

## Council

21 April 2026

## Part 1 - Public

## Matters for Decision



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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 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 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 and is proposing several changes to align with operational matters.

## **5 Proposal**

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 £25,000.
- 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, of vice versa, are not permissible.

### 5.6 Section 14 - Underspending and Overspending

- Rewording of some paragraphs

5.7 Section 15 - Supplementary Estimates

5.8 To assist where reserve funds have been identified for a specific purpose, but no budget exists, some allowance is now being proposed to enable a more proactive approach, particularly around Local Government Reorganisation.

- 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.

5.9 Section 16 - Income

- Rewording of some paragraphs

5.10 Section 17 - Fees and Charges

- Rewording of some paragraphs

5.11 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.

5.12 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.

5.13 Section 20 - Inventories

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

#### 5.14 Section 22 - Orders for Goods and Services

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

#### 5.15 Section 24 - Payment of Invoices

- Changes to reflect the use of electronic signatures.

#### 5.16 Section 25 - Financial Management of Contracts

- Rewording of some paragraphs

#### 5.17 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 11<sup>th</sup> 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.