.
- 4.4 Virements are where a budget is transferred between heading to mitigate potential one of variations or changes in service delivery. Over recent years the volume of these transfers has been virtually non-existent with most adjustments taking place with the revised estimate reported in January each year to the Overview and Scrutiny Committee.
- 4.5 As mentioned above the purpose of the changes to the virement rules will enable both services and finance to be more proactive on aligning the budget to issues that arise during the year rather than waiting for the revised estimate adjustment.
- 4.6 It should be noted that the virement transfer between budgets does not increase the Council's net budget requirement and any approved changes would be reported to members through regular budgetary control reports to Cabinet and this Committee.
- 4.7 Finally, again recognising the need for a proactive approach, particularly around Local Government Reorganisation, some allowance to officers and members to is now being proposed to establish one off budget where specific earmarked reserves exist rather than applying for a formal supplementary estimate. As with virements, this will not give rise to any overall increase above the agreed budget and will formally be reported through Budgetary Control reports to Members.

5 Proposed Changes

- 5.1 Contained at Annex 1 to this report is a tracked change version of the Financial Procedure Rules from the Constitution, the paragraphs below give a precis of the changes proposed.
- 5.2 Section 8 - Banking Arrangements
- The Council no longer uses pre-signed cheques therefore the reference to facsimile signatures have been removed.
- 5.3 Section 9 - Corporate Credit Cards
- Although contained in guidance issues to Credit Card Holders rules now contain the use of cards only for Council business purposes.

- Changes to limits must be agreed by the Head of Finance and S151 Officer, and should be for a finite period.

5.4 Section 12 - Financial Planning and Control

- Rewording of some paragraphs

5.5 Section 13 - Virements

- The current process limit services to flexibly adjust budgets within and between services, the rewording should allow for greater flexibility in dealing with issues.
- Chief Officer Virements in service increase to £50,000 from £10,000.
- Management Team virements between services increase to £50,000 from £25,000.
- The Executive virement increased to £100,000 from £50,000.
- All virements above £100,000 must be approved by Full Council.
- Virements between Revenue and Capital, or vice versa, are not permissible.

5.6 Section 14 - Underspending and Overspending

- Rewording of some paragraphs

5.7 Section 15 - Supplementary Estimates

- If the reserve exists for the purpose raised, the Head of Finance and Chief Executive can approve supplementary estimates for Revenue purposes, up to £50,000.
- Above £50,000 and below £100,000 can be approved by Management Team in consultation with the relevant Cabinet Member responsible for the expenditure.
- Above £100,000 would be the responsibility of Full Council on the recommendation of the Executive.
- New paragraph covering incidents requiring the activation of the Council's Borough Emergency Plan or the Council's Business Continuity Plan.
- All of these matters will be reported to the Executive as part of the budgetary control reporting to members.

5.8 Section 16 - Income

- Rewording of some paragraphs

5.9 Section 17 - Fees and Charges

- Rewording of some paragraphs

5.10 Section 18 - Writing Off Debts

- In the event that a written off debt is subsequently found to be recoverable, the Head of Finance and Section 151 Officer will consider the reinstatement of the debt.

5.11 Section 19 - Insurance and Risk Management

- Additional information on the agreed Risk Champions for Members and Officers.
- Wording to review and update risk registers, both operational and Strategic.

5.12 Section 20 - Inventories

- **Change in job title for the Head of IT.**

5.13 Section 22 - Orders for Goods and Services

- Changes to the requirements for what purposes require an official Purchase Order.

5.14 Section 24 - Payment of Invoices

- Changes to reflect the use of electronic signatures.

5.15 Section 25 - Financial Management of Contracts

- Rewording of some paragraphs

5.16 Section 33 - Medium Term Financial Strategy and Savings and Transformation Strategy

- Additional section to ensure the production of longer-term financial forecasting and the requirement to produce and agree a strategy to identify resources to close any funding gaps identified.

6 Virement Request

- 6.1 Following the establishment changes agreed at General Purposes Committee on the 11th March 2026, the recommendation for the Housing Staff was agreed and

the financial considerations stated that the funding of £186,800 would be met from the Homelessness Initiatives Budget.

6.2 This budget is contained in the Homelessness Budget within the Planning, Housing and Regulatory Services pages of the published budget book, whereas the staffing budgets are held under the Staffing, Overheads and Democratic Costs pages.

6.3 Given that the amount exceeds £100,000, full Council approval is required for the virement to be authorised.

7 Financial and Value for Money Considerations

7.1 The changes proposed should ensure that value for money arrangements are maintained within the Council.

8 Risk Assessment

8.1 The proposed amendments should reduce the risk of delay in decision making by officers, whilst maintaining information sharing with Members.

9 Legal Implications

9.1 Article 10 of the Constitution sets out the procedure for review and revision of the Constitution. Except in specified circumstances, changes to the Constitution may only be approved by full Council after consideration of a report on the proposal from the Council's Monitoring Officer.

10 Consultation and Communications

10.1 If agreed, the amended constitution would be published via mod.gov.

11 Implementation

11.1 If agreed, the changes will be implemented with immediate effect.

12 Cross Cutting Issues

12.1 Climate Change and Biodiversity

12.1.1 Limited or low impact on emissions and environment.

12.1.2 Climate change advice has not been sought in the preparation of the options and recommendations in this report.

12.2 Equalities and Diversity

12.2.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

Background Papers	None
Annexes	Annex 1 – Tracked Changes to Financial Procedure Rules.

FINANCIAL PROCEDURE RULES

1.	Definitions:
For the purposes of these Financial Procedure Rules the following definitions shall apply:	
1.1	The Council means the legal entity "Tonbridge & Malling Borough Council."
1.2	Full Council means the meeting of the Full Council as set out in Article 4 of the Constitution.
1.3	Overview and Scrutiny Committee means a committee as set out in the Overview and Scrutiny Committee Procedure Rules in Part 4 (Rules) of the Constitution.
1.4	Executive means the Executive function as set out in Article 6 of the Constitution.
1.5	Relevant Executive Member means the Executive member to whom responsibility for any specific functions has been delegated.
1.6	Joint Standards Committee means the committee as set out in the Responsibility for Council Functions, Committee Membership and Terms of Reference in Part 3 (Responsibilities) of the Constitution and includes any Advisory Board reporting to it.
1.67	Chief Officer means the designated officers set out in the Functions Delegated to Officers in Part 3 (Responsibilities) of the Constitution and includes any officer of their Service acting on their behalf. The terms include the Chief Executive and Head of Finance and s151 Officer when acting as Service Chief Officers rather than as Head of Paid Service and Chief Finance Officer respectively.
1.78	Statutory Officers means the Chief Executive, the Monitoring Officer and the Head of Finance and s151 Officer as set out in the Functions Delegated to Officers in Part 3 of the Constitution.
1.89	Chief Executive means the Head of Paid Service as set out in Functions Delegated to Officers in Part 3 of the Constitution and includes any officer acting on their behalf.
1.940	Monitoring Officer means the Director of Central Services & Deputy Chief Executive as set out in the Functions Delegated to Officers in Part 3 of the Constitution and includes any officer acting on their behalf.

