Public Document Pack

West Surrey Shadow Authority Constitution Sub Committee Supplementary Agenda

Date and Time	Place	Contact
Thursday, 17 September 2026 at 4.00 pm	Guildford Borough Council, Millmead House, Millmead, Guildford, Surrey, GU2 4BB	Democratic Services committeeservices@spelthorne.gov.uk

Membership

Name	Ward
Councillor Jane Austin	Waverley Eastern Villages
Councillor Jonathan Hulley	Thorpe, Longcross & Ottershaw
Councillor Louise Morales	Woking South
Councillor Rory O'Brien	Sunbury Common & Ashford Common
Councillor Joanne Shaw	Guildford East
Councillor Sally Shorthose	Farnham South
Councillor Richard Wilson	Bagshot, Windlesham & Chobham Ward

AGENDA

West Surrey Shadow Authority		
Report title: West Surrey Constitution: Financial Procedure Rules		
Report to: Constitution Sub Committee		
Date: 17 September 2026		
Executive Portfolio Holder: Cllr Leslie Rice and Cllr Victoria Kiehl		
Report of Vicky Radford, Interim s151 officer		
Report author(s): Georgina Mistry, SCC Senior Finance Business Partner Vicky Radford, Interim s151 officer		
Wards affected: ALL **Ward councillors informed:** No		
Exempt from publication: No		
Key Decision: No	**If a Key Decision, date registered on Forward Plan:** n/a	

Report cleared for publication by:		
People Workstream	Shella Smith	24 August 2026
Equalities Impact Assessment complete	Name	Date
Senior Responsible Officer **(or their delegate)**	Name	Date
S151 Officer	Vicky Radford	18 August 2026
Monitoring Officer	Susan Sale	8 September 2026 2026
Executive Portfolio Holder consultation	Cllr Leslie Rice Cllr Victoria Kiehl	24 August 2026 8 September 2026
Sub Committee Chair consultation	Cllr Jo Shaw	8 September 2026
Head of Paid Service	Susan Sale on behalf of Andy Brown	8 September 2026

1. Executive Summary

1.1. This report presents and invites comment on the principles of the Financial Procedure Rules for West Surrey Council to be incorporated into the West Surrey Council Constitution from Vesting Day.

1.2. Section 9P of the Local Government Act 2000 requires every local authority to prepare, maintain, and keep up to date a formal constitution. This document controls how the local council operates, makes decisions, and handles its governance. The sections relating to Finance set out how the Council governs the manner in which the financial activity is conducted and how its financial interests are safeguarded.

1.3. It is therefore essential that the new unitary authority of West Surrey Council establishes new Financial Procedure Rules to be effective from vesting day on 1 April 2027, and that the detail of the financial regulations are agreed in time to establish required process and controls ahead of vesting day.

2. Recommendations:

2.1. It is recommended that the Constitution Sub Committee resolves to:

2.1.1. Note that the West Surrey Audit and Governance Committee considered this matter at their recent meeting and take into account their feedback;

2.1.2. Agree the proposed approach and details provided in respect of West Surrey Council's Financial Procedure Rules;

2.1.3. Provide feedback on the draft Financial Procedure Rules attached at Annex 1 to this report, 'Draft Financial Procedure Rules for West Surrey Council'.

2.1.4. Agree to receive a further report on this matter before 31 December 2026 with finalised proposed Financial Procedure Rules for West Surrey Council to be recommended to the Standards Committee.

3. Reason(s) for recommendation:

3.1. It is a legal requirement for the new unitary authority to have an approved set of Standing Orders in time for Vesting Day. Officers need a steer from Members as to the development of the Financial Procedure Rules sections of the Standing Orders.

4. Next steps

4.1. High Level Principles to Audit and Governance Committee 3 September 2026, seeking comments and feedback

4.2. High level Principles to Constitution Sub Committee 17 September 2026, seeking comments and feedback

4.3. Detailed Financial Procedure Rules to Audit and Governance Committee on a date to be confirmed in October 2026.

4.4. Detailed Financial Procedure Rules to Constitution Sub Committee (or Working Group of the Standards Committee) on 29 October 2026, for approval and recommendation to Standards Committee.

4.5. Detailed Financial Procedure Rules to Standards Committee 2 November 2026, for approval and recommendation to Shadow Authority for adoption with effect from Vesting Day.

4.6. Shadow Authority meeting on a date to be arranged prior to Vesting Day for adoption of the Financial Procedure Rules into the West Surrey Council Constitution, with effect from Vesting Day.

5. Exemption from publication

5.1. None of this report is exempt from publication.

6. Background and Proposal

6.1. Context

6.1.1. Local Government Reorganisation (LGR) and the creation of the new unitary authority of West Surrey Council requires the development of new Standing Orders, which must contain key governance procedures in respect of finance.

6.1.2. This paper sets out the approach and principles of the Financial Procedure Rules.

6.2. Financial Procedure Rules: Approach

6.2.1. An exercise was undertaken to analyse the similarities and differences between Financial Regulations/Procedure Rules from the predecessor Surrey councils, as well as from existing unitary authorities outside of Surrey. A set of Financial Procedure Rules have been drafted based on this analysis which cover all the functions and services that will be undertaken or delivered by West Surrey Council. These have been written and organised in a clear manner to ensure that all Members and Officers of the West Surrey Council understand their role and responsibilities with respect to good financial management.

6.2.2. The draft Financial Procedure Rules for West Surrey Council are attached to this report as **Annex 1**.

6.2.3. This document is currently in a draft form as there are still activities to be completed that will require updates to be made before the final version; these are highlighted in yellow:

a. Any job titles referenced in the document have currently been left as generic terms to reflect the currently unknown staffing structure of West Surrey Council. They will be updated as more information becomes available.

b. The names of policies, procedures and sections of the constitution which are referenced in the Financial Procedure Rules will have their titles and links updated as they become available.

c. Where decisions are yet to be made on financial thresholds, these have been left blank or marked TBC, and will be updated as more information becomes available.

7. Consultation

7.1. The proposed approach to developing these sections of the Standing Orders have been developed in collaboration with Officers from the Finance LGR workstream, Shadow Authority Interim Statutory Officers and related stakeholders.

7.2. The development of Standing Orders is not considered something that should be subject to public consultation.

7.3. Consultation has been undertaken with the relevant Portfolio Holders for both Finance and Governance and the Sub Committee Chair, and their comments may be fed back verbally to the Constitution Sub Committee verbally at their meeting on 17 September.

7.4. This report has also been considered by the Audit and Governance Committee at their meeting on 3 September 2026 as they have responsibility for developing a system of internal controls including arrangements for financial management. Feedback from the Audit and Governance Committee will be provided to the Constitution Sub Committee verbally at their meeting on 17 September.

8. Key Risks

8.1. The principal risk is that the Council does not have a comprehensive set of Finance Procedure Rules which would put it in contravention of Section 151 of the Local Government Act 1972.

8.2. These risks can be best mitigated by continuing to develop the procedures according to the approaches set out above.

9. Options

9.1. None – comment is required to support the development of the procedure rules.

10. Issues for Consideration

10.1. Financial Implications

10.1.1. There are no direct financial implications arising from the proposed action. However, the proposed documents are important for maintaining compliance with financial and procurement regulations, and ensuring the new unitary authority has sufficient controls and governance to minimize the risk of financial loss. This will ensure that value for money is embedded as a core value of the new authority and maximise value for money.

10.1.2. There may be financial and value for money implications should the authority elect to set financial thresholds different to those proposed, for example reducing the proposed thresholds would require increased resources to deliver the procurement pipeline so would have to be considered against the value for money of doing so.

10.2. Section 151 Officer Commentary

10.2.1. West Surrey will operate in a very challenging financial environment, with significant budgetary pressures and limited financial resources from 2027/28 (Vesting Day), coupled with increasing demand and costs of services, and reducing government funding. West Surrey Council will be increasingly reliant on Council Tax as the primary source of income.

10.2.2. Decisions made by the sovereign councils in West Surrey and the West Surrey Shadow Authority will need to consider the ongoing financial impact and ensure that expenditure does not exceed the resources available. It is vital that significant importance is placed on effective financial management and medium-term financial sustainability to deliver a balanced budget going forwards and protect service delivery.

10.2.3. Financial Procedure Rules underpin the organisations financial governance and it is critical we have those rules in place before vesting day to enable that governance to be set. There is a direct relationship between the rules and the finance systems and processes which will need to be incorporated into the ERP build for West Surrey.

10.2.4. All officers of the Council are required to sign up to the constitution and are bound by the procedure rules.

10.3. Legal Implications

10.3.1 The Shadow Authority is required to ensure that appropriate constitutional arrangements are in place for West Surrey Council ahead of Vesting Day. Section 9P of the Local Government Act 2000 requires a local authority to prepare, maintain and keep up to date a constitution, and the financial procedure rules form an important part of that governance framework.

10.3.2 The draft Finance Procedure Rules will need to be reviewed alongside the wider constitution, including the scheme of delegation, contract and procurement rules, decision-making arrangements and relevant officer roles, to ensure that the final constitution is internally consistent and capable of effective operation from Vesting Day.

10.3.3 Failure to adopt financial procedure rules before Vesting Day would create a legal and governance risk.

10.4. Monitoring Officer Commentary

10.4.1. Clear Financial Procedure Rules, adopted by the Council into the West Surrey Council Constitution, effective from Vesting Day, upholds compliance with legislation, provides a robust governance framework and attributes to the council’s best value duty of continuous improvement.

10.5. People/Human Resources Implications

10.5.1 There are no direct People or Human Resources implications arising from this report. The draft Financial Procedure Rules will, however, apply to officers of West Surrey Council once adopted as part of the Constitution and will need to be reflected in induction, guidance and any relevant training for staff with financial responsibilities. Any references to officer roles or responsibilities will need to be updated as the organisational structure for West Surrey Council is finalised, to ensure accountabilities are clear and aligned with the new operating model from Vesting Day.

10.6. Equality and Diversity Implications

10.6.1. There are no equality impacts arising directly from this report. However, the council’s equality duty and equality impacts are considered in relation to each individual procurement or applicable financial transaction undertaken.

10.7. Climate Change and Sustainability Implications

10.7.1. There are no climate change and sustainability impacts arising directly from this report. However, sustainability and related considerations will be taken at the time any applicable individual procurement or financial transaction undertaken.

10.8. Stakeholders Implications

10.8.1 None anticipated

11. Overview & Scrutiny Comments

11.1 Not applicable

12. List of Appendices

ANNEX 1: Draft Finance Procedure Rules for West Surrey Council

13. List of Background papers

The West Surrey Shadow Authority Constitution

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Report to Constitution Sub Committee 17 September 2026 on Financial Procedure Rules: Annex 1

PART 4-7: FINANCIAL PROCEDURE RULES

1.0 Introduction and scope

1.1 Section 151 of the Local Government Act 1972 requires local authorities to plan for the proper administration of their financial affairs and appoint a Chief Finance Officer (Section 151 Officer) to have responsibility for those arrangements.

1.2 Whilst responsibility for the administration of the Council's financial affairs lies with the Section 151 Officer, all individuals engaged in Council activities are responsible for financial governance, ensuring that their actions comply with Financial Procedure Rules.

1.3 Financial Procedure Rules are part of the Council's Constitution. The relevant parts of the Constitution are Part TBC (Finance, Contracts and Legal Matters), Part TBC (Responsibility for Functions and Scheme of Delegation), and Part TBC (Standing Orders). Financial Procedure Rules may only be amended by Full Council.

1.4 Financial Procedure Rules provide a framework within which all staff can carry out their responsibilities in an open and consistent manner. They outline the financial responsibilities of all officers and members of the Council, and have been designed to promote and maintain the high standards expected of the public sector in dealing with financial and other resources financed from taxation by:

- placing clear accountability with officers appointed to manage resources and;
- establishing key principles and processes which they should follow, supported by detailed operating arrangements approved by the Section 151 Officer.

1.5 The Financial Procedure Rules are binding on all Council officers, including contractors, agency staff, and anyone acting on behalf of the Council, including elected members.

1.6 All officers with responsibility for undertaking financial duties are required to comply with these rules. The Section 151 Officer is, in turn, accountable to Council. The Financial Procedure Rules and supporting documents are reviewed annually and will be developed further in line with any cultural changes and transformation plans the Council is working towards.

1.7 Locally managed schools have their own financial governance and rules, which are set out in the West Surrey Scheme of Financing Schools and the Schools' Finance Manual.

1.8 The Financial Procedure Rules should be read in conjunction with the Council's:

- Anti-Fraud and Corruption Strategy and Framework
- Business Continuity Plan Guidance
- Risk Management Strategy
- Whistle blowing Policy
- Procurement and Contract Standing Orders

1.9 The Section 151 Officer may appoint one or more deputy Section 151 Officers each of whom has authority to exercise all the powers and duties of the Section 151 Officer during the absence or incapacity of, or during the vacancy of the role of the Section 151 Officer.

1.10 The Section 151 Officer has the authority to delegate matters under these Financial Procedure Rules, where appropriate to a deputy Section 151 Officer or another officer of West Surrey council, and records will be maintained of any such delegations.

1.11 Should any uncertainty or dispute arise about these Procedure Rules, the matter must be referred to the Section 151 Officer for interpretation and arbitration.

2.0 Councillor roles and responsibilities

Council

2.1 Council members, acting as the Full Council, are responsible for approving:

- The overall policy framework
- Medium Term Financial Strategy (MTFS)
- Annual Revenue and Capital Budgets
- Prudential Indicators for treasury management
- Limits on virements between budgets
- Capital Strategy
- Investment Strategy
- Treasury Management Strategy
- Annual Housing Revenue Account Budget
- Housing Revenue Account 30-year business plan
- Determining the Council Tax Base, calculating the band D equivalent properties and incorporating demands of parish councils and special expenses

Executive

2.2 The Executive is responsible for proposing the policy framework and budget to the Full Council and for the discharge of executive functions in accordance with it. Decisions can be delegated to individual executive members or officers in line with the Scheme of Delegation.

3.0 Responsibilities of the Chief Finance Officer

3.1 The Section 151 Officer's role and responsibilities are set out in statute and are governed by (but not restricted to):

- Section 151 of the Local Government Act 1972;
- Section 114 of the Local Government Finance Act 1988;
- Local Government and Housing Act 1989;
- Local Government Act 2003; and
- Accounts and Audit Regulations 2015

3.2 The Section 151 Officer is responsible for the day-to-day management of the Council's financial affairs. They shall provide information and assistance to all officers to help them carry out their responsibilities for effecting the sound financial management of their services.

3.3 As Responsible Financial Officer, under Section 114 of the Local Government Act 1988, making a report to the Council, the Executive and the appointed external auditor, if the Council or one of its appointed officers:

a) has made, or is about to make, a decision which involves committing one of the existing authorities to unlawful expenditure on behalf of West Surrey Council; or
b) has taken, or is about to take, an unlawful action on behalf of West Surrey Council, which has resulted or would result in a loss or deficiency; or
c) If it appears to them that the expenditure of West Surrey Council expects or proposes to incur in a financial year is likely to exceed the resources (including sums borrowed or the revenue impact of borrowing) available to meet that expenditure.

3.4 Working with the Executive, any Best Value Commissioners and any other Member body established to provide advice and financial information on the emerging financial position of West Surrey Council and on the key financial controls necessary to secure sound financial management in the new organisation.

3.5 All financial procedures and records shall be subject to his/her approval. Under The Accounts and Audit Regulations, the Section 151 Officer, as Responsible Financial Officer, is responsible for the financial management of the Council, sound systems of internal control, risk management, and an annual review of the effectiveness of the system of internal control.