1.104	Head of Finance and s151 Officer means the Chief Finance Officer holding responsibility for the Council's financial affairs for the purpose of Section 151 of the Local Government Act 1972 and Section 114 of the Local Government Finance Act 1988 and set out in the Functions Delegated to Officers in Part 3 of the Constitution. It includes any officer they have designated to act on their behalf.
1.112	Accounts and Audit Regulations means the Accounts and Audit Regulations (England) 2015 or the most recent version of the regulations dealing with local authority accounting and audit requirements which are in force or such other regulations as shall govern the accounting and audit arrangements of the Council from time to time.
1.123	Internal Audit Charter means the document approved from time to time by the Audit Committee setting out the purpose, authority and responsibility of the internal audit function and the overall delivery of the internal audit function in accordance with the Public Sector Internal Audit Standards and the Application Note to the Standards produced by CIPFA.
1.134	Chief Audit Executive the person responsible for managing the internal audit function on behalf of the Authority.
2.	Application
2.1	These Financial Procedure Rules are the framework within which the Council's financial affairs are to be managed and form an important part of its corporate governance arrangements. Every officer and every person acting on behalf of the Council shall comply with the provisions of these Financial Procedure Rules. Failure to do so may result in action being taken in accordance with the Council's disciplinary procedures.
2.2	The Head of Finance and s151 Officer may issue procedures setting out the detailed application of these Financial Procedure Rules as necessary.
3.	Financial Responsibilities
3.1	The Full Council is responsible for setting the budget, including the allocation of financial resources to different services and projects, proposed contingency funds, and setting the Council tax. It is responsible for decisions relating to the control of the Council's borrowing requirement, the control of capital expenditure and the setting of virement limits, as set out in Constitution Article 4 section 4.01 (b).
3.2	The Executive has overall responsibility for implementation of policy in accordance with parameters determined by Full Council and set out in 3.1 above. The Executive is authorised to make all financial decisions subject to such decisions being consistent with overall Council policy and the budget.

3.3	Overview and Scrutiny Committee may exercise overall responsibility for the finances made available to them under the Council's budget (Budget and Policy Framework Procedure Rules – Part 4). However, no committee may review or scrutinise a decision in which it was involved. (Article 1 section 1.03.6)
3.4	The Overview and Scrutiny Committee shall be the relevant committee of the Council in respect of the scrutiny of all financial matters, including the financial aspects of matters under the control of other committees.
3.5	The Head of Finance and s151 Officer will be responsible for the accounts and finances of the Council in every respect and as regards every Service.
3.6	The Head of Finance and s151 Officer shall determine all accounting procedures and financial records of the Council and its officers in consultation with the relevant Chief Officer. All new or amended systems, procedures or practices with a financial implication shall be agreed with the Head of Finance and s151 Officer prior to implementation and must meet all requirements specified by them.
3.7	Chief Officers shall be responsible for the proper maintenance of accounting procedures and records within their spheres of responsibility and for the security and integrity of data held in their Service.
3.8	Prior to reporting to Council, Executive, Committee or Advisory Board, Chief Officers shall consult with the Head of Finance and s151 Officer on the financial aspects of any proposals. They shall not advise on the method of financing any expenditure without prior consultation with the Head of Finance and s151 Officer.
4.	Delegation of Financial Responsibilities
4.1	In the event of the Head of Finance and s151 Officer being absent or otherwise unable to act, their nominated deputy shall be empowered to act in relation to these Financial Procedure Rules on behalf of the Head of Finance and s151 Officer. The deputy nominated by the Head of Finance and s151 Officer shall be communicated by them to the Chief Executive and the Monitoring Officer and shall be subject to approval by the former.
4.2	In the event of the Chief Executive being absent or otherwise unable to act, their nominated deputy shall be empowered to act on their behalf in relation to these Financial Procedure Rules. The nominated deputies will be the Monitoring Officer and Head of Finance and s151 Officer acting jointly, unless otherwise determined by the Chief Executive.
4.3	In the event of a Chief Officer being absent any officer of their Service nominated by them shall have authority to act on their behalf in relation to these Financial Procedure Rules.

4.4	In cases of urgency and in the absence of the relevant officer, two of the three Statutory Officers acting jointly shall have the authority in relation to these Financial Procedure Rules of any other officer identified within these Financial Procedure Rules.
5.	Accounting
5.1	The Head of Finance and s151 Officer shall compile all accounts and accounting records of the Council. All financial transactions of the Council shall be properly accounted for and the Council's accounts shall be maintained in accordance with statutory requirements and professional standards.
6.	Petty Cash Accounts
6.1	Petty cash accounts may be advanced to such officers as may be determined by the Head of Finance and s151 Officer and will be such sum as may be determined by them. Such accounts shall be maintained in accordance with such procedures as may be determined by the Head of Finance and s151 Officer.
7.	Audit
7.1	The Council will maintain an adequate and effective internal audit in accordance with statutory requirements and professional standards.
7.2	The Head of Finance and s151 Officer has responsibility for discharging the Council's internal audit responsibilities.
7.3	The scope of internal audits shall encompass the examination and evaluation of the adequacy and effectiveness of the Council's system of internal control and the quality of performance in carrying out assigned duties and responsibilities. Internal audits shall: <ul style="list-style-type: none"> - Review the reliability and integrity of financial and operating information and the means used to identify, measure, classify and report such information; - Review the systems established to ensure compliance with those policies, plans, procedures, laws and regulations which could have a significant impact on operations and reports and should determine whether the Council is in compliance; - Review the means of safeguarding assets and where appropriate verify the existence of such assets; - Appraise the economy and efficiency with which resources are employed; and

	<ul style="list-style-type: none"> - Review the operations or programmes to ascertain whether results are consistent with established objectives and goals and whether the operations or programmes are being carried out as planned and approved.
7.4	<p>For the purpose of conducting internal audit enquiries, the Head of Finance and s151 Officer or their authorised representative shall be entitled to:</p> <ul style="list-style-type: none"> - Enter any Council premises or land at reasonable times; - Have access to all records, documents and correspondence relating to any Council business; - Require and receive such explanations as may be necessary concerning any matter under examination; and - Require any employee of the Council to produce cash, stores or any other Council property under their control.
7.5	<p>Any employee who suspects fraud, financial loss or error must either:</p> <ul style="list-style-type: none"> - Raise their concerns under the Whistle Blowing Policy; or - Inform their Chief Officer, who must notify the Head of Finance and s151 Officer; or - Follow the procedures set out in the Council's Anti-Fraud, Bribery and Corruption Policy.
7.6	<p>The reporting arrangements in respect of internal audit reports are set out in the Whistle Blowing Policy. In the case of suspected fraud or major internal control weaknesses, the Internal Audit Charter authorises the Chief Audit Executive to investigate and report all instances of fraud.</p>
7.7	<p>The Chief Audit Executive shall have the right of direct access to the Chief Executive, the Monitoring Officer and to Members where they consider this is necessary.</p>
8.	Banking Arrangements
8.1	<p>All facilities required in respect of banking shall be made by the Head of Finance and s151 Officer, who shall be a signatory to every bank account and banking arrangement of the Council.</p>
8.2	<p>All cheques and payment documents shall be ordered only on the authority of the Head of Finance and s151 Officer, who shall ensure proper arrangements for their safe custody.</p>
8.3	<p>Cheques drawn on the Council's banking accounts shall bear the facsimile signature of the Head of Finance and s151 Officer or be signed by the Head of Finance and s151 Officer or officers authorised by them.</p>

8.4	Payments from bank accounts to be processed electronically shall be authorised by the Head of Finance and s151 Officer or officers authorised by them.
8.5	Overdraft facilities may be arranged by the Head of Finance and s151 Officer within overall limits approved by the Council.
9.	Corporate Credit Cards
9.1	All corporate credit cards shall be issued in the name of the Head of Finance and s151 Officer who shall give instructions regarding their use and storage by designated officers from time to time.
<u>9.2</u>	<u>Corporate Credit Cards may only be used in connection with the purchase of goods or services for the Council and must not be used in connection with personal transactions.</u>
<u>9.3</u>	<u>Card limits for overall balances and individual transactions must be agreed in when requesting the card with the Head of Finance and s151 Officer. Requests for variations to these limits must be requested to the Head of Finance and s151 Officer in advance who will authorise the change for an agreed period of time.</u>
<u>9.42</u>	Any officer authorised by the Head of Finance and s151 Officer to hold and use a Corporate Credit Card must strictly comply with the instructions <u>and guidance given</u> and any guidance issued by the Head of Finance and s151 Officer from time to time.
10.	Borrowing Powers
10.1	The borrowing powers of the Council will be exercised only in accordance with the policies of the Council (Article 4 section 4.01 (b)).
10.2	The Head of Finance and s151 Officer is responsible for all borrowing on behalf of the Council. The Head of Finance and s151 Officer may authorise other Chief Officers to enter into such arrangements if they have examined and are satisfied with the terms of any such arrangement.
11.	Property and Land Holdings
11.1	The Director of Central Services is responsible for maintaining a register of land and buildings owned by the Council and for producing an Asset Management Plan for adoption by the Council.
11.2	The Director of Central Services and Monitoring Officer is responsible for the safe custody of all title deeds relating to Council owned land and property.
12.	Financial Planning and Control

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Part 4 – Rules – Financial Procedure Rules

12.1	The Head of Finance and s151 Officer shall prepare annual estimates of income and expenditure in consultation with Chief Officers for submission to the Executive.
12.2	In accordance with the Budget and Policy Framework Procedure Rules set out in Part 4 of the Constitution, the Executive will consider annually: <ul style="list-style-type: none"> - The proposed programme of capital expenditure forming List A of the Capital Plan; - Estimates of income and expenditure on the revenue account for the ensuing year.
12.3	Following consultation as set out in Part 4 of the Constitution, including consultation with the Overview and Scrutiny Committee, the Executive shall consider the consequences of these programmes and estimates and receive the advice of the relevant Chief Officers and the Statutory Officers before recommending to Full Council the council tax to be levied, the revenue budgets and the Capital Plan for the ensuing year.
12.4	The approval of revenue estimates by the Full Council will constitute authority to incur the expenditure as detailed in the estimates.
12.5	Any proposal to incur unbudgeted expenditure after Full Council has approved the budget or Capital Plan must be submitted to the Executive for approval. Approval will be subject to the limits on virement set out in paragraph 13.3 of these Financial Procedure Rules and the requirements in respect of supplementary estimates set out in paragraph 15.1 of these Rules.
12.6	Each Chief Officer is responsible for the control of income and expenditure, <u>for both Revenue and Capital</u> within the Services under their control.
12.7	Each Chief Officer shall immediately advise the Head of Finance and s151 Officer should they become aware of a variance or likely variance <u>of more than £5,000</u> from an approved <u>revenue or capital</u> estimate in the budget, or Capital Plan that will exceed £5,000.
12.8	Variance or likely variance from an approved estimate of more than £10,000 shall be reported by the Head of Finance and s151 Officer to the Executive.
12.9	The Head of Finance and s151 Officer shall provide the Executive with regular monitoring reports during each financial year comparing actual expenditure against the budget in key areas. These include salaries expenditure, investment and other major sources of income, collection of council tax and national non domestic rates, and such other key financial performance information as the Head of Finance and s151 Officer considers is necessary for the Executive to discharge its responsibilities effectively.
12.10	The Head of Finance and s151 Officer shall provide the Executive with regular monitoring reports comparing actual capital expenditure with the Capital Plan List A for the financial year in question.

Part 4 – Rules – Financial Procedure Rules

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12.11	The Head of Finance and s151 Officer shall provide an annual outturn report to the Executive showing actual revenue and capital expenditure against the revenue budget and Capital Plan for the preceding financial year, together with their recommendations on any action that should be taken in the light of the outturn information.
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12.12	The Head of Finance and s151 Officer will meet the requirements of Section 9 of the Accounts and Audit (England) Regulations 2015 as amended from time to time by presenting the Statement of Accounts to the Audit Committee, which shall have delegated authority to approve these on behalf of the Council.
12.13	Nothing in these Rules shall prevent the expenditure by Chief Officers on any item which is essential to meet any immediate needs created by an emergency or which is anticipated by Section 138 of the Local Government Act 1972 subject to a subsequent report on such expenditure being made to Cabinet and/or Full Council.
13.	Virements
13.1	The transfer of budgetary provision from one area of revenue or capital income/expenditure to another in order to finance spending in an area by using a saving in another area is known as a virement.
13.2	Under Article 4 section 4.01 (b) only the Full Council may change the limits for virement. Only Full Council may authorise a virement that commits the Council to ongoing future expenditure.
13.3	The limits for virement approved by the Council are as follows: <ul style="list-style-type: none"> - Chief Officers may transfer up to £10,000 <u>50,000 per item in a financial year</u> between budgets relating to the same area of Service activity (e.g. housing, environmental health, leisure etc.). Any such transfer must be immediately notified in writing to the Head of Finance and s151 Officer. - The Chief Executive, in consultation with the Management Team and Head of Finance and s151 Officer, may transfer up to £25,000 <u>50,000 per item in a financial year</u> between <u>different areas of Service Activity, budgets relating to the same area of Service activity.</u> —The Executive may approve virements up to a limit of £50,000 <u>100,000, including those that involve a transfer between different areas of Service activity.</u> - <u>Any virement above £100,000 will require approval by Full Council following reporting to the Executive.</u>
13.4	The Head of Finance and s151 Officer will report to the Executive any virements approved by Chief Officers or the Chief Executive.
<u>13.5</u>	<u>Virements between Capital and Revenue budgets, or vice versa, are not permissible under any circumstances, these types of requests will be considered as Supplementary Estimates under section 15 of the Financial Procedure Rules.</u>
14.	Underspending and Overspending
14.1	If revenue budgets are underspent or overspent at the year end, the following