3.6 The Section 151 Officer will determine the administrative and accounting arrangements for the Housing Revenue Account subject to all relevant statutory provisions and any guidance issued by the Ministry of Housing, Communities and Local Government (MHCLG).

3.7 The Section 151 Officer will provide guidance on the apportionment of support and overhead costs between the General Fund and Housing Revenue Account. Any apportionment of costs must be fair to both council tenants and council taxpayers.

3.8 The Section 151 Officer is responsible for ensuring any borrowing is undertaken in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code of Practice and the Council's approved prudential borrowing indicators.

3.9 The Section 151 Officer shall report to members on the overall budget performance and recommend corrective action as and when required. They shall ensure, as far as practicable, Financial Procedure Rules and supporting policies protect the Council against any unlawful financial transactions or actions.

3.10 The Section 151 Officer will ensure that procedures are documented and made available to users for those financial systems identified as business critical.

3.11 The Section 151 Officer shall, after consultation with the Chief Executive, report any non-compliance with these Rules which they consider substantial. The report shall be made initially to the Leader and, following that, to the relevant Committee depending on the circumstances.

3.12 The Section 151 Officer must be given access to any necessary information to comply with his/her statutory duties.

4.0 Officer responsibilities

4.1 Whilst responsibility for the administration of the Council's financial affairs lies with the Section 151 Officer, all individuals engaged in Council activities are responsible for financial governance, ensuring that their actions comply with the Financial Procedure Rules.

Senior Officers

4.2 "Senior Officers" (Chief Executive, Executive Directors, Directors, Assistant Directors, Heads of Service and other designated officers) have individual and collective responsibility to ensure that the Seven Principles of Public Life i.e.

the Nolan Principles (selflessness, integrity, objectivity, accountability, openness, honesty and leadership) are applied in all matters relating to financial activity of the council. They are ultimately accountable for ensuring effective planning and management of their budgets to deliver their service priorities within the agreed budget envelope and will sign an annual Budget Accountability Statement and is responsible for ensuring efficiency plans are in place and are deliverable.

4.3 Senior Officers may delegate day to day management to a Budget Manager in his/her directorate or service, provided that a list of officers so authorised shall be supplied to the Section 151 Officer. Although day to day management of a budget may be delegated, responsibility and accountability remain firmly with Senior Officers. Effective management of resources is a fundamental requirement of managers and failure to manage budgets will be investigated under the disciplinary procedure. Persistent or significant failure could constitute gross misconduct.

4.4 Senior Officers shall propose annual revenue and capital budgets for each service within the budget guidelines agreed by the Executive.

Budget managers

4.5 Budget Managers should make all relevant staff aware of these rules (and associated documents) and highlight the relevance and compliance of the rules to team members.

4.6 Budget Managers are accountable for their budget areas and to make arrangements for managing income and expenditure and ensure value for money in service delivery. Budget Managers are responsible for taking action to recover and to report on any budgetary variances, and for reporting to Senior Officers if there is a possibility that budgets may be overspent. Effective management of resources is a fundamental requirement of Budget Managers and failure to manage the budget properly will be investigated under the Council's disciplinary procedure.

4.7 Budget managers are responsible for the budget narrative that informs the monthly reports to Directorate Leadership Teams (DLT), the Corporate Leadership Team (CLT) and to members. Finance officers are available to support this process.

4.8 Senior Officers and Budget Managers are responsible for ensuring that all staff, contractors, agency workers in their directorates, anyone acting on behalf of the Council and elected members are aware of the existence and content of the Council's Financial Procedure Rules and other internal regulatory documents and that they comply with them. They must also ensure that there is adequate availability of and access to the current version of Financial Procedure Rules.

5.0 Information affecting the Council's finances

5.1 Where a matter arises in any Directorate which could materially affect the Council's finances, other than a matter already approved, Senior Officers shall consult the Section 151 Officer before any provisional expenditure is incurred or any commitment given.

5.2 All Executive reports shall contain a section dealing with the financial implications of the matter(s) covered by the report and shall be submitted to the Section 151 Officer, who shall satisfy himself/herself that the financial information is comprehensive and accurate before the report is finalised and published. Other committee reports that contain financial implications should follow the same process.

6.0 Preparation of Financial Plans / the Budget

6.1 The Chief Finance Officer is responsible for preparing a balanced budget in accordance with the Local Government Act 1992, as amended, in particular by the Localism Act 2011.

6.2 The General Fund Revenue and Housing Revenue Account (HRA) budget should reflect the corporate aims and priorities of the Council and is set in the context of the proposed Medium-Term Financial Strategy.

6.3 The Section 151 Officer, in consultation with the Chief Executive, shall advise the Executive each year on the timescales and procedures to be adopted for the formulation of all Financial Plans including the Medium Term Financial Strategy, Annual Revenue Budget, Capital Strategy, Investment Strategy, Capital Programme, Treasury Management Strategy, a Housing Revenue Account Business Plan and receipt of local precept and / or special expenses information from town and parish councils in the West Surrey area. The Executive shall agree a timetable which will include stages for consultation with Resources and Performance and appropriate Select Committees and other appropriate stakeholders. Members will be actively involved in scrutiny of budget proposals ahead of submission to the Executive and Council, and subsequently in the monitoring of progress.

6.4 Senior Officers shall adhere to the agreed timescales and procedures in providing the information required to enable the preparation of Service Development and Financial Plans.

6.5 In accordance with the agreed timescales, the Section 151 Officer shall submit a report to the Executive, taking account of the views of appropriate committees, with the information required to enable the Executive to recommend a Capital and Investment Strategy and Programme, Revenue Budget and Council Tax for the following financial year to Council. The report will comment on the robustness of the budget proposals submitted for approval in compliance with the requirements of Section 25 of the Local Government Act 2003.

6.6 The responsibilities of Senior Officers are set out in the Budget Accountability Statement. Any additional expenditure not already included in the existing Revenue Budget must be found from corresponding savings/efficiencies in other areas.

6.7 Senior Officers, in consultation with the Section 151 Officer, shall make appropriate arrangements for the effective identification, progression and management of external funding and partnership opportunities (there after referred to as “funding opportunity”) applicable to their service area.

6.8 All bids for a funding opportunity for externally funded schemes shall be made in consultation with the Section 151 Officer or his/her deputy before a bid is submitted. Proper allowance must be made for work which will have to be undertaken by all other services/directorates to implement the scheme and all costs which must be met by the Council, in consultation with the appropriate Senior Finance Manager. Some applications may require member approval, as set out in the Constitution, particularly where the Council is entering into contractual arrangements. Costings in funding bids should, wherever possible, include direct, indirect, and overhead costs, using the Commercial Rate Card as a guide.

6.9 All officers engaged in the progression of such schemes shall adhere to these Financial Procedure Rules, the Council’s Procurement Rules and any other directions or instructions given by the Council. Where the Council has been defined by the funder as the Accountable Body for a scheme, Financial Procedure Rules applies equally to the staff of any partnering organisations in respect of the scheme.

6.10 Where a third party works in partnership with the Council in delivering an externally funded project, officers must ensure that a third-party agreement is in place which reflects the terms and conditions of the funding agreement between the Council and the external funder. The responsible officer shall ensure that the third-party complies with the third-party agreement to safeguard the Council's position regarding compliance with its agreement with the funder. For all significant arrangements, the advice of the Monitoring Officer should be taken on the form and content of any agreement.

6.11 Further guidance on preparation of financial plans timescales and procedures, submission and monitoring of capital schemes, roles and responsibilities, and funding proposals and process can be sought from the appropriate Senior Finance Manager.

7.0 Authority to incur revenue expenditure

7.1 Budget Managers are authorised to incur expenditure up to the amounts included in their approved budget. Budget managers are ultimately accountable for the spending within their budget areas. Although day to day budget management may be delegated to other budget managers, the responsibility for financial approval must remain with the budget manager in line with the workflows built into the General Ledger and Procurement Standing Orders.

7.2 The Section 151 Officer shall update budgets to reflect approved variations agreed by the Executive. In addition, they shall approve amendments and update the Revenue Budget in accordance with Section 8.

Officer	TBC
Budget Holder	TBC
Level 5 Service Manager	TBC
Level 4 Assistant Director	TBC
Level 3 Director	TBC
Level 2 Executive Director	TBC
Chief Executive	TBC
Executive	TBC

7.3 Overspending against the approved budget is not permitted. However, a situation may arise which requires expenditure to be incurred as a matter of such urgency that there must be no delay. If there is no, or insufficient, budget provision available, the Budget Manager should, in consultation with the relevant Senior Officer and Section 151 Officer obtain the necessary goods, and/or works, and/or services. The additional expenditure should be met by virement in accordance with Section 8.

7.4 The Section 151 Officer or deputies approve any non-redundancy related settlement claims (not covered by 7.5) over £50,000; otherwise, the appropriate Senior Finance Manager will approve.

7.5 The approval of special severance agreements and non-special severance and, redundancy applications (e.g. compulsory and voluntary redundancy, ill health retirement and compensation for an injury at work payments) are covered within the Scheme of Delegation Section 3 Part A.

8.0 Financial Monitoring

8.1 Senior Officers shall comply with the outlined roles and responsibilities and the Budget Accountability Statement. Individual budgets may be delegated to Budget Managers/Budget Holders within the directorate; however, Senior Officers maintain overall responsibility and are accountable for managing the budgets in compliance with the Budget Accountability Statement.

8.2 Senior Officers are responsible for delivering services within the allocated budget. It is not acceptable to overspend, and mismanagement of the budget may lead to disciplinary action.

8.3 Senior Officers and Budget Managers are responsible for delivering the savings/efficiencies identified within their assigned budgets.

8.4 Budget Managers shall provide accurate forecast returns in accordance with the budget monitoring timetable. Any overspends against a single budget line must be met by a saving elsewhere within the budget. If an overall unavoidable overspend is likely to occur, the Budget Manager must notify the appropriate Senior Officer and Senior Finance Manager and provide a detailed explanation of why the overspend is truly unavoidable. Any underspends should also be reported early, as these may be required to offset unavoidable pressures elsewhere.

8.5 The monthly forecast returns should provide coherent and detailed explanations which support the reported figures activity levels for budget variances, highlight potential budget problems progress on management actions and outline the impact on future budgets.

8.6 On behalf of Senior Officers, Assistant Directors of Finance will present monthly monitoring reports to DLTs. The Section 151 Officer will present a consolidated monthly monitoring report to CLT.

8.7 Using a risk-based methodology, regular financial monitoring reports shall also be prepared and submitted, in the agreed format, to DLT, CLT and the Executive as a standing agenda item on a monthly basis.

9.0 Virement of revenue budgets

9.1 Budget approval gives Budget Managers the right to incur expenditure on behalf of the Council. Budget Managers may vire between their budget headings within the constraints outlined in the Financial Procedure Rules, in consultation with the appropriate Senior Finance Manager. Virements should not be used to adjust for under/overspends on various headings but only where a definite decision has been taken to change approved spending plans.

9.2 Revenue virements resulting from a change in policy or priorities (either within the same portfolio or between portfolios) will be subject to the following approval.

Amount	**Minimum approval required**
Up to and including £TBC	TBC
In excess of £TBC, but no more £TBC	TBC
More than £TBC	TBC

9.3 Exceptions to the virement rules are as follows:

a) Member approval is not required where a budget will continue to be used for the approved purpose but is being moved, for example, to reflect a change in budget holder responsibilities. Such transfers will however require the approval of a Finance Director and the relevant Assistant Director(s) of Finance;

b) Member approval is not required for budget movements arising in order to comply with the CIPFA Service Expenditure Reporting Code of Practice guidance on accounting for overheads, or budget movements arising in order to comply with proper accounting practice. Approval is required from the relevant Senior Finance Manager and/or a Finance Director.

9.4 Anything else?

10.0 Fees and Charges and Commercial Activities

10.1 The Section 151 Officer shall issue guidance to all Directorates on the indicative levels of increase in fees and charges for services to ensure that as far as possible a common approach to charges and revisions of charges is adopted across the Council subject to cost recovery requirements set out in 10.2.

10.2 Senior Officers and Budget Managers will conduct an annual review of all fees and charges, in consultation with the appropriate Senior Finance Manager, as part of the annual budget setting process. The purpose of the review would be to ensure that:

a) Charges are set with the intention to recover the full cost of provision of each service. Any deviations should be agreed in accordance with 10.4;
b) Chargeable discretionary services are not subsidised without a specific supporting policy decision; and the level of subsidy for chargeable statutory services is recorded;
c) The annual review will encompass a review of the budgeted income generation, direct costs and allocated costs per the Rate Card, associated benchmarking comparatives, any changes to the local economy and any changes in legalisation to statutory services.

10.3 Each Directorate will supply to Finance Senior Management Team (FSMT) a list of fees and charges highlighting changes to the fee or charge, and comparative change from year to year. FSMT will consider whether any fees and charges are commercially sensitive, or politically high priority to define whether the change requires approval by the Executive or noting.

10.4 Once the fees and charges (discretionary and statutory) annual review has been conducted and reviewed by FSMT, within the annual budget setting timeline, the following table provides the approval and publishing delegation:

Change:		**Existing fees and charges**			**New fees and charges**
	in line with guidance or rounding[2],	increase higher than issued guidance	Under or over recovery of costs**	part of a high priority schedule	
Approved by:	Budget Managers	Relevant Executive Member			
In consultation with:	Appropriate Senior Finance Manager	Finance Senior Management Team			

Published in:	Noted within the Executive Budget Report *	Approved by the relevant Executive member (in year changes) or within the Executive Budget Report *

*or within another Executive report before the start of the new financial year. If commercially sensitive, the individual fees and charges would be considered for Part 2 Committee report
**see 10.5 for costs recovery requirements.

10.5 In determining charges for discretionary services, the cost of providing the service should be calculated and fees charged to the service user in order to recover all direct, indirect and overhead costs, as well as current service costs, incurred by the Council in the delivery of the service and in compliance with relevant legislation. See 10.7 regarding exceptions. Where relevant, the cost of chargeable officer time should be used as calculated by corporate finance in the Commercial Rate Card (updated annually). Senior Officers should liaise with the appropriate finance officer in relation to the proposals. Finance officers must wherever possible prevent an unintended subsidy of discretionary services through the under-recovery of indirect and/or ancillary costs incurred in the delivery of discretionary services.

10.6 As part of the annual review of fees and charges, Senior Officers shall also examine the possibility of introducing charges for services where no charges are currently made. This will be undertaken in consultation with Legal Services.

10.7 Some fees and charges may be based on part cost recovery, subject to a supporting policy decision regarding subsidy (10.2). Reasoning and evidence should be provided to show why the charging of full cost would be detrimental to policy aims and that no alternative provision model is available or feasible. Non-recovery of current service costs does not require approval beyond Budget Managers.

10.8 Where charges are assessed according to ability to pay, Senior Officers may plan for the charges to be reduced in accordance with an assessment methodology approved by the Executive.

10.9 Housing rents should be set and increased annually in line with the Council's rent policy, relevant tenancy agreements, and guidance issued by the Regulator of Social Housing.

Subsidiaries of the Council

10.10 Revenue and capital expenditure by subsidiaries is the responsibility of the respective company Boards. Expenditure that is above thresholds set in the respective companies' Articles of Association will be approved by the

Council's Shareholder Investment Panel, and additionally by the Strategic Investment Board if greater than £1 million in value.

10.11 Approval of business plans, oversight of business performance, and other governance matters relating to subsidiaries and other investments will be provided by the Strategic Investment Board, supported by the Shareholder Investment Board and the Asset Strategy Board.

11.0 Council Tax and National Non-Domestic Rates / the Collection Fund

11.1 The setting and collection of council tax and non-domestic rates is determined by legislation. The Council will set the annual rate of council tax by dividing the total council tax requirement by the council tax base. The Council may also apply specific levies to fund designated services if permitted by legislation. Other bodies in West Surrey including parish and town councils, and the Surrey Fire and Rescue Commissioner may raise a precept on the council tax bills raised by the Council.

11.2 The Section 151 Officer is responsible for determining the administrative and accounting arrangements for the Council Tax collection fund. This includes approving the Council Tax base estimates.

11.3 As a billing authority, the Council will apply the relevant multiplier to the rateable value of each business property.

12.0 Carry forward of unspent budgets

12.1 The carry forward of unspent provisions in the Revenue Budget from one financial year to the next is not permitted except with explicit approval of the Section 151 Officer, in consultation with the Leader of the Council, relevant Portfolio Holder and the Portfolio Holder for Finance.

12.2 The Section 151 Officer shall, as soon as is practicable, supply a detailed list of the items and amounts approved to Senior Officers and Budget Managers. The Section 151 Officer will report specific items to members within the overall outturn report.

12.3 Year end balances will be transferred to and from reserves by the Section 151 Officer, in line with the Council's Reserves Policy, and with the approval of the Executive as part of the outturn report.

13.0 Reserves

13.1 Financial reserves and balances are maintained as a matter of prudence against unforeseen events and future contingencies. They will enable West Surrey Council to provide for unexpected events and thereby protect it from future extraordinary expenditure and overspends. Reserves for specific known purposes are also maintained, and it is reasonable to build reserves in anticipation of a known call on resources in future years.

13.2 Reserves will be set by the Council each year as part of the budget setting process. The Section 151 Officer will advise the Executive and Council on the prudent level of reserves and balances, considering prevailing and anticipated levels of risk and uncertainty.

13.3 The creation of any reserve will be subject to the approval of the Executive, upon the advice of the Section 151 Officer. For each reserve established, the purpose, and usage will be clearly articulated.

13.4 Increases in existing reserves come about through two routes:

a) Through the budget setting process, the setting of which requires Full Council approval; and

b) by transfer of an underspend into reserves in accordance with the table below:

Amount	**Minimum approval required**
TBC	Executive Director (following consultation with deputy S151 Officer(s))
TBC	Executive Director (following consultation with S151 Officer and relevant Portfolio Holder(s))
TBC	The Executive (following consultation with relevant Portfolio Holder, Executive Director and S151 Officer (if not already involved))

13.5 The Section 151 Officer shall be authorised to draw upon reserves for the agreed purposes of that reserve, subject to provision remaining available.

14.0 Authority to incur capital expenditure

14.1 The Council's approach to capital investment is set out in the Council's Capital, Investment and Treasury Management Strategy, which is approved by Council as part of the budget setting papers each February. New schemes and projects will usually only be added to the Capital Programme as part of the annual budget setting process, however, changes, capital virements and additions may be made during the year, subject to one of three decision-making structures.

a) Capital expenditure relating to equity investments or investment property will be subject to assessment by the officer-led Shareholder Investment Panel, the Asset Strategy Board and ultimately approved by members at Strategic Investment Board.
b) Capital expenditure by subsidiaries is the responsibility of the respective company Boards. Expenditure that is above thresholds set in the respective companies' Articles of Association will be approved by the Council's Shareholder Investment Panel, and additionally by the Strategic Investment Board if greater than £1 million in value.
c) All other capital expenditure will be subject to assessment by the appropriate Strategic Capital Group; for Information Technology, Infrastructure and Property, the Capital Programme Panel and formal member approval, where required by the Scheme of Delegation.

14.2 Capital expenditure other than on equity investments and investment property is subject to a governance route based on value and an assessment of impact and risk. New capital schemes and projects and changes to existing schemes and projects are assessed and scrutinised in up to three stages prior to being included in the Capital Programme.

- Senior Finance Manager or their nominated officer for Information Technology, Infrastructure and Property;
- Strategic Capital Groups, comprising the Head of Service or their nominated officer and Senior Finance Manager. Strategic Capital Groups can make decisions on new approvals of up to £0.250 million or approve existing schemes where the scheme or project is within the approved Capital Programme Budget and does not require additional officer or member approval, based on an assessment of impact and risk. Variations to existing budgets can be approved up to 10% of total budget, up to a maximum of £0.250 million.
- The Capital Programme Panel, comprising of the Section 151 Officer or their nominated officer, the chairs of the Strategic Capital Groups and other nominated officers. The Capital Programme Panel can make decisions on new approvals of up to £1 million where the scheme or project does not require member approval based on an assessment of impact and risk. Variations to existing budgets can be approved up to 10% of total project budget, up to a maximum of £0.5 million.
- Approval by the Executive is required for all other additions and changes.

14.3 Where overarching capital programmes are included in the capital budgets approved by the Executive and Council as part of the capital budget setting progress, overarching programme strategies should also be approved by the Executive, setting out the parameters for incurring capital expenditure against these programme budgets.????

14.4 Where overarching strategies delegate the approval of individual schemes over £1 million to the relevant Portfolio Holder(s) and Executive Director(s), subject to scrutiny of business cases by the Capital Programme Panel. Individual schemes should initially be reviewed by Capital Programme Panel and then be signed off by the relevant Executive Director(s). Final approval will be via the relevant Portfolio Holder(s) via a formal delegated decision sheet which will be published and subject to call-in processes.

14.5 In these cases, the Portfolio Holder, Executive Director and Capital Programme Panel will also be responsible for ensuring, in consultation with Strategic Capital Groups, that the overarching strategy approved by the Executive remains deliverable within the overall programme budget and that key metrics, e.g. number of additional school places, will be delivered.

14.6 All proposed schemes must be based on a robust business case and subject to appropriate internal or external due diligence. In particular the business cases must ensure:

- Capital Programme proposals are consistent with the Council's Organisation Strategy, Capital Strategy and Investment Strategy, Asset and Place Strategy and Directorate Strategies and have a strategic mandate to proceed;
- each capital scheme or project is assessed for both financial and service risk;
- the proposed timetable for the scheme or project is realistic; and
- all associated revenue implications are fully quantified and covered in the current and future years

14.7 Only those schemes and projects that meet the strategic priorities and have been assessed via the stages outlined above, subject to member approval where required, will be approved as part of the Capital Budget. Projects in an earlier stage of development may be included in the Capital Pipeline but will require business case approval, assessed via the stages outlined above, before they can commence.

14.8 Contracts for capital works will be awarded in accordance with the rules set out in Procurement Standing Orders.

15.0 Monitoring of the Capital Programme

15.1 Once a capital scheme or project has been approved in the Council's Capital Programme Budget, each Budget Manager shall be responsible for monitoring expenditure, and for providing information in accordance with arrangements set out in the Capitalisation Handbook to enable regular reports to be submitted to DLTs, CLT, Select Committees and to the Executive. Note: Annually Senior Officers are requested to acknowledge their responsibilities and capital budget remit. Budget Accountability Statements are produced before the commencement of the financial year and require confirmation of the accountabilities and the budget envelope.

15.2 If necessary and following consultation with the Section 151 Officer or their nominated officer, virements may be made between capital schemes to reflect the value of each accepted tender. Virements should be approved by the appropriate Strategic Capital Group, Capital Programme Panel or the Executive based on the thresholds and non-financial factors set out in 13.2.

15.3 Block items within the Capital Programme comprising multiple schemes (e.g. Maintenance and Minor Works Programmes) shall be regarded as a single project subject to the total scheme costs not being exceeded and satisfying the requirements of any external funder.

16.0 Financial Accounts

16.1 The Section 151 Officer shall ensure that all financial transactions of the Council are accurately reflected in the Council's accounting records.

16.2 All financial systems, accounting policies and accounting records shall be in a form agreed by the Section 151 Officer. All proposed changes to accounting policies must be approved by the Section 151 Officer and discussed with the Council's external auditors, in line with accounting standards.

16.3 The Section 151 Officer will make appropriate arrangements for and advise officers and members on all taxation issues that affect the Council.

16.4 The Section 151 Officer will sign off the annual Statement of Accounts, once they are satisfied that the statement represents a true and fair view of the financial position of the Council. The Statement of Accounts will be submitted for approval to the Audit and Governance Committee.

16.5 Senior Officers are required to sign a Manager's Assurance Statement each year in a form prescribed by the Section 151 Officer to assist with evidence for the annual accounts. The Manager's Assurance Statement would be issued at the end of the financial year confirming:

a) adherence and compliance to all relevant governance, contingent liabilities, post balance sheet events, claims, related parties and conflicts of interest related to financial year end transactions, and contribution and the correlation of actual financial year end position links to the outturn report.

b) The group of Senior Officers signing a Manager's Assurance Statement is similar to the group acknowledging Budget Accountability Statements. The Manager's Assurance Statements addresses those areas that do not have budgets due to being funded from other sources like Better Care Fund and mid-year alignments. Note: Budget Accountability Statements are for Senior Officers acknowledging the framework and remit of responsibilities at the beginning of the financial year. The Budget Assurance Statements outlines the budget responsibilities of the new financial year.

16.6 Arrangements for the retention or destruction of financial records shall be in accordance with the Council's Record Retention Policy. In any event, no document relating to the financial transactions of the Council, or its employees shall be destroyed before the completion of the External Audit for the year concerned.

16.7 Senior Officers shall be responsible for ensuring that there are adequate arrangements, in respect of financial information held in electronic form, to safeguard continuity in the event of an emergency and shall comply with the requirements set out in the Council's IT Security Policy.

17.0 Duty to carry out an Internal audit function

17.1 The Section 151 Officer shall ensure that the Council maintains an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with the proper internal audit practices, as laid down in The Accounts and Audit Regulations. This also extends to external audit, where appropriate, subject to external partners and external funding requirements. To facilitate independence and objectivity in reporting, the reporting lines of the Internal Audit function should be unfettered by line management structures so that direct access to any officer, member or external regulating authority (e.g. external audit) will be available.

17.2 In order to discharge his/her responsibilities under 16.1 above, the Section 151 Officer, Internal Audit and any other authorised staff shall have the right to

- Enter any Council premises or land at any reasonable time, without prior notice;
- Have access at all times to all records and documents (including email and correspondence) relevant to the business of the Council as maintained by the Council or third parties on its behalf including (but not limited to) external contractors and consultants;

- Require and receive any information and explanations considered necessary to the audit; and
- Require any employee or agent of the Council to account for assets under his/her control

17.3 The Chief Internal Auditor shall report on a regular basis to the Audit and Governance Committee with a summary of internal audit activity and shall bring to the attention of the Chief Executive and the Audit and Governance Committee any significant matters which may have come to his / her attention in the course of delivering the internal audit function.

18.0 Financial Irregularities

18.1 All officers are required to inform their manager on becoming aware of any irregularity, or suspected irregularity, affecting income, expenditure, cash, stores or any of the resources of the Council. Senior Officers shall inform the Chief Internal Auditor as soon as practicable. If it is not appropriate to inform local management because of a potential connection to the alleged irregularity, then officers should contact the Chief Internal Auditor directly. This requirement also applies to elected members and to agents working on behalf of the Council where the concern is around Council related matters.

18.2 The Chief Internal Auditor shall consider during the course of any investigation or at its conclusion, as they deem appropriate, whether the matter may require investigation by the Police and/or notification to the External Auditor. Where appropriate they shall seek the advice of the Monitoring Officer and inform the Chief Executive.

18.3 At the conclusion of any investigation or earlier if appropriate, the Chief Internal Auditor shall, in consultation with the Monitoring Officer, agree with the Senior Officer concerned the steps that should be taken to mitigate any loss and prevent a recurrence of it. The Chief Internal Auditor shall report, if they consider it necessary, initially to the Chief Executive and, following that, to the Audit and Governance Committee, depending on the circumstances.

18.4 All investigations of this type undertaken by Internal Audit will be under the direction of the Chief Internal Auditor, in consultation with the Section 151 Officer and the HR Director. Such investigations will be undertaken in line with the Council's Antifraud and Corruption Strategy and Framework, which forms part of the Constitution. The HR Director will ensure that "whistle blowing" procedures are defined, documented, widely communicated and reviewed at appropriate intervals, in consultation with the Section 151 Officer, the Monitoring Officer and the Chief Internal Auditor.

18.5 The Chief Internal Auditor or his/her delegated authority within Internal Audit acts as the Council's Money Laundering Reporting Officer (MLRO). The MLRO will ensure that there is an Anti-Money Laundering Policy published on the Council's external website which sets out the procedures which must be followed to enable the Council to comply with its legal obligations. This policy, which is contained in the Anti-Fraud and Corruption Strategy and Framework, states that the Council will not accept cash payments in excess of £5,000.

19.0 Ordering Procedures

19.1 Senior Officers shall be responsible for ensuring that all orders issued from their departments for goods, works and services are in accordance with Procurement Standing Orders.

20.0 Consultants and Contractors

20.1 Agency workers, Contractors, and individual Consultants should be sourced in accordance with Procurement and HR guidelines.

20.2 Guidelines TBC.

20.3 When the appointment is for specific projects, the Chief Executive (and if required the Leader) must approve interim staff, consultant or contractor appointments where the fee exceeds £TBC a year (or in proportion where the engagement is for less than one year) before the contract starts.

20.4 All consultant or contractor engagements with an aggregate value of £TBC or over, must be subject to competitive tender and review by the regular procurement governance process before approval by the Leader and Chief Executive. The Leader and Chief Executive will not approve such engagements retrospectively.

20.5 Consultants, contractors and agency workers engaged to supervise contracts on behalf of the Council shall be required to comply with these Financial Procedure Rules as if they were direct employees of the Council. Such a requirement shall be included in every agreement for their services. Any reference in these Financial Procedure Rules to a Budget Manager shall apply to a consultant, contractor or agency worker. Where a report is required, it shall be made by the consultant, contractor or agency worker to the appropriate Senior Officer, who shall report to members as required.

21.0 Contracting Arrangements

21.1 All procurement and purchasing undertaken must adhere to the specified processes as agreed by the CLT and follow the requirements of the Procurement Standing Orders. The Section 151 Officer may authorise the use of Purchasing Cards for Council staff for the purposes of defraying petty cash and other minor or urgent expenses.

21.2 All material assumptions and risks inherent in evaluations of proposed contracts must be fully disclosed to those officers and members making decisions on the award of the contract, before the contract award is made.

21.3 Long term strategic contracts must include provision to secure continuous improvement, improved efficiency and value for money. Financial relationships must be made under the relevant corporate guidance as highlighted in the introduction. In this context, partnerships are deemed to be joint arrangements involving the Council pooling financial and/or other resources with other bodies in the pursuit of agreed joint objectives.

21.4 All partnership arrangements and pooled budgets must be agreed under written terms appropriate to the extent of the financial risk to the Council and may only be entered into following appropriate consultation with and approval from the Section 151 Officer and the Monitoring Officer. Where the Council's contribution to, or financial risk from such arrangements, exceeds £100,000, the Executive's approval is required. Appropriate approval must be obtained before entering into any proposed partnership.

22.0 Payment of Salaries and Wages

22.1 The payment of all salaries, wages, pensions, compensation and other emoluments to employees, former employees or beneficiaries of the Council shall be made in accordance with arrangements approved by the Chief Executive and the People, Performance and Development Committee.

22.2 The HR Director shall arrange for all relevant payments in respect of sums deducted from employees' remuneration and any employers' contributions to be made to the appropriate agency.

22.3 Senior Officers shall notify the HR Director, or his/her agent, of all matters affecting payment as soon as possible. Notification will be in the form prescribed by the Section 151 Officer and Monitoring Officer.

22.4 Time records or other pay documents (including those relating to flexible working hours) shall be in a form prescribed or approved by the HR Director.