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	applies:
	<ul style="list-style-type: none">- No underspending may be carried forward to the following year unless specifically authorised by the Head of Finance and s151 Officer. Any such amounts must be <u>transferred to the subject of</u> an earmarked reserve; and

	- Any overspending shall be reported to the Executive by the Head of Finance and s151 Officer in an outturn report, <u>the Chief Officer responsible will provide details for the reason causing the variation and whether it is considered a one-off or ongoing variation.</u> If in the opinion of the Head of Finance and s151 Officer the overspending is significant and relates to functions not the responsibility of the Executive then they shall also report to the appropriate Committee.
15.	Supplementary Estimates
<u>15.1</u>	<u>Where a reserve has been established for a specific purpose, the Head of Finance and s151 Officer in conjunction with the Chief Executive may approve a supplementary estimate for an item of expenditure of up to £50,000. Any agreed expenditure and the use of the reserve must be reported to the Executive in conjunction with budgetary control reporting.</u>
<u>15.2</u>	<u>Where a reserve has been established for a specific purpose, Management Team, in consultation with the relevant Cabinet Member may approve a supplementary estimate for an item of expenditure of up to £100,000. Any agreed expenditure and the use of the reserve must be reported to the Executive in conjunction with budgetary control reporting.</u>
<u>15.34</u>	Supplementary estimates <u>for revenue and capital expenditure, where specific reserve funding has not been identified, for revenue and capital expenditure</u> will only be granted in exceptional circumstances and <u>will may only be only be</u> approved by the Full Council following a recommendation from the Executive.
<u>15.42</u>	In cases of urgency, with the agreement of the Leader and the Chair of the Overview and Scrutiny Committee, the Chief Executive in consultation with the Head of Finance and s151 Officer may approve additional revenue or capital expenditure. The Chief Executive will report such approvals and the circumstances that made them necessary to the Executive and the Overview and Scrutiny Committee. The Executive will consider whether a virement is possible or recommend approval of a supplementary estimate.
<u>15.5</u>	<u>Where the Duty Emergency Coordinator has declared that an emergency exists, activating the Borough's Emergency Plan or an incident has created the need to implement the Council's Business Continuity Plan, the Head of Finance and s151 Officer, in consultation with the Leader of the Council or Cabinet Member for Emergency Planning and Chief Executive, may approve revenue supplementary estimates specific to expenditure on that situation, up to the sum of £100,000.</u>
16.	Income
16.1	Arrangements for the collection of all monies due to the Council will be subject to the prior approval and control of the Head of Finance and s151 Officer and will be carried out in accordance with procedures issued by them. The circumstances of any inability to comply with procedures issued by the Head of Finance and s151 Officer shall immediately be reported to them.

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16.2	The Head of Finance and s151 Officer shall be notified promptly of all money due to the Council and of contracts, leases, grants, external funding and other agreements and arrangements entered into that involve the receipt of money by the Council.
16.3	All money received by the Council will be banked promptly in the Council's name and in conformance with the Accounts and Audit Regulations.
16.4	Money held on behalf of the Council must not be used for anything other than its intended purpose. No monies held shall be used to cash cheques except in accordance with arrangements approved by the Head of Finance and s151 Officer.
16.5	All monies received by the Council shall be acknowledged in accordance with arrangements approved by the Head of Finance and s151 Officer.
16.6	All receipts and other means of acknowledging the receipt of monies received by the Council shall be securely stored and proper records kept of all such items in a form approved by the Head of Finance and s151 Officer.

16.7	Any instructions issued by the Head of Finance and s151 Officer relating to the security of monies held by the Council must be adhered to.
16.8	Any limits on sums held in secure storage for insurance purposes must be adhered to <u>for insurance purposes.</u>
16.9	Invoices must be raised for all sums due to the Council that are not paid at the time the debt is due or identified unless the Head of Finance and s151 Officer approves alternative arrangements to address specific circumstances.
16.10	All invoices for sums due to the Council must be raised <u>in a timely manner and delays in raising invoices must be reported to the Head of Finance and s151 Officer promptly.</u>
16.11	Chief Officers must notify the Head of Finance and s151 Officer of all relevant information so that they can raise an invoice for sums due to the Council where for any reason this is not done by the Chief Officer.
16.12	Chief Officers must ensure that income received or any invoice raised by them is correctly allocated to the appropriate code <u>and VAT category.</u>
17.	Fees and Charges
17.1	Chief Officers are required in liaison with the Head of Finance and s151 Officer to shall review annually the fees and charges levied for services under their control, unless such fees and charges are fixed by statute or by some other body. The results of such reviews and the recommendations flowing from them must be reported to the Executive for decision.
17.2	Any proposed reductions variations in fees and charges shall, following consultation with the Head of Finance and s151 Officer, be reported to the Executive for decision. Similar requirements apply where it is proposed to introduce new fees and charges.
18.	Writing Off Debts
18.1	<u>Where efforts to collect a debt have failed and it is considered uneconomical, impractical or in the opinion of the Head of Finance and s151 Officer there is a valid reason not to pursue the debt, these may be written off subject to the limits shown below.</u> <ul style="list-style-type: none"> • <u>Up to £5,000 can be written off by the Head of Finance and s151 Officer.</u> • <u>Amounts above £5,000 can be written off by the Cabinet Member for Finance Waste and Technical Services.</u> <p><u>All write offs shall be published through a relevant Officer or Cabinet Member Decision notice which will be reported to the Executive at least twice each financial year.</u></p>

Part 4 – Rules – Financial Procedure Rules

	<p>The Head of Finance and s151 Officer must report to the Executive on amounts owing of £5,000 or more where efforts to collect the sums have failed and any other action would be uneconomic or impractical or in the opinion of the Head of Finance and s151 Officer there is a valid reason for not pursuing the debt. The Executive has the authority to approve the write off of the debt.</p>
18.2	<p><u>If it is subsequently found that a written off debt is recoverable, the Head of Finance and Section 151 Officer will consider whether the debt should be reinstated and recovery action undertaken.</u></p> <p>The Head of Finance and s151 Officer, following consultation with the relevant Chief Officer where appropriate, may write off amounts of less than £5,000 if they think that further effort to collect it would be a waste of effort or resources or in their opinion there is a valid reason for not pursuing the debt. The Head of Finance and s151 Officer must report any such write-offs they have approved at least twice a year to the Executive.</p>