22.5 The HR Director shall ensure that there are proper arrangements to maintain all necessary human resources records concerning pay, superannuation, statutory sick pay, national insurance and income tax.

22.6 The HR Director shall have regard to any recommendations made by the Section 151 Officer in all matters of a financial nature.

23.0 Income collection and banking arrangements

23.1 Senior Officers and Budget Managers shall seek the prompt collection of all monies due to the Council in accordance with arrangements approved by the Section 151 Officer and as specified in the Income Manual.

23.2 Senior Officers and Budget Managers are responsible for dealing with the receipt of money and other remittances and holding them in secure conditions before they are banked or otherwise dealt with.

23.3 The Section 151 Officer is responsible for the Council's overall banking arrangements. All arrangements for opening bank accounts and for the banking and withdrawal of money shall be approved by the Section 151 Officer. The Section 151 Officer shall determine the arrangements for the reconciliation of all Council bank accounts.

24.0 Debt Management and Bad Debt write offs (not Adult Social Care)

24.1 The appropriate Director has authority to write off debts for individual outstanding balances for the following:

Council Tax	TBC
Business Rates	TBC
Housing Benefit	TBC
Housing Rent	TBC
Commercial Rent	TBC
Sundry debt*	TBC

* includes xxxxx

24.2 The Section 151 Officer has the authority to approve write offs of unpaid debts up to the value of £100,000 per individual debt where the relevant Budget Manager, Legal Services and Corporate Finance agree there is no realistic chance of recovering the debt or it is considered uneconomical to attempt debt recovery. The Section 151 Officer has the overriding authority to approve or reject write offs if there is not agreement between the Budget Manager, Legal Services and Corporate Finance about a particular debt.

24.3 The Section 151 Officer may delegate in writing approval of individual write offs of unpaid debts to another member of the Corporate Finance service.

24.4 Any individual debts of more than £100,000 must be approved by the Executive, subject to the recommendation of the Section 151 Officer.

24.5 Write-off of irrecoverable debt will be charged to the relevant budget code where the debt was first raised unless otherwise agreed by the Section 151 Officer or their delegated representatives. The year-end financial outturn report will provide a summary of all irrecoverable debt written off during the year.

24.6 Credit balances, which are over three years old, and which cannot be substantiated or justified, will be released to the relevant fund after closure of accounts of each year, subject to formal approval by the Section 151 officer.

24.7 TBC- provisions for bad debt.

24.8 The Section 151 Officer will determine the criteria to calculate how much to provide for outstanding debts in relation to their age and type in consultation with the relevant Budget Managers and Legal Services. The bad debt provisions will be recalculated based on the latest debt levels and types on a quarterly basis. Relevant services will bear the impact of any increase or decrease required to the bad debt provision relating to ICBs. The impact of increases or decreases required to the general bad debt provision will be charged to Central Income and Expenditure. Each year consideration will be given as to whether any budget provision should be made to account for the potential impact of bad debt on the Council's revenue budget in the coming year. This will be approved as part of the annual budget setting process. Any savings realised against this budget provision will be transferred to reserves.

25.0 Adult Social Care assessed fees and charges, debt management and bad debt write off

25.1 The Section 151 Officer has the authority to approve write offs of unpaid Adult Social Care assessed fees & charges up to the value of £100,000 per individual debt where the relevant Budget Manager and financial assessment staff in Adult Social Care, Legal Services and Corporate Finance agree there is no realistic chance of recovering the debt or it is considered uneconomical to attempt debt recovery. The Section 151 Officer has the overriding authority to approve or reject write offs if there is not agreement between Adult Social Care, Legal services and Corporate Finance about a particular debt.

25.2 The Section 151 Officer may delegate in writing approval of individual write offs of unpaid Adult Social Care assessed fees & charges to another member of the Corporate Finance service.

25.3 The Section 151 Officer or the delegated Corporate Finance officer may delegate in writing approval of write offs of unpaid Adult Social Care assessed fees & charges up to £5,000 to designated officers in Adult Social Care. Where this delegation is made, the designated Adult Social Care officers will have the authority to approve write offs without the need to seek advice and formal approval from Corporate Finance.

25.4 Any individual debts relating to unpaid Adult Social Care assessed fees & charges of more than £100,000 must be approved by the Executive, subject to the recommendation of the Section 151 Officer.

25.5 Write-off of irrecoverable debt will be charged to the relevant budget in Adult Social Care. The year-end financial outturn report will provide a summary of all irrecoverable debt written off during the year relating to Adult Social Care assessed fees & charges.

25.6 Credit balances, which are over three years old, and which cannot be substantiated or justified, will be released to the relevant fund after closure of accounts of each year, subject to formal approval by the Section 151 officer.

25.7 Where the Council's Client Financial Affairs Team acts as the court appointed Financial Deputy or Department for Work & Pensions Appointee for a resident who dies they will be responsible for undertaking the following duties:

- Advising known parties of the death, including financial institutions and organisations where the resident has a known financial relationship.
- Liaising with known Executors or known Next of Kin who are actively pursuing Letters of Administration for authority to act on the estate.
- Referring the matter to the Treasury Solicitor where there is no known Next of Kin.
- Arranging for funeral expenses to be paid where invoices are received from Funeral Directors together with a copy of the death certificate.

25.8 Where the Council has set up a bank account for the resident:

- Where they are required by the bank and set up with the ability to do so the Client Financial Affairs Team will instruct the bank to stop all Direct Debits and Standing Orders on the account.
- Other than payment of funeral expenses outlined above, the Client Financial Affairs Team will take no other action in relation to the account

unless instructed to do so by the appointed Executor or Person granted Letters of Administration.

- The Client Financial Affairs Team will transfer the closing balance to the account requested by the Executor or Person granted Letters of Administration

25.9 The Section 151 Officer has the authority to approve waivers of Adult Social Care assessed fees & charges in accordance with any provision in the Council's Adult Social Care charging policy.

25.10 The Section 151 Officer may delegate in writing approval to waive Adult Social Care assessed fees & charges up to specified amounts to another member of the Corporate Finance service and designated Adult Social Care officers.

25.11 The Council will maintain a provision for bad debt relating to unpaid Adult Social Care assessed fees & charges. The Section 151 Officer will determine the criteria to calculate how much to provide for outstanding debts in relation to their age and type in consultation with Adult Social Care and Legal Services. The social care bad debt provision will be recalculated based on the latest debt levels and types on a quarterly basis. The impact of any increase or decrease required to the social care bad debt provision will be charged to the Council's Adult Social Care budget. Adult Social Care will review each year how much it is proposed is budgeted for potential bad debt to limit in-year impacts of write offs, changes to the bad debt provision or other costs associated with bad debts such as legal fees paid for debts that prove to be irrecoverable. Any budget provision proposed by Adult Social Care will be approved as part of the annual budget setting process.

26.0 Assets

Land and Property

26.1 The rules set out within this framework are to be applied for circumstance arising that are not already covered within the Scheme of Delegations or Procurement Standing Orders or Section 11 set out above (Authority to incur capital expenditure).

26.2 All acquisitions of land and buildings up to the value £1 million require approval from the Capital Programme Panel, the relevant the Portfolio Holder in conjunction with the Leader. This value relates to freehold and leasehold interest.

26.3 All acquisitions of land or buildings valued at £1 million or more requires Executive approval.

26.4 All disposals of land or buildings up to the value of £1 million require approval from the relevant Portfolio Holder in conjunction with the Leader. This value relates to freehold and leasehold interest and includes setting a reserve figure for auction sales.

26.5 All disposals of land or buildings valued at £1 million or more requires Executive approval. All disposals should be recorded within an approved register.

26.6 All acquisitions and disposals must be referred to the Land and Property Team. The application of best value considerations may result in disposal of assets at less than market value due to wider economic, environmental, and social value factors. The approach to valuation should be agreed in advance, in consultation with the Section 151 Officer.

26.7 The Chief Executive, in consultation with the Leader or Deputy Leader and the Chair or Vice Chair of the Housing Committee, can utilise the Housing Revenue Account for the purchase of land or buildings in accordance with the Council's general power of competence under the Localism Act 2011, or in the case of the HRA, for the Council's House Building Programme.

26.8 Authority is delegated to the Strategy & Resources Committee / Housing Committee to approve individual purchases of land or buildings within the district at or above £TBC million in value.

Assets other than Land and Property

26.9 Assets declared surplus to the Council's requirements should be disposed of at the most appropriate time, and only when it is in the best interest of the Council, and best value is obtained. For assets of significant value, disposal should be by competitive tender or public auction.

26.10 Any proceeds from the disposal of assets should be receipted and recorded, even if the disposal value is zero.

26.11 No items can be disposed of to a member of staff without the explicit approval of the Section 151 Officer.

26.12 All acquisitions and disposals valued over £10,000 must be subject to a professional valuation. The approach to valuation should be agreed in advance, in consultation with the Section 151 Officer.

26.13 Senior Officers are responsible for, and shall make arrangements for, the safe custody and care of all assets in his/her department, including exercising proper control over the use of those assets. Such assets shall include plant, machinery, vehicles, furniture, equipment, other non-consumable property, stocks and stores and IT equipment.

26.14 Senior Officers are responsible for keeping inventory records and the marking of Council property. The Council's property shall not be removed other than in accordance with the ordinary course of the Council's business or used otherwise than for the Council's purposes.

26.15 Senior Officers are authorised to adjust their inventory records, relating to items outlined in 25.11 where any surplus or deficiency arises up to £2,500 in respect of any one item, provided appropriate investigations have been carried out to establish the reasons and prevent a recurrence. Records of such adjustments are subject to Internal Audit inspection.

26.16 The Section 151 Officer shall authorise Officers to adjust their inventory records where any surplus or deficiency arises between £2,500 and £5,000 in respect of any one item provided the appropriate Officer has investigated and reported the reasons for the discrepancy.

26.17 Adjustments to inventory records in respect of any one item where the amount exceeds £5,000 shall be referred to the Executive.

26.18 Budget Managers, after consultation with the Section 151 Officer, are authorised to delete any item from their inventory records where the item has become obsolete and is no longer adequate for the purpose intended, or the item is broken or worn.

27.0 Stocks and Stores

27.1 Lead Officers and Budget Managers are responsible for the receipt, issue and checking of the stocks and stores in their departments and for maintaining appropriate stock levels.

27.2 The extent to which items shall be included in records, and the form of record-keeping, shall be determined by the appropriate Senior Officer in consultation with the Section 151 Officer.

27.3 Senior Officers, in consultation with the Section 151 Officer, are authorised to adjust stock balances up to £10,000 in respect of any one item provided appropriate investigations have been carried out to establish the reasons and prevent a recurrence. All other write offs require Executive approval.

27.4 The year-end financial outturn report to the Executive will set out all stock write offs granted in the year.

28.0 Estates

28.1 The Director of Land and Property shall update the Council's Asset Management Plan as necessary and maintain a terrier of all land and properties held by the Council.

28.2 The Monitoring Officer shall have custody under secure arrangements of all the title deeds in the possession of the Council.

28.3 The Director of Land and Property shall be responsible for land and property under his/her control, and for obtaining the best economic return possible consistent with Council policy and legal requirements. They shall ensure that all rents etc. are regularly reviewed.

29.0 Risk management and insurance

29.1 The Risk Management Strategy outlines the arrangements in place to ensure the Council identifies and deals with the key risks it faces. The Section 151 Officer is responsible for ensuring that a risk management process is maintained across the Council and may specify risk management activity to be undertaken by other officers. The Risk Management Framework complements the strategy and ensures a consistent approach to risk management across the organisation by detailing the Council's approach to risk identification, assessment, control, and reporting.

29.2 The Council's approach to risk management is a continuous and evolving process that runs through the Council's strategies and service delivery. It ensures key risks are managed and resilience is strengthened in order to support the delivery of the Council's priorities.

29.3 The Section 151 Officer is responsible for advising the Executive on insurance arrangements. The Section 151 Officer shall be responsible for the day-to-day administration of the Council's insurances and negotiating all policies and claims in consultation with the relevant Senior Officers and Budget Managers.

29.4 Senior Officers, in consultation with the Section 151 Officer, shall be responsible for the effective management of all insurable risks.

29.5 Senior Officers shall consult the Monitoring Officer and the Section 151 Officer concerning the terms of any indemnity which the Council may be requested to give.

29.6 All Officers shall give prompt notification to the Section 151 Officer of all new risks, properties or vehicles which require to be insured in accordance with arrangements determined by him/her.

29.7 Any person who makes use of his/her own vehicle for Council business shall comply with the appropriate County Council policies with regards to car users and any instructions relating to this policy issued by the HR Director.

29.8 Senior Officers shall ensure there is proper security at all times for all assets under his/her control and safe and proper arrangements for the custody of keys to safes and similar receptacles.

29.9 Senior Officers shall immediately notify the Section 151 Officer of any loss, liability, damage or other similar event likely to lead to a claim. Where appropriate, the Section 151 Officer shall inform the Monitoring Officer and the Police. Such notification shall be confirmed promptly in writing.

30.0 Treasury Management and the Pension Fund

30.1 All money held by the Council shall be aggregated for the purposes of treasury management and shall be under the control of the Section 151 Officer, subject to the constraints of delegated powers given to schools. They shall seek expert advice on these matters when considered appropriate.

30.2 The Section 151 Officer is responsible for the Council's treasury management activities in accordance with CIPFA's Code of Practice for Treasury Management in Local Authorities and the Prudential Code. They shall propose an annual Treasury Management Strategy Statement to the Audit and Governance Committee.

30.3 The Section 151 Officer will ensure that the provisions of the strategic and operational requirements in 29.2 are implemented, legislative requirements are complied with, and regular monitoring of all Treasury Management activity is undertaken.

30.4 Effective scrutiny of the Treasury Management Strategy will be undertaken by the Resources and Performance Select Committee, as part of the overall scrutiny of the budget. The Section 151 Officer will submit a mid-year review and an annual outturn report on treasury management to the Audit and Governance Committee.

30.5 The Council, as corporate trustee for a limited number of Trust Funds and charities through its members and officers, will ensure that the Council administers them in accordance with its legal responsibilities as trustee, distinct and separate from its functions as a local authority. The council, when undertaking the aforementioned duties, will also comply with the CIPFA Code of Practice in Treasury Management and any relevant Charity Commission guidance, to ensure provisions are appropriately implemented.

West Surrey Shadow Authority		
Report title: West Surrey Constitution: Contract and Procurement Procedure Rules		
Report to: Constitution Sub-Committee		
Date:17 September 2026		
Executive Portfolio Holder: Cllr. Victoria Kiehl **Contact Email**: Victoria.Kiehl@westsurrey.gov.uk		
Report of Susan Sale, Monitoring Officer (interim), susan.sale@westsurrey.gov.uk		
Report author(s): Deborah Davies, Deputy Monitoring Officer (interim) Deborah.davies@westsurrey.gov.uk		
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Exempt from publication: No		
Key Decision: No	**If a Key Decision, date registered on Forward Plan:** N/A	
Report cleared for publication by:		
People Workstream	N/A	N/A
Equalities Impact Assessment complete	N/A	N/A
Senior Responsible Officer **(or their delegate)**	N/A	N/A
S151 Officer	Susan Sale on behalf of Vicky Radford	11 September 2026
Monitoring Officer	Susan Sale	11 September 2026
Executive Portfolio Holder consultation	Cllr Victoria Kiehl	11 September 2026
Committee Chair consultation	Cllr Joanne Shaw	11 September 2026
Head of Paid Service	Susan Sale on behalf of Andy Brown	11 September 2026

1. Executive Summary

1.1. This report presents and invites comment on the principles of the proposed content for the Contract and Procurement sections of the new Standing Orders for West Surrey.