19.	Insurances and Risk Management
19.1	The Head of Finance and s151 Officer shall effect all insurance cover and negotiate all claims in consultation with other officers as necessary.
19.2	Chief Officers shall give prompt notification to the Head of Finance and s151 Officer of all new risks, properties, plant and vehicles that require to be insured and of any alterations affecting existing insurances.
19.3	Chief Officers shall immediately notify the Head of Finance and s151 Officer of any loss, liability or damage that may give rise to a claim.
19.4	Chief Officers shall ensure that their staff and any contractors employed on activities for which they are responsible have appropriate insurance cover in force and shall consult the Head of Finance and s151 Officer to determine the relevant requirements for the activities involved.
19.5	The Head of Finance and s151 Officer shall ensure compliance with statutory requirements relating to fidelity guarantee insurance.
19.6	The Head of Finance and s151 Officer shall at such periods as they consider necessary review all insurances held by the Council in consultation with other Chief Officers.
19.7	All Chief Officers shall consult the Head of Finance and s151 Officer in respect of any indemnity the Council is requested to give.
19.8	All individuals within the Council share responsibility for risk management. Any particular responsibilities of key groups and individuals will be set out in the Council's Risk Management Strategy documentation from time to time.
19.9	All Chief Officers are responsible for ensuring compliance in their areas of responsibility with any Risk Management Strategies the Council may from time to time approve.
<u>19.10</u>	<u>The Chairman of the Audit Committee shall act as Member Risk Champion and will take a lead role in promoting the application of sound risk management practices across the Council.</u>
<u>19.11</u>	<u>The Head of Finance and s151 Officer shall act as Officer Risk Champion.</u>
<u>19.12</u>	<u>Each Service will provide a service Risk Champion to provide advice to services on Risk Management via the Officer Corporate Risk Management Group</u>
<u>19.13</u>	<u>Each Service will maintain a risk register for operational services and where appropriate shall consider high risks for the consideration of Management Team for inclusion onto the Council's Strategic Risk Register.</u>
<u>19.14</u>	<u>Each Chief Officer will review their relevant entries on the Strategic Risk</u>

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	<u>Register for reporting to Members via the Audit Committee as required.</u>
20.	Inventories
20.1	Each Chief Officer is responsible for the safe custody of stores and equipment placed under their control. Wherever reasonably practicable, items shall be marked as being the property of the Borough Council.
20.2	All Information Technology hardware shall be recorded in a central inventory maintained for the purpose by the Information Technology Manager Head of IT .
20.3	All records of stocks held shall be in a form approved by the Head of Finance and s151 Officer. Chief Officers shall ensure that the level of stock held is reasonable having regard to the nature of the service being provided through their use.

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20.4	Chief Officers are responsible for ensuring that stocktaking is undertaken at appropriate intervals throughout the year having regard to the value of stocks under their control.
20.5	Chief Officers shall secure the consent of the Head of Finance and s151 Officer to the method of disposal to be used in the case of surplus or obsolete items.
20.6	Chief Officers shall provide such certificates in the form that the Head of Finance and s151 Officer may require in respect of the value of any stocks held by them at the end of each financial year.
21	Land Disposal
21.1	No negotiations for the acquisition or disposal by any means of land or buildings in Council ownership shall be undertaken other than in accordance with the Officer Delegation Rules set out in Part 3 of the Constitution.
21.2	Subject to any exceptions within the Officer Delegation Rules, all disposals of land or buildings must be approved by the Executive.
22	Orders for Works, Goods and Services
22.1	Chief Officers are responsible for ensuring that orders are: <ul style="list-style-type: none"> - Placed in accordance with the tendering procedures set out in the Contracts Procedure Rules in Part 4 of the Constitution; - Compliant with all relevant policies of the Council; - Compliant with procedures issued by the Head of Finance and s151 Officer; - Placed following the financial vetting of potential contractors for all arrangements valued in excess of £100,000.
22.2	Orders shall be issued electronically or in hard copy format via the Council's purchase order system in a format approved by and in compliance with any procedures issued by the Head of Finance and s151 Officer.
22.3	Each Chief Officer will maintain a list of officers able to authorise orders electronically and the financial limit applying to them. A copy of this list must be supplied to the Head of Finance and s151 Officer and must be updated with any amendments from time to time.
22.4	All works, goods or services must be the subject of an official order except for: <ul style="list-style-type: none"> - Supplies of utility services, e.g. gas, electricity, <u>water and sewerage charges, mobile and telephony services</u>;

Part 4 – Rules – Financial Procedure Rules

	- Payments of a periodic nature such as rent, or rates, <u>levys or subscription services</u> ;
	- Items purchased via petty cash <u>or Corporate Credit Card</u> ;
	- Any works goods or services which have a written contract which complies with Contracts Procedure Rules 3.2, 3.3 or 3.4. <u>But variations or services where volumes can vary from month to month will require an order.</u>
	- <u>Payments for Temporary Agency Staff</u>
	- <u>Treasury Management Payments</u>
	- <u>Payments made under Rents in Advance Scheme</u>
	- <u>Bank and Merchant Acquirer Charges</u>
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22.5	The Head of Finance and s151 Officer may from time to time permit other items to be acquired without the issue of an official order.
22.6	Official orders may only be used in connection with the purchase of goods by the Council and must not be used in connection with personal transactions.
22.7	All purchases of Information Technology hardware and software shall only be made by the Information Technology Manager unless they agree an alternative arrangement in specific circumstances.
23.	Issuing of Official Orders
23.1	Orders must only be issued for works, goods and services where an approved budget exists for the intended purchase. Chief Officers shall ensure full compliance with these rules and any other procedures issued by the Head of Finance and s151 Officer.
23.2	Each Chief Officer shall ensure that effective procedures exist to check and certify all orders issued.
23.3	Each Chief Officer shall provide the Head of Finance and s151 Officer with a list of officers able to authorise orders and any financial limits that apply to them. A copy of all orders shall be maintained in a secure format within the corporate purchase ordering system.
23.4	Only documentation or electronic formats approved by the Head of Finance and s151 Officer may be used for official orders.
23.5	All orders are contracts made by the authority and must comply in all respects with the Contracts Procedure Rules

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Part 4 – Rules – Financial Procedure Rules

23.6	Urgent orders may be made by telephone, fax or electronically (provided that they are in accordance with the Contracts Procedure Rules) but an order number must be obtained and notified to the supplier. An order must still be completed and clearly marked as being for "CONFIRMATION".
23.7	In every case, Chief Officers must ensure compliance with any procedures issued by the Head of Finance and s151 Officer in relation to accounting for Value Added Tax, Construction Industry Tax and any other taxes that may be applicable.