1.2. Section 9P of the Local Government Act 2000 requires every local authority to prepare, maintain, and keep up to date a formal constitution. This document controls how the local council operates, makes decisions, and handles its governance.

1.3. The sections relating to Contracts and Procurement set out how the Council authorises and manages expenditure and resulting commercial contracts with other organisations.

1.4. It is therefore essential that the new unitary authority of West Surrey Council establishes new Standing Orders to be effective from Vesting Day on 1 April 2027, and that the detail of the Contract and Procurement elements of those standing orders are agreed in time to establish required process and controls ahead of vesting day.

1.5. The principles of the proposed content were considered by the Audit and Governance Committee on 3 September 2026. The Constitution Sub-Committee is now invited to consider the proposed approach, structure and key governance thresholds and provide comments and feedback to inform the development of the detailed Contract and Procurement Procedure Rules.

2. Recommendations:

2.1. It is recommended that the Constitution Sub-Committee resolves to:

2.1.1. note the consideration of the proposed approach and details provided in respect of the Contract and Procurement Procedure Rules by the Audit and Governance Committee on 3 September 2026;

2.1.2. consider and provide comments and feedback on the proposed approach to the Contract and Procurement Procedure Rules set out in this report;

2.1.3. consider and provide comments and feedback on the proposed heads of terms set out in Annex 1 to this report, 'Proposed Procurement and Contract Procedure Rules Structure and Content Framework; and

2.1.4. considers and provides comments and feedback on the proposed key governance thresholds and related detail set out in Annex 2 to this report 'Proposed Thresholds, routes to market, delegation of authority for contract award etc.

3. Reason(s) for recommendation:

3.1. It is a legal requirement for the new unitary authority to have an approved set of Standing Orders effective from Vesting Day. Officers need a steer from Members as to the development of the Contract and Procurement sections of the Standing Orders.

4. Next steps

4.1. Comments and feedback received from the Audit and Governance Committee on 3 September 2026 and the Constitution Sub-Committee on 17 September 2026 will inform the development of the detailed Contract and Procurement Procedure Rules.

4.2. The detailed Contract and Procurement Procedure Rules will be presented to the Audit and Governance Committee on a date to be confirmed in October 2026.

4.3. The detailed Contract and Procurement Procedure Rules will be presented to the Constitution Sub-Committee on 29 October 2026 for approval and recommendation to the Standards Committee.

4.4. The detailed Contract and Procurement Procedure Rules will then be presented to the Standards Committee on 2 November 2026 for approval and recommendation to Council.

4.5. Subject to the recommendation of the Standards Committee, the Contract and Procurement Procedure Rules will be presented to Council for adoption as part of the West Surrey Council Constitution, with effect from Vesting Day on 1 April 2027.

5. Exemption from publication

5.1. None of this report is exempt from publication.

6. Background and Proposal

6.1. Context

6.1.1. Local Government Reorganisation (LGR) and the formation of the new unitary authority of West Surrey Council requires the development of new Standing Orders. Those Standing Orders must contain key governance procedures in respect of the procurement and management of contracts.

6.1.2. The proposed approach and high-level principles for the Contract and Procurement Procedure Rules were presented to the Audit and Governance Committee on 3 September 2026 for comments and feedback.

6.1.3. The Audit and Governance Committee supported the proposed approach to developing the Contract and Procurement Procedure Rules and identified a number of matters for further consideration. These included:

a) making value for money explicit as a general procurement principle;

b) ensuring the Rules provide appropriate governance throughout the full procurement and contract lifecycle, including effective contract management and performance monitoring following contract award;

c) providing clear arrangements for the approval and escalation of contract variations, scope changes and increases in contract value, aligned with the Financial Procedure Rules;

d) ensuring that delivery of social value and environmental or sustainability commitments made through the procurement process is appropriately monitored during the life of a contract; and

e) reviewing the proposed governance thresholds in Annex 2. Members considered that the proposed thresholds should be subject to further review and benchmarking to ensure an appropriate level of Member oversight. The Chair suggested Portfolio Holder consultation for contracts above £500,000 and Executive approval for contracts above £1 million. Members supported further consideration of lower thresholds but considered that the final proposals should be informed by benchmarking, the rationale for the thresholds and consideration of appropriate options.

6.1.4. The Audit and Governance Committee also requested a clear audit trail demonstrating how its comments had been considered. Officers agreed that, when the detailed Rules return to the Committee, a schedule would be provided setting out the points raised, the response or action taken and how each point had been addressed in the revised draft.

6.1.5. The Audit and Governance Committee requested that the detailed Contract and Procurement Procedure Rules return to the Audit and Governance Committee for further consideration before progressing through the remaining constitutional approval process.

6.1.6. The Constitution Sub-Committee is now invited to consider the proposed approach, structure and key governance thresholds, together with the comments and feedback from the Audit and Governance Committee and provide any further comments to inform the development of the detailed Contract and Procurement Procedure Rules.

6.1.7. The Local Government Association (LGA) Model Template for Standing Orders is out of date and still references EU procurement regulations, so it has not been used as a source of information.

6.2. Contract and Procurement Procedure Rules: Proposed Approach

6.2.1. Many current constitutional procurement and contract rules have evolved over a considerable period through incremental amendments in response to legislative changes, organisational requirements and local governance decisions. As a result, they can become lengthy, repetitive and difficult for officers to navigate, with related provisions dispersed across multiple sections.

6.2.2. New Standing Orders present an opportunity to create a fresh set of Contract and Procurement Procedure Rules to govern the procurement and management of contracts, rather than simply amending or combining existing documents from across the predecessor Councils in West Surrey.

6.2.3. It is recommended that the Contract and Procurement Procedure Rules for West Surrey are developed using a clear and logical structure that reflects the procurement and contract management lifecycle. This approach should guide officers through the end-to-end process, from the identification of a requirement and initial business planning, through procurement and contract award, to contract management, performance monitoring, modification and eventual contract expiry or renewal.

6.2.4. The Contract and Procurement Procedure Rules should focus primarily on governance, accountability, decision-making and assurance arrangements, whilst detailed operational processes, procedures and guidance and maintained separately within supporting procurement documentation. This will ensure that the Constitution remains concise, accessible and easier to maintain, whilst allowing operational procurement guidance to evolve in response to legislative changes and best practice without the need for frequent constitutional amendments.

6.2.5. The proposed drafting approach is therefore to:

a. Adopt a procurement and contract lifecycle-based structure rather than replicate the format of any individual authority;
b. Retain governance, delegation, approval and assurance requirements within the Standing Orders;
c. Remove detailed procedural content where it is more appropriately contained within supporting procurement guidance;
d. Incorporate best practice elements identified through the review and comparison of existing local authority standing orders;
e. Align the Standing Orders with current procurement legislation and associated governance requirements; and
f. Create a modern, user-focused document that supports consistent, compliant and proportionate procurement activity within the future authority.

6.2.6. This approach will provide a coherent constitutional framework for procurement activity whilst improving usability for officers and ensuring that governance requirements are clearly understood at each stage of the procurement lifecycle.

6.2.7. A proposed structure is included in Annex 1: Proposed Procurement and Contract Procedure Rules Structure and Content Framework.

6.3. Procurement and Contract Procedure Rules: Governance Decisions

6.3.1. There are critical governance elements that must be agreed in order to draft the Contract and Procurement Procedure Rules, the key aspect being value thresholds that will dictate:

a. What procurement route options can be used (e.g. 3 quotes, full tender etc)
b. Postholders authorised to undertake the procurement
c. The type of contract required
d. Postholder who must approve the contract award
e. Postholder who is authorised to sign the contract

6.3.2. ANNEX 2: Proposed Thresholds, routes to market, delegation of authority for contract award etc sets out initial proposals for these requirements. The thresholds proposed are based on the existing values for Surrey County Council, and approach proposed for the following reasons:

a. The managers from the County Council transferred to the new unitary will be familiar with these threshold levels, and in addition therefore will be well placed to support embedding the discipline in the new organisation through training and awareness;
b. Procurement resource within the County Council is already strained at the existing thresholds. Reducing thresholds will therefore require either additional procurement resource or accept a slow-down in procurement activity;
c. Procurement capacity is already structured around the current threshold levels. Any reduction in those thresholds would increase the number of procurements requiring procurement team involvement, creating additional resource pressures, increasing administrative activity and potentially slowing the delivery of procurement projects unless additional capacity is provided.
d. Once existing District and Borough activity is aggregated to the new Unitary level, the volume of procurements that are above regulatory thresholds will significantly increase; and
e. Through an aggregation process that will drive budget efficiency post vesting day, expenditure predominately undertaken across the District and Borough Councils will result, in a greater proportion of procurement activity is expected to exceed regulatory and governance thresholds, increasing the volume of procurements

subject to formal procurement procedures and oversight requirements.

6.3.3. The proposed thresholds and associated governance arrangements are presented at this stage to seek Member comments and feedback. These will inform the development of the detailed Contract and Procurement Procedure Rules which will return through the formal approval process.

7. Consultation

7.1. The proposed approach to developing these sections of the Standing Orders have been developed in collaboration with Officers from the Procurement and Finance LGR workstreams, Shadow Authority Interim Statutory Officers and related stakeholders.

7.2. The development of Standing Orders is not considered something that should be subject to public consultation.

7.3. Consultation was undertaken with the relevant Executive Portfolio Holder and Chair of the Audit and Governance Committee prior to consideration of the high-level principles by the Audit and Governance Committee.

7.4. The Audit and Governance Committee considered the proposed approach, structure and key governance thresholds at its meeting on 3 September 2026 and provided comments and feedback to inform the further development of the Contract and Procurement Procedure Rules.

7.5. The Constitution Sub-Committee is now being asked to provide its comments and feedback before the detailed Contract and Procurement Procedure Rules are developed for the next stage of Member consideration.

8. Key Risks

8.1. The principal risk is that West Surrey Council does not have a comprehensive set of Finance Procedure Rules and Contract and Procurement Procedure Rules in time for Vesting Day, which would put it in contravention of Section 151 of the Local Government Act 1972. This would create a legal and governance risk and could impact the Council’s ability to maintain appropriate controls over procurement and contract management.

8.2. In addition, there is various legislation relating to procurement activity, in particular the Procurement Act 2023 and the Public Services (Social Value) Act 2012, that govern how local authorities procure goods, services and works. Failure to have robust Contract and Procurement Procedure Rules in place for Vesting Day would increase the risk of non-compliant procurement activity.

8.3. These risks can be best mitigated by continuing to develop the Contract and Procurement Procedure Rules in accordance with the approach set out in this report and ensuring that the Rules progress through the required governance process in sufficient time for adoption before Vesting Day.

9. Options

9.1. Not to provide comments or feedback, which would mean that the Sub-Committee's views are not taken into account.

10. Issues for Consideration

10.1. Financial Implications

10.1.1. There are no direct financial implications arising from the proposed action. However, the proposed documents are important for maintaining compliance with financial and procurement regulations, and ensuring the new unitary authority has sufficient controls and governance to minimize the risk of financial loss. This will ensure that value for money is embedded as a core value of the new authority and maximise value for money.

10.1.2. There may be financial and value for money implications should the authority elect to set financial thresholds different to those proposed, for example reducing the proposed thresholds would require increased resources to deliver the procurement pipeline so would have to be considered against the value for money of doing so.

10.2. Section 151 Officer Commentary

10.2.1. West Surrey will operate in a very challenging financial environment, with significant budgetary pressures and limited financial resources from 2027/28 (Vesting Day), coupled with increasing demand and costs of services, and reducing government funding. West Surrey Council will be increasingly reliant on Council Tax as the primary source of income.

10.2.2. Decisions made by the sovereign councils in West Surrey and the West Surrey Shadow Authority will need to consider the ongoing financial impact and ensure that expenditure does not exceed the resources available. It is vital that significant importance is placed on effective financial management and medium-term financial sustainability to deliver a balanced budget going forwards and protect service delivery.

10.2.3. Procurement & Contract Procedure Rules underpin the organisations governance around purchases and contract management and it is critical we have those rules in place before vesting day to enable that governance to be set.

10.2.4. Councils are legally obliged to comply with the Procurement Regulations and need robust procurement & contract standing orders in place to ensure this.

10.2.5. All officers of the Council are required to sign up to the constitution and are bound by the procedure rules.

10.3. Legal Implications

10.3.1. Section 9P of the Local Government Act 2000 requires a local authority to prepare, maintain and keep up to date its constitution, including its standing orders and procedure rules. In addition, section 135 of the Local Government Act 1972 requires local authorities to make standing orders for contracts for the supply of goods, materials or the execution of works, including provisions securing competition and regulating the way tenders are invited.

10.3.2. The proposed approach suggested in this report will support compliance with the Procurement Act 2023, the Procurement Regulations 2024. The Procedure Rules should be drafted so that they are in line with the wider constitution, financial procedure rules, officer delegations and decision-making arrangements, and so that they provide a clear framework for lawful, transparent, proportionate and accountable procurement and contract management.

10.3.3. Failure to adopt Contract and Procurement Procedure Rules before Vesting Day would increase the risk of non-compliant procurement activity, unlawful or procedurally defective contract awards, challenge by suppliers, delay to service delivery, reputational damage and potential financial exposure.

10.4. Monitoring Officer Commentary

10.4.1. Adoption of robust Contract and Procurement Procedure Rules by the Shadow Authority into the West Surrey Council Constitution, provides clarity for members, officers and the public, upholds a robust governance framework, ensures compliance with legislation and goes to the heart of the Council's Best Value Duty.

10.5. People/Human Resources Implications

10.5.1 The proposed Procurement and Contract Procedure Rules do not create any immediate staffing restructure or direct employment decision. However, effective implementation will require officers across the new authority to understand and apply the new governance requirements, including the procurement lifecycle, approval thresholds, delegations, contract management responsibilities and standards of conduct. This will need to be supported by clear guidance, training and communications for budget holders, contract managers and officers involved in procurement activity. Further people implications, including any impact on roles, responsibilities or procurement capacity, will be considered as the detailed rules, supporting guidance and implementation arrangements are developed ahead of vesting day.

10.6. Equality and Diversity Implications

10.6.1. There are no equality impacts arising directly from this report. However, the council's equality duty and equality impacts are considered in relation to each individual procurement or applicable financial transaction undertaken.

10.7. Climate Change and Sustainability Implications

10.7.1. There are no climate change and sustainability impacts arising directly from this report. However, sustainability and related considerations will be taken at the time any applicable individual procurement or financial transaction undertaken.

10.8. Stakeholders Implications

1.1.1 None anticipated

11. Overview & Scrutiny Comments

1.2 Not applicable

12. List of Appendices

ANNEX 1: Proposed Procurement and Contract Procedure Rules Structure and Content Framework

ANNEX 2: Proposed Thresholds, routes to market, delegation of authority for contract award etc

13. List of Background papers

None

ANNEX 1: Proposed Procurement and Contract Procedure Rules (PCPRs) Structure and Content Framework

Purpose: This table summarises the proposed CPR structure and suggested (high-level) content for the new unitary authority.