24.	Payment of Invoices
24.1	Each Chief Officer shall ensure that within their Service effective procedures exist to check and certify all invoices received for payment.
24.2	Each Chief Officer shall provide the Head of Finance and s151 Officer with a list of officers authorised to certify <u>electronically</u> invoices and claims for payment and any financial limits attached.
24.3	Only documentation approved by the Head of Finance and s151 Officer may be used in connection with the processing of payments.
24.4	The following checks must be made prior to payment by Chief Officers or their authorised officers: <ul style="list-style-type: none"> - The work, goods or services have been received or carried out and conform to what was ordered. If payment in advance is required, confirmation from the supplier of receipt of payment must be obtained. - The prices, calculations, trade discounts, other allowances, credits, Construction Industry tax and VAT are correct. - Any goods supplied have been entered on inventories, stores or other appropriate records. - Details of the intended payment shall be checked against the details of goods ordered and received, either on a copy of the order or to the entries held electronically within the purchase order and payment systems. - The Council has not previously paid the invoice and that it is the Council's responsibility to make payment.
24.5	Chief Officers must ensure that the correct accounting code is used when making payment.
24.6	Chief Officers must ensure that undisputed invoices are processed without delay to obtain any prompt payment discounts and to meet the Council's targets for the prompt payment of invoices and to avoid statutory penalties arising from late payment.
24.7	Prior to payment, all invoices must be appropriately certified by the Chief Officer or a person authorised by them. This cannot be the same person as has conducted the checks required at 24.4 above.

24.8	Chief Officers shall, as soon as possible after 31 March each year, and no later than a date specified by the Head of Finance and s151 Officer, notify <u>officers appointed by</u> the Head of Finance and s151 Officer of any payments outstanding for works, goods or services supplied before the 31 March and comply with all other requirements of the Head of Finance and s151 Officer in connection with the production of the annual accounts of the Council.
25.	Financial Management of Contracts
25.1	Where there is a variation to a contract that results in a change to the cost to the Council then that change must comply with the requirements of the Contracts Procedure Rules (Rule 14).
25.2	Where there is a change to the contract resulting in a different cost to the Council the Chief Officer shall ensure that a priced Variation Order or priced Architects or Engineers Instruction has been issued prior to the work being carried out. For the avoidance of doubt, Variation Orders are <u>not only</u> required <u>for any change in contract value or service delivery where the cost to the Council has increased but also where it has decreased.</u>
25.3	The provision in 25.2 shall not have effect in the case of additional work necessary to maintain the continuity of the contract or in an emergency to protect the safety of an officer, workman, the public or the fabric of a structure. In these circumstances the Chief Officer shall ensure that a priced Variation Order or priced Architects Instruction is issued promptly after the work has been carried out.
25.4	Interim payments to contractors and consultants in the case of contracts exceeding £100,000 in value shall be made only where the contract provides for them and only on a certificate issued by the relevant Chief Officer or consultant (where one has been engaged). Payments must not be made to anyone other than the Contractor unless agreed with the Head of Finance and s151 Officer or unless the Council is directed to make a payment by a Court or a Receiver appointed by a Court.
25.5	Variations to a contract shall be authorised in writing on a sequentially numbered form by the appropriate Chief Officer or the nominated Architect or Engineer in the contract, or by a consultant where engaged.
25.6	Claims from a contractor not clearly within the terms of any existing contract shall be referred by Chief Officers to both:-
	(a) the Director of Central Services and Deputy Chief Executive for consideration of the Authority's legal liability; and
	(b) the Head of Finance and s151 Officer for financial consideration before a settlement is made.

25.7	Where a claim for liquidated damages arises the Chief Officer concerned will consult both the Director of Central Services & Deputy Chief Executive and the Head of Finance and s151 Officer in order to determine the appropriate action to be taken.
25.8	Chief Officers must provide a report to the Council or Executive, as appropriate, explaining the circumstances in any case where the value of the final account for a contract is greater than £100,000 and exceeds the accepted tender sum by an amount greater than 5% of the tender sum.
26.	Partnership
26.1	The Council defines a partnership as “an agreement between the Council and one or more independent bodies to work together to achieve one or more objectives.” Partnerships may help deliver strategies and improve the well-being of the area. They may spread risk, access resources and provide new and better ways of delivering services.
26.2	When entering into a partnership the Council will ensure such agreements are fully documented with terms and conditions covering: <ul style="list-style-type: none"> - Provision and allocation of funding and resources - Appraisal and reporting systems - Risk management provisions - Audit and security controls - Accounting arrangements - Exit strategy - Vires
27.	Working for Third Parties
27.1	Where work is carried out by the Council for third parties arrangements will be put in place to ensure such work is intra vires and that the risks involved are managed.
28.	Payment of Salaries and Members’ Allowances
28.1	The Director of Central Services is responsible for ensuring that all salaries and matters relating thereto are in accordance with the policies and decisions of the Council.
28.2	The Head of Finance and s151 Officer is responsible for the calculation and payment of salaries to the Council's employees and for the payment of approved allowances to Council Members.

28.3	<p>Chief Officers must provide the Director of Central Services with full details of:</p> <ul style="list-style-type: none"> - any new employees of the Council; - anyone leaving the Council's employment; - anyone who is transferred to other Council Services; - anyone whose pay changes other than by salary awards or annual increments; and - any other information that may affect the amount of the payment they are entitled to receive.
28.4	<p>Chief Officers must notify the Head of Finance and s151 Officer of anyone who is absent through sickness or reasons other than annual leave using the form approved by the Head of Finance and s151 Officer.</p>
28.5	<p>The Head of Finance and s151 Officer must approve the design of all-time records or other pay documents. Chief Officers must send the names and signatures of all the employees who are authorised to sign these records, together with any limits applied, to the Head of Finance and s151 Officer.</p>
28.6	<p>All staff classed as temporary or casual by their contract of employment must be required to complete a monthly timesheet, except in the case of illiteracy when the line manager must complete the timesheet and indicate that they have done so.</p>
28.7	<p>All payments of salaries and Members' allowances shall be paid direct to a bank or building society account using BACS or any similar method determined by the Head of Finance and s151 Officer unless they approve alternative arrangements in specific cases.</p>
<p>29. Security</p>	
29.1	<p>Chief Officers are responsible for maintaining proper security at all times for all buildings, property, cash and other assets under their control. Chief Officers shall consult the Head of Finance and s151 Officer in any case where security is thought to be defective or where it is considered that special security arrangements may be needed. Chief Officers must ensure that their staff are aware of any requirements relating to the security of cash and equipment in transit or held at an employee's home.</p>
29.2	<p>Maximum limits for cash holdings shall be agreed with the Head of Finance and s151 Officer having regard to the level of security appropriate for staff and premises. The limit shall not be exceeded without their permission.</p>
29.3	<p>Chief Officers are responsible for maintaining the security and privacy of information held on computer systems under their control and are responsible for compliance with relevant legislation and the Council's adopted Information Security Policy.</p>