Section	Heading	Purpose / Summary	Content Included
1	Introduction and Purpose	Establishes the legal basis, purpose and status of the PCPRs within the governance framework.	Legal status; Constitution; Financial Regulations; purpose; application; compliance; consequences of breach
2	Scope	Defines when the PCPRs apply and procurement activities covered.	Goods, services, works, concessions, Provider Selection Regime (PSR), grants, exclusions, collaborative procurements
3	Governance Framework	Decision-making and approval structure.	Approval to procure, award, vary, delegations, member involvement, S151 Officer and Monitoring Officer (MO) input
4	Roles and Responsibilities	Clarifies accountability.	Officers, budget holders, contract managers, procurement, legal, finance, directors, Members
5	Procurement Principles	Core principles for spending public funds.	VfM, transparency, fairness, proportionality, risk management, innovation
6	Standards of Conduct and Ethical Procurement	Expected standards of behaviour.	Conflicts of interest, gifts, anti-fraud, bribery, modern slavery, confidentiality
7	Social Value	Social value in contracts approach	Reference the social value model. Set requirements around when must be used, minimum evaluation criteria reserved for social value, monitoring of delivery etc
8	Planning the Procurement	Pre-procurement activities.	Business need, options appraisal, valuation, aggregation, PME, procurement strategy

9	Choosing the Procurement Route	Selecting the appropriate route to market.	Thresholds, quotations, tenders, frameworks, dynamic markets, direct awards
10	Conducting the Procurement and Award	Running the competition and selecting suppliers.	Evaluation, moderation, communications, approvals, notices, standstill
11	Contract Formation and Contract Management	Managing transition into delivery.	Contract execution, sealing, mobilisation,
12	Contract Management	Approach to contract management.	Contract management reporting – Contract Performance Indicators (CPIs – for internal reporting), Key Performance Indicators (KPIs – for statutory reporting), supplier management
13	Exemptions, Waivers and Emergency Procurement	Managing deviations from standard process .	Exemptions, waivers, emergencies, urgent procurements, reporting
14	Transparency, Records and Reporting	Audit and transparency requirements.	Publication obligations, contract register, records, retention, reporting
15	Review and Continuous Improvement	Keeping governance arrangements current	Compliance reviews, audit findings, lessons learned, updates
	Appendices	*Operational guidance and supporting material*	*Definitions, thresholds, approval matrix, procurement routes, waivers, templates*

ANNEX 2: Proposed Thresholds, routes to market, delegation of authority for contract award etc

Notes for all tables:

Contract value means the estimated total aggregate value payable in pounds sterling inclusive of Value Added Tax (VAT) over the entire contract period and must include all of the facts which are material to the estimate and available at the time, including for example any extensions of the contract, any additional options to procure or fees, commissions or interest payments.

Roles cited are the current Surrey County Council delegations of authority and will be aligned with the equivalent new West Surrey Unitary Authority roles once known.

Procurement Type A: Goods or Services

Estimated Contract Value Inc VAT	Procurement Method	Teams authorised to undertake the Procurement	Type of Contract Required	Who must approve Contract Award prior to commencement	Who signs the contract on the Council's behalf
£0 - £29,999	Use available Frameworks or Dynamic Purchasing Sytem's (DPS) where they offer best value; or One written quote or commercial negotiation with supplier.	All Council Officers	Council's Standard Terms & Conditions or the established Framework, or DPS Terms	Budget Holder	Not Required if standard terms apply – (Budget Holder's approval of the Purchase Order is sufficient). If Framework or DPS or DM: Budget holder to sign both Access Agreements and subsequent Call-Off Contracts
£30,000 – £207,719 Below Regulatory Threshold	Use available Frameworks or Dynamic Purchasing System's (DPS) where they offer best value; or Seek a minimum of 3 quotes.	Procurement, unless agreed otherwise by Head of Procurement or Delegate.	Council's Standard Terms & Conditions or the established Framework or DPS Terms.	Head of Service or Delegated Manager	Head of Service or Delegated Manager

£207,720 - £999,999 Equal to or above Regulatory Threshold	Procurement in compliance with Procurement Act 2023 (PA 23). This may be through a new procurement process or via existing compliant Frameworks, DPS's or Dynamic Markets.	Procurement	Council's Standard Terms & Conditions, bespoke Contract terms agreed by Legal Services or established Framework, DPS or Dynamic Market Terms	If within +5% of budget: Exec Director Approval (or delegated). If not within budget: Exec Director and S151 Officer	Under 500k, Head of Procurement and Head of Service. Over £500k: to be executed by authorised signatory in legal services under seal as determined by Legal Services.
Over £1m	Procurement in compliance with Procurement Act 2023. This may be through a new procurement process or via existing compliant frameworks/DPS's/Dynamic Markets.	Procurement	Council's Standard Terms & Conditions, bespoke Contract terms agreed by Legal Services or established Framework/DPS /Dynamic Market Terms	If within +5% of budget: Exec Director Approval (or delegated). If not within budget and under £5M: Exec Director, Portfolio Holder and S151 Officer. If not within budget and over £5M: Full Cabinet.	Executed under Deed by Legal Services

Procurement Type B: Works

Estimated Contract Value Inc VAT	Procurement Method	Teams authorised to undertake the Procurement	Type of Contract Required	Who must approve Contract Award prior to commencement	Who signs the contract on the Council's behalf
£0 - £29,999	Use available Frameworks or Dynamic Purchasing System's where they offer best value; or One written quote or commercial negotiation with supplier.	All Council Officers	Industry standard form of contract with Council amendments	Budget Holder	Not Required – (Approval of Purchase Order)
£30,000 – £207,719	Use available Frameworks or Dynamic Purchasing System's (DPS) where they offer best value; Alternatively, seek a minimum of 3 quotes.	Procurement, unless agreed otherwise by Head of Procurement or Delegate.	Industry standard form of contract with Council amendments, bespoke Contract terms agreed by Legal Services or established Framework Terms, DPS Terms or JCT / NEC Model Forms.	Procurement & Head of Service	Head of Service.
£207,720 – £1m	Use available Frameworks, Dynamic Purchasing Systems or Dynamic Markets) where they offer best value. Alternatively, seek a minimum of 3 quotes.	Procurement, unless agreed otherwise by Head of Procurement or Delegate.	Industry standard form of contract with Council amendments, bespoke Contract terms agreed by Legal Services or established Framework Terms, DPS Terms, Dynamic Market Terms	If within +5% of budget: Exec Director Approval (or delegated) & Head of Procurement (or delegated). If not within budget: Exec Director and S151 Officer	Under 500k, Head of Procurement and Head of Service. Over £500k: to be executed by authorised signatory in legal services under seal as determined by Legal Services.

			or JCT / NEC Model Forms.		
Over £1m	**If below £5,193,000:** Use available Frameworks, Dynamic Purchasing Systems or Dynamic Markets where they offer best value. Alternatively, seek a minimum of 3 quotes. **If equal to or over £5,193,000:** This may be through a new procurement process in accordance with the PA 23, or via existing compliant Frameworks, DPS's or Dynamic Markets.	Procurement	Industry standard form of contract with Council amendments, bespoke Contract terms agreed by Legal Services or established Framework Terms, DPS Terms, Dynamic Market Terms or JCT / NEC Model Forms.	If within +5% of budget: Exec Director Approval (or delegated). If not within budget and under £5M: Exec Director, Portfolio Holder and S151 Officer. If not within budget and over £5M: Full Cabinet.	To be executed by authorised signatory in legal services under seal as determined by Legal Services.

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Procurement Type C: Light Touch

Estimated Contract Value Inc VAT	Procurement Method	Teams authorised to undertake the Procurement	Type of Contract Required	Who must approve Contract Award (prior to commencement)	Who signs the contract on the Council's behalf
£0 - £29,999	Use available Frameworks, Approved Lists or Dynamic Purchasing System's where they offer best value; or One written quote or commercial negotiation with supplier	All Council Officers	Council's Standard Terms & Conditions	Budget Holder	Not Required – (Approval of Purchase Order)
£30,000 – £214,903	In consultation with Procurement, determine the best and most proportionate route to market for below threshold. This may include use of available established Frameworks/DPS's where they offer best value; Alternatively, seek a minimum of 3 quotes.	Procurement, unless agreed otherwise by Head of Procurement or Delegate.	Council's Standard Terms & Conditions, bespoke Contract terms agreed by Legal Services or established Framework/DPS /Dynamic Market Terms	Procurement & Head of Service	Head of Service or delegated manager
£214,904 – £663,540	In consultation with Procurement, determine the best and most proportionate route to market for below threshold.	Procurement, unless agreed otherwise by Head of Procurement or Delegate.	Council's Standard Terms & Conditions, bespoke Contract terms agreed by Legal Services or established Framework, DPS or Terms.	Within +5% of budget: Exec Director Approval (or delegated) & Head of Procurement (or delegated). If not within budget:	Under 500k, Head of Procurement and Head of Service. Over £500k: to be executed by authorised signatory in legal services under

Estimated Contract Value Inc VAT	Procurement Method	Teams authorised to undertake the Procurement	Type of Contract Required	Who must approve Contract Award (prior to commencement)	Who signs the contract on the Council's behalf
	This may include use of available Frameworks, DPS' or where they offer best value. Alternatively, seek a minimum of 3 quotes.			Exec Director and S151 Officer	seal as determined by Legal Services.
£663,540 - £1m	This may be through a new procurement process in accordance with the PA 23, or via existing compliant Frameworks, DPS's or Dynamic Market	Procurement	Council's Standard Terms & Conditions, bespoke Contract terms agreed by Legal Services or established Framework/DPS/Dynamic Market Terms.	Within +5% of budget: Exec Director Approval (or delegated) & Head of Procurement (or delegated). If not within budget: Exec Director and S151 Officer	Over £500k: to be executed by authorised signatory in legal services under seal as determined by Legal Services.
Over £1m	This may be through a new procurement process in accordance with the PA 23, or via existing compliant Frameworks, DPS's or Dynamic Market	Procurement	Council's Standard Terms & Conditions, bespoke Contract terms agreed by Legal Services or established Framework/DPS or Dynamic Market Terms.	If within +5% of budget: Exec Director Approval (or delegated). If not within budget and under £5M: Exec Director, Portfolio Holder and S151 Officer. If not within budget and over £5M: Full Cabinet.	To be executed by authorised signatory in legal services under seal as determined by Legal Services.

Procurement Type D: Provider Selection Regime (PSR)

[NB: Healthcare and Public Health Services that are in-scope of PSR have no minimum threshold.]

Estimated Contract Value Inc VAT	Procurement Method	Teams authorised to undertake the Procurement	Type of Contract Required	Who must approve Contract Award prior to commencement	Who signs the contract on the Council's behalf
£0 - £207,719	One of the following PSR procedures: • Direct Award A • Direct Award B	Procurement, unless otherwise agreed by Procurement	Council's Standard Terms & Conditions or bespoke Contract terms agreed by Legal Services	Procurement & Head of Service	Head of Service or delegated manager
	One of the following PSR procedures: • Direct Award C • Most Suitable Provider • Competitive Process	Procurement	Council's Standard Terms & Conditions or bespoke Contract terms agreed by Legal Services	Procurement & Head of Service	Head of Service or delegated manager
£207,720 - £1M	One of the following PSR procedures: • Direct Award A • Direct Award B • Direct Award C • Most Suitable Provider • Competitive Process	Procurement	Council's Standard Terms & Conditions or bespoke Contract terms agreed by Legal Services	Within +5% of budget: Exec Director Approval (or delegated) & Head of Procurement (or delegated). If not within budget: Exec Director and S151 Officer	Over £500k: to be executed by authorised signatory in legal services under seal as determined by Legal Services.

Over £1m	One of the following PSR procedures: • Direct Award A • Direct Award B • Direct Award C • Most Suitable Provider • Competitive Process	Procurement	Council's Standard Terms & Conditions or bespoke Contract terms agreed by Legal Services	If within +5% of budget: Exec Director Approval (or delegated). If not within budget and under £5M: Exec Director, Portfolio Holder and S151 Officer. If not within budget and over £5M: Full Cabinet.	To be executed by authorised signatory in legal services under seal as determined by Legal Services.

Procurement Type E: Concessions

Estimated Contract Value Inc VAT	Procurement Method	Teams authorised to undertake the Procurement	Type of Contract Required	Who must approve Contract Award prior to commencement	Who signs the contract on the Council's behalf
£0 – £207,719	Seek a minimum of 3 quotes.	Procurement unless agreed otherwise by Head of Procurement (or delegate)	Bespoke Contract terms agreed by Legal Services.	Procurement & Head of Service	Head of Service.
£207,720 – £1m	Seek a minimum of 3 quotes.	Procurement	Bespoke Contract terms agreed by Legal Services.	If within +5% of budget: Exec Director Approval (or delegated) & Head of Procurement (or delegated). If not within budget: Exec Director and S151 Officer	Under 500k, Head of Procurement and Head of Service. Over £500k: to be executed by authorised signatory in legal services under seal as determined by Legal Services.
Over £1m	**If below £5,193,000:** Seek a minimum of 3 quotes. **If equal to or over £5,193,000:** Procure in compliance with the relevant Procurement Legislation.	Procurement	Bespoke Contract terms agreed by Legal Services.	If within +5% of budget: Exec Director Approval (or delegated). If not within budget and under £5M: Exec Director, Portfolio Holder and S151 Officer. If not within budget and over £5M: Full Cabinet.	To be executed by authorised signatory in legal services under seal as determined by Legal Services.

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West Surrey Shadow Authority		
Report title: Proposed Changes to Council Procedure Rules – Work before Meetings and At the Meeting		
Report to: Constitution Sub-Committee		
Date: 17 September 2026		
Executive Portfolio Holder: Cllr. Victoria Kiehl Contact Email: Victoria.Kiehl@westsurrey.gov.uk		
Report of Statutory Officer: Susan Sale, Monitoring Officer (interim) Contact Email: Susan.Sale@westsurrey.gov.uk		
Report author(s): Deborah Davies, Deputy Monitoring Officer (Interim) Contact Email. Deborah.davies@westsurrey.gov.uk		
Wards affected: All **Ward councillors informed:** Yes		
Exempt from publication: No		
Key Decision: No	**If a Key Decision, date registered on Forward Plan:** N/A	
Report cleared for publication by:		
People Workstream	N/A	N/A
Equalities Impact Assessment complete	N/A	N/A
Senior Responsible Officer **(or their delegate)**	N/A	N/A
S151 Officer	Susan Sale on behalf of Vicky Radford	11 September 2026
Monitoring Officer	Susan Sale	11 September 2026
Executive Portfolio Holder consultation	Cllr Victoria Kiehl	11 September 2026
Committee Chair consultation	Cllr Joanne Shaw	11 September 2026
Head of Paid Service	Susan Sale on behalf of Andy Brown	11 September 2026

1. Executive Summary

1.1 This report sets out a draft of the first part of the suggested Council Procedure Rules, to be considered by the Constitution Sub-Committee at its meeting on 17th August.

2 Recommendations:

2.1 That the Constitution Sub-Committee resolves:-

to consider the proposed Part 1 of the Council Procedure Rules and recommend them to the Standards Committee.

3 Reason(s) for recommendation:

3.1 Council Procedure Rules ensure that the Council has adequate arrangements in place to deal with the conduct of business at council and committee meetings, in an effective and efficient manner that meets statutory requirements.

3.2 The Council Procedure Rules have a number of parts to them, and inter-relate to other areas of the Constitution. This is the first part which members agreed to consider.

4 Next steps

4.1 If this report is approved by the Constitution Sub-Committee, then it will be considered by the Standards Committee who will decide whether to incorporate it into the new draft Constitution for approval by the Shadow Authority, with effect from Vesting Day.

5 Exemption from publication

5.1 This report is not exempt from publication.

6 Background and Proposal

6.1 The Council Procedure Rules (CPRs) ensure that the following are covered:-

(a) How to get an item considered by the meeting

(b) How to participate effectively in debate

(c) How decisions are made

(d) How to follow the correct procedures

6.2 The CPRs should be considered by members to ensure that they are suitable for the purposes of West Surrey Council. They are in sections and members of the sub-committee agreed to consider them in sections rather than agree them in whole, due to the detailed nature of the CPRs. The CPR's also relate to other areas of the Constitution and those other areas will also need to be considered as part of the work programme, before the Council Procedure Rules as a whole are recommended to the Standards Committee.