29.4	The Director of Central Services and Deputy Chief Executive is responsible for the safe custody of all legal documents relating to the activities of or interests of the Council.
30.	Taxation
30.1	The Head of Finance and s151 Officer is authorised to make any decision or determination with regard to any taxation issue that they consider necessary for the overall tax efficiency of the Council.
30.2	The Head of Finance and s151 Officer will account for and pay or recover all taxes on behalf of the Council.
31.	Travelling and Subsistence Allowances
31.1	All claims of employees for payment of car allowances, subsistence allowances, travelling and incidental expenses must be submitted, together with any supporting documentation and records required, in accordance with such procedures as may be issued by the Head of Finance and s151 Officer. Reimbursement will normally be made with the employee's next normal salary payment unless the Head of Finance and s151 Officer decides that an alternative method of payment is appropriate.
32.	Treasury Management
32.1	The Head of Finance and s151 Officer is responsible for undertaking all borrowing of monies and for all arrangements concerning the investments of the Council.
32.2	In exercising treasury management responsibilities, the Head of Finance and s151 Officer shall comply with the Council's Treasury Management Strategy Statement; Annual Investment Strategy; Treasury Policy Statement and the Chartered Institute of Public Finance and Accountancy Code of Practice on Treasury Management.
33	<u>Medium Term Financial Strategy and Saving and Transformation Strategy</u>
33.1	<u>The Head of Finance and s151 Officer, in conjunction with Management Team, shall produce a Medium Term Financial Strategy (MTFS) to assess the Council's long term financial planning needs. This will include the calculation of any funding gap between resources available and anticipated spend.</u> <u>This MTFS shall be reported to the executive as needed to assess the long term financial issues for the council.</u> <u>The Management Team in conjunction with the Executive will prepare a Savings and Transformation Strategy in order to address any funding gap identified.</u>

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Finance, Regeneration and Property Scrutiny Select Committee

26 May 2026

Part 1 - Public

Matters for Information



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Cabinet Member	Martin Coffin - Deputy Leader; and Cabinet Member for Finance, Waste and Technical Services
Responsible Officer	Paul Worden – Head of Finance and Section 151 Officer
Report Author	William Waight –Revenues and Benefits Manager

Council Tax Administration: Government Response To Consultation

1 Summary and Purpose of Report

- 1.1 This report updates Members on the Government’s response to the consultation on modernising and improving the administration of Council Tax.
- 1.2 The response sets out a number of intended changes to the Council Tax system, including changes to statutory instalment arrangements, taxpayer communications, Council Tax disregards, collection and enforcement processes, liability order costs, and data sharing.
- 1.3 The report also highlights additional information contained within [Council Tax Information Letter 3/2026](#), including matters arising from the [Renters’ Rights Act 2025](#) and the council tax premiums framework.
- 1.4 This report is for information only and there are no decisions for Members to take at this stage.

2 Corporate Strategy Priority Area

- 2.1 Efficient services for all our residents, maintaining an effective council.
- 2.2 Council Tax is a major source of funding for local government and the effective administration, billing and collection of Council Tax is a core statutory function. Changes to the national framework for billing, recovery, discounts and communication with taxpayers may have an impact on the Council’s operational arrangements, customer communications, collection performance and future financial planning.

3 Introduction and Background

- 3.1 Members may recall that a Government consultation on modernising and improving the administration of Council Tax was reported to this Committee in 2025.
- 3.2 The consultation considered a range of issues including the statutory instalment scheme, information provided to taxpayers, Council Tax disregards, the process for challenging Council Tax bands, collection and enforcement arrangements, and liability order costs.
- 3.3 The Council submitted a response to the consultation, which was agreed by the Cabinet Member for Finance, Waste and Technical Services.
- 3.4 On 15 April 2026, the Ministry of Housing, Communities and Local Government published its response to the consultation. The response sets out the Government's intended approach to a number of changes, some of which are expected to be implemented through secondary legislation.
- 3.5 Council Tax Information Letter 3/2026 was also issued on 15 April 2026 and provides additional information on the consultation response and other related matters.
- 3.6 The government's response to the consultation is set out below.

4 Changes To Council Tax Billing

- 4.1 The Government intends to amend regulations so that Council Tax is billed over 12 monthly instalments rather than the current 10 instalments by default.
- 4.2 To assist with transition, from April 2027 any new liable taxpayers will be placed on 12 monthly instalments by default. From April 2028, default 12-month billing will apply more widely to all households.
- 4.3 The Government has confirmed that taxpayers will retain the right to request 10-monthly billing where this is preferred.
- 4.4 This change will require updates to internal billing processes and system updates. Communication with residents and how to offer the right to retain the current 10 instalment plan will require careful consideration and may require additional resources.

5 Council Tax Information and Taxpayer Support

- 5.1 The Government has indicated that it will publish best practice guidance setting out expectations on how councils should communicate Council Tax information and available support to taxpayers.

- 5.2 The response recognises that Council Tax information needs to be clear, accurate and accessible, including information on how Council Tax is used, how bills can be paid, and what support is available to residents experiencing financial difficulty.
- 5.3 It will be necessary to review existing Council Tax webpages, bill inserts, recovery notices and customer communications once the Government's best practice guidance is available.

6 Severe Mental Impairment Disregard

- 6.1 The Government intends to make legislative changes to amend the name and definition of the Severe Mental Impairment disregard when Parliamentary time allows.
- 6.2 The Government has stated that taxpayers who currently qualify for, or receive, this disregard will not be reassessed because of the changes.
- 6.3 The Government will work with local authorities to produce a recommended universal application form, intended to provide a clearer and more consistent route for accessing support. The form will not be mandatory, and councils will still be able to offer local application processes where appropriate, but councils will be expected to consider applications made through the universal form.
- 6.4 The Government also intends to consider further guidance on certification, including who can provide certification and how the certification process should operate in practice.

7 Other Council Tax Disregards

- 7.1 The Government has noted concerns that the earnings threshold for the apprentice disregard and the carer disregard may no longer reflect current circumstances.
- 7.2 No immediate changes have been confirmed. However, the Government has stated that it will explore the feasibility of changes ahead of the next Spending Review, expected from 2029/30, recognising that any widening of disregards could have cost implications for local government.

8 Challenging Council Tax Bands

- 8.1 The Government has confirmed that it will engage with the Valuation Office Agency and the Valuation Tribunal Service on how the Council Tax band challenge process may be improved.
- 8.2 This work will be considered alongside the proposed High Value Council Tax Surcharge, which is due to be introduced from April 2028. Further consultation is expected in due course.

9 Collection and Enforcement

- 9.1 The Government intends to extend the timeframe before a person loses the right to pay by instalments until at least 63 days after the first missed payment. This means that formal enforcement will not begin until at least three payments have been missed.
- 9.2 The Government also intends to set out statutory steps that councils must take before formal enforcement action. These steps have not yet been finalised and the Government has stated that it will consult with councils on the detail, including reminder notices, engagement, support and signposting to advice services.
- 9.3 These changes are expected to be introduced through secondary legislation from April 2027.

10 Liability Order Costs

- 10.1 The Government intends to introduce a cap of £100 on the costs that councils can charge for seeking a liability order.
- 10.2 The current charge rendered for a Liability Order granted by the Magistrates is £110; £60 at the point of the service of the summons and a further £50 at the liability order hearing. This covers the administrative costs of both the Council and associated court fees.
- 10.3 Further consideration will be needed once the detailed legislation is available, including the impact on the Council's current recovery processes and any associated income or cost recovery assumptions.