6.3 The main areas of the CPRs to be covered in this report are:-

Area	**Covered**	**Why**
Before the Meeting	Notice & Summons Questions Motions Substitutes Access to Information	Members need to know what to do in advance to ensure business can be covered
At the Meeting	Quorum Election of Chair (if needed) Declarations of Interest Order of Business	Establish whether the meeting is legally constituted

6.4 The proposed Council Procedure Rules are arranged in sections rather than being organised by subject. This makes the rules easier for members and the public to navigate according to the stage of the meeting.

6.5 In considering changes to the Council Procedure Rules, we have had regard to Councils where governance arrangements including Council Procedure Rules were substantially reviewed after external reviews on governance. We have also considered the CPRs of upper tier councils with membership between 85-95 members.

6.6 The revised Rules contain an express purpose clause which identifies their relationship with other parts of the Constitution e.g. Access to Information, O&S, Code of Conduct etc. This makes it clear what other parts of the Constitution should also be considered.

6.7 The Chair's interpretation is applied generally rather than predominantly within the Rules of Debate.

6.8 There is a single definition of a ‘clear working day’ at the start of the Rules, to ensure there is no ambiguity or repetition.

6.9 In respect of members questions, we are suggesting a total overall time of 30 minutes which is in line with other comparator size councils. The urgency provisions are drafted to allow an urgent question on one hour’s notice provided the member being asked the question, and the Chair, agrees – but members are requested to consider whether this should be changed.

6.10 These Rules provide five clear working days for responses to be prepared for member questions. Once West Surrey Council is fully operational there will be a need for a more suitable length of time for responses to be prepared due to the range of services and subjects, and the size of the workforce and we suggest five clear working days.

6.11 The proposed rule on motions on notice requires a seconder to be identified when the notice is submitted. This ensures there is genuine support before publication.

6.12 Comparator size Councils use a range of measures when considering motions; these range from an overall time limit (90 minutes for Surrey CC, 30 minutes for Durham) to a maximum of 3 motions (Hartlepool) and up to 3 allocated between political groups proportionally (Islington) and 25 minutes per motion (Lancashire). Members are asked to give consideration to this area.

6.13 The Rules encourage members to lodge substantive amendments in advance, which helps to ensure that legal and financial advice has been taken and reduces confusion during meetings, or the need for an adjournment.

6.14 The Rules deal with the situation when no quorum is present within a specified time and provides clarity on this, with an express requirement to adjourn if the quorum is lost. An alternative to this is to allow ‘reasonable time’ but this could lead to different interpretations of ‘reasonable’ depending on the Chair. There is a mechanism for the remaining business, and the quorum is ‘rounded up’ as the number of members doesn’t allow an exact split.

7 Consultation

7.1 The portfolio holder has been consulted, and her comments will be reported to the Sub-Committee.

8 Key Risks

8.1 There is a risk that the Council Procedure Rules will need to be revisited, or that they overlap/conflict with other parts of the Constitution. This risk will be managed through the work programme. And for this reason the Standards Committee will be asked to consider the Council Procedure Rules as a whole when the Sub Committee have finished their work on them.

9 Options

9.1 To consider and provide comments on the Council Procedure Rules, to enable these to be put before the Standards Committee (recommended).

9.2 Not to consider the Council Procedure Rules (not recommended).

10 Issues for consideration

10.1 Financial Implications

10.1.1 There are no financial implications to this report.

10.2 Section 151 Officer Commentary

10.2.1 There are no financial implications to this report

10.3 Legal Implications

10.3.1 The Council Procedure Rules will need to meet the requirements for Standing Orders, as provided for by the Local Government Act 1972, Local Government and Housing Act 1989, and Local Government Act 2000.

10.3.2 The Local Government Act 2000 requires all Councils to have a Constitution which is kept up to date, and to make it available to the public.

10.4 Monitoring Officer Commentary

10.4.1 The Sub-Committee has the responsibility for recommending changes in the Constitution, and the Council Procedure Rules are the foundation of ensuring that meetings are properly constituted and that decision making is lawful.

10.5 People/Human Resources Implications

10.5.1 There are no HR implications.

10.6 Equality and Diversity Implications

10.6.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:

(a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
(b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
(c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

10.6.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).

10.6.3 This duty has been considered in the context of this report, and it has been concluded that there are no equality and diversity implications arising directly from this report and the Council Procedure Rules.

10.7 Climate Change and Sustainability Implications

10.7.1 There are no implications arising from this report.

10.8 Stakeholders Implications

10.8.1 The Council Procedure Rules are a matter for members themselves to agree, whilst bearing in mind that they have an impact on the wider community and democratic accountability.

11 Overview & Scrutiny Comments

11.1 N/A

12 List of Appendices

12.1 Draft Council Procedure Rules Part 1

13 List of Background papers

13.1 None

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COUNCIL PROCEDURE RULES

1. Purpose and application

1.1 These Council Procedure Rules regulate the conduct of meetings of the Council and, where specified, its committees and sub-committees.

1.2 The Rules should be read with the remainder of the Constitution, in particular the Access to Information Procedure Rules, Budget and Policy Framework Procedure Rules, Executive Procedure Rules, Overview and Scrutiny Procedure Rules and the Members' Code of Conduct.

1.3 These Rules are subject to any statutory requirement. Where there is any conflict between these Rules and legislation, the legislation shall prevail.

1.4 The Chair of the meeting shall interpret and apply these Rules at the meeting, having regard to any advice given by the Monitoring Officer or their representative. The Chair's ruling at the meeting shall be final.

1.5 References in these Rules to the "Chair" include the person presiding at the meeting.

1.6 A reference to a "clear working day" excludes the day on which notice is given and the day of the meeting and excludes Saturdays, Sundays and bank holidays.

PART A – BEFORE THE MEETING

2. Meetings of the Council

2.1 Annual Meeting

In a year in which there is an ordinary election of councillors, the Annual Meeting will take place within 21 days of the retirement of the outgoing councillors.

In any other year the Annual Meeting will take place in March, April or May on a date determined by the Council.

2.2 Business at the Annual Meeting

The Annual Meeting shall:

(a) elect the Chair of the Council;

(b) appoint the Vice-Chair;

(c) approve the minutes of the last meeting where appropriate;

(d) receive any declarations of interest;

(d) receive any announcements from the Chair and/or Chief Executive;

(e) elect the Leader where required;

(f) receive notification from the Leader of the appointment of the Deputy Leader and Cabinet;

(g) establish those committees as are required by statute and such others it considers appropriate to establish;

(i) determine the allocation of seats and appointments to committees in accordance with the political balance requirements;

(j) appoint chairs and vice-chairs of those committees where the Constitution provides for Council to make those appointments;

(k) appoint representatives to outside bodies where responsibility rests with Council; and

(l) consider any other business specified in the summons.

2.3 Ordinary Meetings

Ordinary meetings of the Council will take place in accordance with the calendar of meetings approved by the Council.

2.4 Agenda and Order of Business

2.4.1 The normal order of business at an ordinary meeting of Council shall be:

(a) election of a person to preside, if necessary;

(b) apologies for absence;

(c) approval of minutes;

(d) declarations of interests;

(e) announcements by the Chair;

(f) announcements by the Chief Executive;

(g) receive any announcements from the Leader of the Council (or an Executive member nominated by the Leader) for a maximum time of three minutes;

(g) public questions or participation for up to 30 minutes;

(h) petitions where the Constitution provides for them to be considered;

(i) questions from members for up to 30 minutes;

(j) reports and recommendations requiring a decision by Council;

(k) reports from committees and other bodies;

(l) motions on notice;

(m) appointments and other constitutional business; and

(n) other business included on the agenda.

2.4.2 The Chair may, with the consent of the meeting, vary the order of business where this will facilitate the effective conduct of the meeting.

2.4.3 Items whose order is prescribed by statute shall be dealt with in the required order.

2.5 Extraordinary Meetings

2.5.1 An extraordinary meeting of full Council may be convened at other times:

(a) by the Chair; or

(b) by the Monitoring Officer or Chief Finance Officer to consider a report in the discharge of their statutory duties; or

(c) by five Councillors only as set out below.

2.5.2 Five Councillors may present a requisition to the Chair to hold an extraordinary meeting. A requisition must:

(a) be in writing;

(b) signed by at least five Councillors and identifying a Councillor to whom the Chair should respond (the “lead Councillor”); and

(c) state the purpose of the meeting including a motion which must be made in accordance with these rules.

(d) requisitions may also be submitted in electronic format but must include signatures

2.5.3 If the Chair either refuses to call an extraordinary meeting or fails to call a meeting within seven days of the presentation of the requisition, the ten Councillors may call an extraordinary meeting. No other business may be transacted at an extraordinary meeting except with the agreement of the Chair.
2.5.4 The Chair may hold an extraordinary Council meeting on the same day as an ordinary Council meeting.
2.5.5 The Monitoring Officer may cancel an extraordinary meeting at any time if requested to do so in writing by the lead Councillor.

3. Notice and Summons

3.1 The Proper Officer will give notice of meetings and send a summons and agenda to every member in accordance with statutory requirements.

3.2 Unless legislation provides otherwise, the agenda and reports will normally be published at least five clear days before the meeting.

3.3 A summons, electronically signed by the Proper Officer, will be sent electronically to a member's official email account.

3.4 The summons will specify:

(a) the date, time and place of the meeting;

(b) the business to be considered;

(c) whether reports or appendices contain exempt or confidential information; and

(d) any other information required by law or the Constitution.

3.5 An item of business which has not been included on the agenda may only be considered where this is permitted by law.

4. Questions by Members

4.1 Questions on Notice

A member may ask a question of:

(a) the Chair of the Council;

(b) the Leader;

(c) an Executive Member; or

(d) the chair of a committee,

about a matter for which the Council has responsibility or which affects the Council's area.

At any one meeting no member of the Council may submit more than one question/Any member submitting more than one question in writing may indicate the priority of importance of each question.

If a Member who has submitted a question is unable to be present, the question will be answered in writing.

4.2 Notice

Notice of the question must be given to the Monitoring Officer by email by 12 noon, five clear working days before the meeting. The question must give the name of the Member asking the question and should name the Member to whom the question is to be put. If not so named, it shall be allocated to the most appropriate Member by the Monitoring Officer. If the question relates to an Executive matter, it shall be allocated to the Leader who may promptly re allocate to any other Executive Member.

Questions will be taken in the order in which they were received by the Proper Officer, except that the Mayor may group similar questions together.

4.3 Urgency

Where a question relates to a matter of urgency, a member must have the agreement of the Chair of the Council and the member to whom the question is to be put that they are prepared to accept the question as a matter of urgency. The content of the question must be given in writing to the Monitoring Officer by midday on the day of the meeting. A matter of urgency will be an item that not could appear on the agenda and cannot reasonably be deferred until the next meeting of the Council.

4.4 Relevance and admissibility

The Monitoring Officer, following consultation with the Chair where appropriate, may reject a question which:

(a) does not relate to a matter for which the Council has responsibility or which affects the Council's area;

(b) is substantially the same as a question considered within the previous six months;

(c) is defamatory, discriminatory, offensive or otherwise unlawful;

(d) relates to an individual staffing, disciplinary or confidential matter;

(e) would disclose exempt or confidential information;

(f) relates to an individual regulatory decision where consideration would prejudice that process; or

(g) would otherwise be inappropriate for consideration at a public Council meeting.

The member shall be informed of the reason for rejection.

The length of any such question is limited to a maximum of 150 words.

Questions in writing will not be read out at Council meetings and the answers will be taken as read.

4.5 Response

A written response will be provided to all Member Questions, other than those raised under CPR xxx. The question and answer will be included in the supplementary agenda pack and published by 5pm the working day prior to the day of the meeting. The question and any written response, as published in the supplementary agenda pack, will be taken as read at the meeting and there shall be no discussion upon it.

All questions from Members, whether raised under CPRxx, and the responses shall be summarised in the minutes of the meeting.

5.5 Supplementary question

The member asking the original question may ask one supplementary question arising directly from the answer.

A supplementary question must be concise and must not introduce a substantially new matter.

The Chair may reject or stop a supplementary question which does not comply with this Rule.

5.4 Answer

An answer may be:

(a) given orally, up to a maximum of two/three minutes;

(b) given in writing;

(c) contained in another published document; or

(d) referred to another body where that is the appropriate means of providing a response.

6. Motions on Notice

6.1 Notice

Except for motions which may be moved without notice under Rule xx, notice of every motion must be sent by email to the Monitoring Officer by 12 noon, seven clear working days before the meeting.

The notice must:

(a) state the motion in full;

(b) identify the member proposing it; and

(c) identify a seconder.

6.2 Scope

A motion must relate to:

(a) a matter for which the Council has responsibility; or

(b) a matter which directly affects the Council's area or its residents.

6.3 Admissibility

The Monitoring Officer may, after consultation with the Chair, decline to place a motion on the agenda where it:

(a) would be unlawful;

(b) is defamatory, discriminatory or otherwise improper;

(c) relates to an individual staffing, disciplinary, complaints or regulatory matter;

(d) would disclose confidential or exempt information;

(e) is substantially the same as a motion considered within the previous six months unless Rule xx applies; or

(f) is not appropriate business for Council.

The member shall be informed of the reason.

6.4 Withdrawal

A member may withdraw their motion at any time before it is moved at the meeting.

After it has been moved at the meeting, it may only be withdrawn with the consent of the seconder and the meeting.

6.5 Referral of a motion

Council may refer a motion to the Executive, a committee or another appropriate body for consideration.

Where the motion relates to an executive function, Council may express a view or make a recommendation to the Executive but cannot itself exercise the executive function unless the law permits.

7. Amendments submitted in advance

7.1 Members are encouraged to submit substantive amendments to published recommendations or motions to the Monitoring Officer before the meeting. All such amendments will be kept confidential.

7.2 An advance amendment should identify:

(a) the words to be deleted;

(b) the words to be inserted; and

(c) the resulting amended proposition.

7.3 Advance submission does not prevent an amendment being moved at the meeting in accordance with these Rules.

7.4 The Monitoring Officer may advise that an amendment is not admissible where it is unlawful, outside the Council’s functions, inconsistent with the Budget and Policy Framework Procedure Rules or is not a genuine amendment to the original proposition.

PART B – AT THE MEETING

8. Quorum

8.1 The quorum for Council shall be one quarter of the whole number of members rounded up.

8.2 The quorum for a committee or sub-committee shall be one quarter of its membership rounded up, subject to a minimum of three members unless legislation requires otherwise.

8.3 If there is no quorum at the time the meeting is due to commence, the Chair may allow a reasonable period, being no more than 15 minutes, for a quorum to be achieved.

8.4 If during a meeting the number of members present falls below the quorum, the meeting shall be adjourned.

8.5 Remaining business shall be considered at a time and date determined by the Chair or, if no date is determined, at the next ordinary meeting.

9. Chairing the Meeting

9.1 The Chair shall:

(a) uphold these Rules;

(b) facilitate fair and orderly debate;

(c) ensure that members have an appropriate opportunity to participate;

(d) maintain order;

(e) decide questions of procedure, having regard to advice from the Monitoring Officer; and

(f) ensure that the meeting reaches clear decisions.

9.2 The Chair's ruling on the conduct of the meeting shall be final.

9.3 When the Chair intervenes to give a ruling or to restore order, the member speaking must stop.

10. Interests

10.1 Members must declare interests and act in accordance with:

(a) the Localism Act 2011;

(b) the Council's Code of Conduct; and

(c) any dispensations granted.

10.2 The Chair may invite members to declare interests at the beginning of the meeting but the responsibility for making an appropriate declaration remains with the individual member.