11 Attachment of earnings and data sharing

- 11.1 The Government has confirmed that it will engage further with stakeholders on deduction rates associated with attachment of earnings orders.
- 11.2 It also intends to launch a third data sharing pilot, building on previous pilots involving local authority data, HMRC employment data and DWP benefits data. The aim is to determine the best approach before any wider roll-out to local authorities.
- 11.3 Any future data sharing arrangements will need to be considered carefully from a data protection and information governance perspective.

12 Council Tax Information Letter 3/2026 and Renters' Rights Act 2025

- 12.1 Council Tax Information Letter 3/2026 also includes information relating to the Renters' Rights Act 2025.

- 12.2 The Act is beginning to have effect in England from 1 May 2026. The Government has confirmed that provision has been made to ensure that Council Tax liability remains with the tenant after fixed term tenancies are abolished.
- 12.3 The information letter also explains that regulations have been laid to address the Class H exception (actively marketed to let) from Council Tax premiums. The amendment is intended to ensure that the exception can apply again after the property has been subject to an assured tenancy.

13 Financial and Value for Money Considerations

- 13.1 At this stage the full financial impact of the proposed changes cannot be quantified.
- 13.2 The move to default 12-month billing will affect Council Tax cashflow, as income from taxpayers moving from 10-monthly to 12-monthly instalments will be collected over a longer period. The overall amount due will not change, but the timing of receipts may be affected.
- 13.3 This also affects the Council's ability to collect effectively as those residents who, under the 10-month scheme have two months' leeway should they need to rearrange their instalments, will lose that option by default.
- 13.4 The proposed extension of the instalment protection period to at least 63 days after the first missed payment may also affect the timing of recovery action and collection performance. This will need to be monitored once the detail of the legislation and statutory pre-enforcement steps is known.
- 13.5 The proposed £100 cap on liability order costs may have a financial impact because this is lower than the current level of costs requested at the Liability Order hearing by the Council.
- 13.6 There may also be implementation costs associated with system changes, staff training, revised documentation, website updates and additional customer communications. The Government has indicated that it will undertake a New Burdens assessment ahead of implementation.

14 Risk Assessment

- 14.1 There is a risk that changes to statutory billing and recovery arrangements could affect collection performance, cashflow and recovery timescales.
- 14.2 There is also a risk that system suppliers may need to make changes to support the new billing and recovery requirements. Officers will continue to monitor national guidance, software supplier updates and implementation timescales.

- 14.3 Failure to update customer communications, website information and recovery documentation in line with legislative changes could create legal, reputational and customer service risks.
- 14.4 These risks will be managed through continued monitoring of Government announcements, liaison with software providers, review of recovery processes, staff training and updated communications for residents.

15 Legal Implications

- 15.1 Council Tax is administered within the framework of the Local Government Finance Act 1992 and associated regulations.
- 15.2 The Government has indicated that several of the changes will be introduced through secondary legislation. Once the detailed legislation is published, the Council will need to ensure that its billing, recovery and administrative processes remain compliant.
- 15.3 The proposed changes to liability order costs, instalment arrangements and pre-enforcement steps will require careful review once the final regulations and guidance are available.

16 Consultation and Communications

- 16.1 The Government response follows a national consultation exercise on modernising and improving the administration of Council Tax.
- 16.2 The Council submitted a response to the consultation, which was agreed by the Cabinet Member for Finance, Waste and Technical Services.
- 16.3 Further communication with residents will be required as the changes are implemented, particularly in relation to the move to default 12-month billing and the continued right to request 10-monthly billing.
- 16.4 Existing webpages, bill information and recovery will need to be reviewed once the Government's best practice guidance and detailed regulations are available.

17 Implementation

- 17.1 A detailed implementation plan will be developed once the relevant legislation, statutory guidance and best practice guidance are published.
- 17.2 The first major change is expected from April 2027, when new liable taxpayers will move to default 12-month billing and changes to collection and enforcement are expected to come into effect. Wider default 12-month billing is expected from April 2028.

18 Cross Cutting Issues

18.1 Equalities and Diversity

18.1.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

18.1.2 The Government has indicated that the proposed changes are intended to improve support for taxpayers, particularly vulnerable taxpayers and those experiencing financial difficulty.

18.1.3 The changes to the Severe Mental Impairment disregard, the proposed universal application form, and the additional pre-enforcement safeguards may have a positive impact for some residents with protected characteristics.

18.1.4 The Council will need to ensure that any future changes to communications, billing and recovery processes remain accessible to all residents, including those who may be digitally excluded, disabled or vulnerable.

Background Papers	None
Annexes	None

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FINANCE, REGENERATION AND PROPERTY SCRUTINY SELECT COMMITTEE – UPCOMING MATTERS

2026/27

C=Council; CAB = Cabinet; INFO = matters for information. Cabinet are responsible for ALL Key Decisions (KD). Some Non-Key Decisions (NKD) can be taken by Cabinet Members outside of/following the meeting and this is indicated in the column Cab. Member DN Y/N.

All matters are subject to change. ASDP = Annual Service Delivery Plan

MEETING DATE	DECISION (TITLE)	DESCRIPTION	C/CAB/D EL/INFO	KD/N KD	CAB MEMBER DN Y/N	PART 1 OR 2	OFFICER IN PERSON ATTENDANCE Y/N
21 July 2026	Installation of digital information boards	ASDP 11.1					
	Council Tax Policy		Info				
	Proposals for replacement of Tonbridge Gateway	ASDP 9.5	CAB	KD			
	Programme of digital planning changes	ASDP 13.13					
	Gibson West Future		CAB	KD	N	2	
	IT Strategies and Policies (if any)	Standing Item					
	Work Programme	Standing item	Info				
	Matters Arising in between cycles (if any):						

MEETING DATE	DECISION (TITLE)	DESCRIPTION	C/CAB/D EL/INFO	KD/N KD	CAB MEMBER DN Y/N	PART 1 OR 2	OFFICER IN PERSON ATTENDANCE Y/N
15 September 2026	Business Rates Pool (Shared Growth Fund)	ASDP 10.2					
	IT Strategies and Policies (if any)	Standing Item					
	Work Programme	Standing item	Info				
	Matters Arising in between cycles (if any):						
17 November 2026	Expansion of recurring card payments – Garden Waste	ASDP 19.9					
	IT Strategies and Policies (if any)	Standing Item					
	Work Programme	Standing item	Info				
	Matters Arising in between cycles (if any):						
16 February 2027	IT Strategies and Policies (if any)	Standing Item					
	Work Programme	Standing item	Info				
	Matters Arising in between cycles (if any):						
Future items to be scheduled for scrutiny: Annual update from Lower Medway and Upper Medway Internal Drainage Boards – to be arranged.							

Agenda Item 10

The Chairman to move that the press and public be excluded from the remainder of the meeting during consideration of any items the publication of which would disclose exempt information.

**ANY REPORTS APPEARING AFTER THIS PAGE CONTAIN EXEMPT
INFORMATION**

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of the Local Government Act 1972.

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Agenda Item 12

Any other items which the Chairman decides are urgent due to special circumstances and of which notice has been given to the Chief Executive.

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