10.3 Where an interest becomes apparent during consideration of an item, the member must declare it at that point.

West Surrey Shadow Authority		
Report title: Proper Officer Functions – Statutory Scrutiny Officer		
Report to: Constitution Sub-Committee Standards Committee Shadow Authority		
Date: 17 September 2026 22 October 2026 19 November 2026		
Executive Portfolio Holder: Cllr. Victoria Kiehl **Contact Email:** Victoria.Kiehl@westsurrey.gov.uk		
Report of Susan Sale, Monitoring Officer (interim), susan.sale@westsurrey.gov.uk		
Report author(s): Vicky Hibbert; Deputy Monitoring Officer (interim)		
Wards affected: ALL **Ward councillors informed:** No		
Exempt from publication: No		
Key Decision: No	**If a Key Decision, date registered on Forward Plan:** n/a	
Report cleared for publication by:		
People Workstream	N/A	N/A
Equalities Impact Assessment complete	N/A	N/A
Senior Responsible Officer **(or their delegate)**	N/A	N/A
S151 Officer	Susan Sale on behalf of Vicky Radford	11 September 2026
Monitoring Officer	Susan Sale	11 September 2026
Executive Portfolio Holder consultation	Cllr Victoria Kiehl	11 September 2026
Committee Chair consultation	Cllr Jo Shaw	11 September 2026

Head of Paid Service	Susan Sale on behalf of Andy Brown	11 September 2026

1. Executive Summary

1.1 The Shadow Authority is required to set out its framework for Proper Officer functions for the areas that it has responsibility for during the shadow period, as set out in the Surrey (Structural Changes) Order 2026.

1.2 This report sets out a proposed change to the current Statutory Scrutiny Officer for the Shadow Authority following additional resource being provided to support the Overview and Scrutiny function during the shadow period.

2. Recommendations:

Constitution Sub Committee

It is recommended that the Constitution Sub-Committee resolve to:

2.1. **Endorse the proposed change to the current Designated Scrutiny Officer for the Shadow Authority from the Monitoring Officer (as set out in Part 3-C2, B 2.1 of the Constitution) to the Scrutiny Officer, and recommend this to the Standards Committee.**

Standards Committee

And if approved by the Constitution Sub Committee, it is recommended that the Standards Committee resolve to:

2.2. **Endorse the proposed change to the current Designated Scrutiny Officer for the Shadow Authority from the Monitoring Officer (as set out in Part 3-C2, B 2.1 of the Constitution) to the Scrutiny Officer, and recommend this to the Shadow Authority.**

Shadow Authority

And if approved by the Standards Committee, it is recommended that the Shadow Authority resolve to:

2.3. **Approve this proposal for inclusion within the West Surrey Shadow Authority Constitution with immediate effect.**

3. Reason(s) for recommendation:

3.1 Allocation of Proper Officer functions will bring clarity and transparency as to where the responsibility for those functions rests, to ensure that it is clearly documented so that decisions are taken by the appropriate decision maker with the necessary authority.

3.2 It is best practice to have separation of roles and responsibilities and for the role of the Statutory Scrutiny Officer to sit separately from the Monitoring Officer role to enable independence between their functions.

4. Next steps

4.1. Comments and feedback received from the Constitution Sub-Committee on 17 September 2026 will go to the Standards Committee on 22 October 2026. If approved by the Constitution Sub-Committee and the Standards Committee then this proposal will be presented to the Shadow Authority for consideration and if approved will form part of the West Surrey Shadow Authority Constitution.

5. Exemption from publication

5.1. None of this report is exempt from publication.

6. Background and Proposal

6.1 The Local Government Act 1972 and other legislation makes provision for certain officers to be designated by their authority as the "Proper Officer" to carry out particular functions under various Acts of Parliament. A "Proper Officer", in relation to any purpose and any local authority, means the officer appointed for that purpose by that authority.

6.2 In addition, certain legislation requires local authorities to make specific statutory appointments which carry defined responsibilities. The three principal statutory appointments are the Head of Paid Service, the Chief Finance Officer and the Monitoring Officer.

6.3 The role of the Designated Scrutiny Officer is considered a Proper Officer function under the Local Government Act 2000 (Section 9FB). Its role is to promote the functions of the authority’s overview and scrutiny committee, provide support to that committee and its members and provide advice and guidance to all members (including the executive) and officers on scrutiny matters.

6.4 The West Surrey Shadow Authority constitution sets out a list of Proper Officers in Part 3-C2, B 2.1 for functions that are within its remit during the shadow period. At the point where the Shadow Constitution was approved, the Monitoring Officer was designated as the Statutory Scrutiny Officer.

6.5 Following the establishment of the West Surrey Overview and Scrutiny Committee, additional resource has been allocated to support scrutiny through designating a dedicated Scrutiny Officer to provide support and fulfil the Statutory

Scrutiny Officer role. An appointment has been made, on an interim basis, until vesting Day, by the Head of Paid Service, for a Scrutiny Officer for West Surrey Shadow Authority.

6.6 Authorities can choose which role to allocate the statutory scrutiny officer role to and this varies. However sector best practice is clear that this should not be the Head of Paid Service, Monitoring Officer or Chief Finance Officer.

6.7 As there is now a dedicated resource in place, members are asked to approve a change to the Proper Officer function list within Part 3-C2, B 2.1 of the West Surrey Shadow Authority Constitution to allocate the Scrutiny Officer as the Statutory Scrutiny Officer in place of the Monitoring Officer.

7. Consultation

7.1. Consultation has been undertaken with the relevant Portfolio Holder and their comments may be fed back verbally to the Constitution Sub Committee at its meeting.

8. Key Risks

8.1. If the Council does not decide the allocation of its Proper Officer functions, there is a risk of uncertainty as to where responsibility for those functions lies. This could lead to decisions being taken by a body or person without the necessary authority. This could in turn result in decisions being open to legal challenge.

8.2. Having separation of roles and responsibilities is important to ensure that scrutiny remains independent in its role. If the Monitoring Officer continues to undertake the Designated Scrutiny Officer role then this does not align with sector best practice.

9. Options

9.1. Recommend the proposed change to the Shadow Authority’s Designated Scrutiny Officer to the Standards Committee and following endorsement, onto the Shadow Authority for approval and inclusion in the Constitution. This is the **preferred option**.

9.2. Do not recommend the proposed change to the Shadow Authority’s Designated Scrutiny Officer for onward progression to the Standards Committee. This is **not recommended**.

10. Issues for Consideration

10.1. Financial Implications

10.1.1. There are no direct financial implications arising from the proposed action set out in this report.

10.2. **Legal Implications**

10.2.1 The legal implications are set out through this report.

10.3. **Monitoring Officer Commentary**

10.3.1. As the report explains, there should be separation between the roles of the Scrutiny Officer and the Monitoring Officer, and now that resource has been allocated and a dedicated Scrutiny Officer appointed on an interim basis for the remainder of the Shadow Period, it is right that they are designated the Statutory Scrutiny Officer and that this be reflected in the Designation of Proper Officers within the Shadow Authority's Constitution.

10.4. **People/Human Resources Implications**

10.4.1 There are no direct People or Human Resources implications arising from this report.

10.5. **Equality and Diversity Implications**

10.5.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:

(a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
(b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
(c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

10.5.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).

10.5.3 This duty has been considered in the context of this report and it has been concluded that there are no equality and diversity implications arising directly from this report. Equality and Diversity implications will be considered separately in respect of the exercise of the functions which are allocated by this report.

10.6. **Climate Change and Sustainability Implications**

10.6.1 There are no climate change and sustainability impacts arising directly from this report.

10.7. **Stakeholder Implications**

10.7.1 None anticipated.

11. Overview & Scrutiny Comments

11.1 The Chair of the Overview and Scrutiny Committee is supportive of this proposal and the additional capacity and resource being allocated to Overview and Scrutiny in the Shadow Authority.

12. List of Appendices

12.1 None

13. List of Background papers

13.1 West Surrey Shadow Authority Constitution

West Surrey Shadow Authority		
Report title: Responsibility for Functions: Local Choice Functions		
Report to: Constitution Sub-Committee		
Date:17 September 2026		
Executive Portfolio Holder: Cllr. Victoria Kiehl **Contact Email:** Victoria.Kiehl@westsurrey.gov.uk		
Report of Susan Sale, Monitoring Officer (interim), susan.sale@westsurrey.gov.uk		
Report author(s): Deborah Davies; Deputy Monitoring Officer (interim)		
Wards affected: ALL **Ward councillors informed:** No		
Exempt from publication: No		
Key Decision: No	**If a Key Decision, date registered on Forward Plan:** n/a	
Report cleared for publication by:		
People Workstream	N/A	N/A
Equalities Impact Assessment complete	N/A	N/A
Senior Responsible Officer (or their delegate)	N/A	N/A
S151 Officer	Susan Sale on behalf of Vicky Radford	10 September 2026
Monitoring Officer	Susan Sale	10 September 2026
Executive Portfolio Holder consultation	Victoria Kiehl	10 September 2026
Committee Chair consultation	Cllr Joanne Shaw	10 September 2026
Head of Paid Service	Susan Sale on behalf of Andy Brown	10 September 2026

1. Executive Summary

1.1 This report sets out the statutory framework for Local Choice functions to be included in the West Surrey Council's Constitution, effective from Vesting Day, and suggests an allocation of those functions.

2. Recommendations:

2.1. **It is recommended that the Constitution Sub-Committee:**

Recommend the proposed approach for Local Choice functions, from Vesting Day, to the West Surrey Shadow Authority Standards Committee.

3. Reason(s) for recommendation:

3.1 Allocation of Local Choice functions will bring clarity and transparency as to where the responsibility for those functions' rests, to ensure that it is clearly documented in the West Surrey Council Constitution.

3.2 The proposed allocations provide an appropriate basis for the development of the Council's detailed committee and officer delegation arrangements and will help ensure that, from vesting day, decisions are taken by the appropriate decision maker with the necessary authority.

4. Next steps

4.1. Comments and feedback received from the Constitution Sub-Committee on 17 September 2026 will go to the Standards Committee on 22nd October 2026.

4.2. The Scheme of Delegation and Terms of Reference for Committees are both included in the workplan for future meetings.

5. Exemption from publication

5.1. None of this report is exempt from publication.

6. Background and Proposal

6.1 The Local Government Act 2000 provides the statutory framework for the allocation of functions between a local authority and its executive. The detailed arrangements are set out in the Local Authorities (Functions & Responsibilities) (England) Regulations 2000 (as amended) "the Regulations".

6.2 The Regulations distinguish between functions which must not be the responsibility of the executive, known as "Council functions", those which are the responsibility of the Executive, known as "Executive functions" and a category of functions which may, but need not be, the responsibility of the Executive, known as "Local Choice functions".

6.3 For Local Choice functions, the Council determines whether responsibility should sit with the Executive or the Council, and this determination is recorded in the Constitution.

6.4 The Regulations have been amended on a number of occasions and some provisions which are in other Council's constitutions, and Schedule 2 of the Regulations, relate to legislation which has been repealed or replaced. Functions which are no longer applicable have not been included.

6.5 The suggested allocation seeks to ensure that functions which are operational or associated with the delivery of executive functions can be exercised through the Executive and appropriate officer delegations, whilst functions which are more appropriately exercised independently of the Executive e.g. school appeals are retained as Council function.

6.6 The next stage of work for the Council/Executive functions would be to decide how they are delivered i.e. what committees and officer delegations need to be put in place to ensure that the functions can be delivered efficiently.

7. Consultation

7.1. Consultation has been undertaken with the relevant Portfolio Holder and their comments may be fed back verbally to the Constitution Sub Committee at its meeting.

8. Key Risks

8.1. If the Council does not decide the allocation of its Local Choice functions, there is a risk of uncertainty as to whether those functions are the responsibility of the Council or the Executive. This could lead to decisions being taken by a body or person without the necessary authority. This could in turn result in decisions being open to legal challenge.

8.2. Clearly allocating the Local Choice functions provides transparency over decisions and ensures that the Council’s Scheme of Officer Delegation operate on the correct statutory basis.

9. Options

9.1. Recommend the Local Choice functions (with or without further amendments) to the Standards Committee. This is the **preferred option** to ensure a clear and robust constitution and allow progress through the next stages of the governance route.

9.2. Do not recommend the Local Choice functions for onward progression to the Standards Committee. This is **not recommended**.

10. Issues for Consideration

10.1. Financial Implications

10.1.1. There are no direct financial implications arising from the proposed action set out in this report.

10.2. Legal Implications

10.2.1 The legal implications are set out through this report.

10.3. Monitoring Officer Commentary

10.3.1. Local Choice functions form an important part of a council constitution and form part of the Council's arrangements for discharging its functions. They will help ensure compliance with legislation, clarity around decision-making powers, and will support a robust governance framework.

10.4. People/Human Resources Implications

10.4.1 There are no direct People or Human Resources implications arising from this report.

10.5. Equality and Diversity Implications

10.5.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:

(a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
(b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
(c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

10.5.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).

10.5.3 This duty has been considered in the context of this report and it has been concluded that there are no equality and diversity implications arising directly from this report. Equality and Diversity implications will be considered separately in respect of the exercise of the functions which are allocated by this report.

10.6. **Climate Change and Sustainability Implications**

10.6.1 There are no climate change and sustainability impacts arising directly from this report.

10.7. **Stakeholder Implications**

10.7.1 None anticipated.

11. Overview & Scrutiny Comments

11.1 Not applicable

12. List of Appendices

Appendix 1: Proposed Local Choice Functions

13. List of Background papers

13.1 None

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PART 3-A Paragraph 5.0
RESPONSIBILITY FOR LOCAL CHOICE FUNCTIONS

Allocation of local choice functions

Schedule 2 of the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 ("the 2000 Regulations") makes provision for certain functions, known as "local choice functions" to be either executive or non-executive functions. The Council has determined that the responsibilities shall be allocated as follows:

Local Choice Functions		Statutory Provision	Allocation
1.	Any function under a Local Act not specified or referred to in Regulation 2 or Schedule 1 of the Functions Regulations	Relevant Local Act	Executive
2	Determining any appeal against any decision made by or on behalf of the Council	Schedule 2 SI 2000/2853	Council
5	Arrangements in relation to appeals against the exclusion of pupils from maintained schools.	Education Act 2002/relevant regulations	Council
6	Arrangements in relation to appeals in relation to school admissions	School Standards and Framework Act 1998	Council
7	Arrangements in relation to appeals by school governing bodies	School Standards and Framework Act 1998	Council
8.	Any function relating to contaminated land	Environmental Protection Act 1990 Part IIA	Executive
9	Any function relating to the control of pollution or management of air quality	Environmental Protection Act 1990 Environment Act 1985	Executive

10.	Service of an abatement notice in respect of statutory nuisance	Environmental Protection Act 1990 S80	Executive
11.	Resolution applying Schedule 2 to the Noise & Statutory Nuisance Act 1993	S8 Noise & Statutory Nuisance Act 1993	Executive
12.	Obtaining information as to interests in land and as to particulars of persons interested in land	S330 Town & Country Planning Act 1990/ S16 Local Government (Miscellaneous Provisions) Act 1976	Executive
13.	Entering into agreements for the execution of highway works	S278 Highways Act 1980	Executive
14.	Appointments of Councillors to a Police and Crime Panel.	Police Reform and Social Responsibility Act 2011 Sch.6	Council
15.	The appointment of any individual— a. to any office other than an office in which they are employed by the authority; b. to any body other than— i.the authority; ii. a joint committee of two or more authorities; or(iii. to any committee or sub-committee of such a body, and the revocation of any such appointment.		Council for non executive appointments/ Executive where connected with Executive functions
16.	Making arrangements to place staff at the disposal of another authority	S113 Local Government Act 1972	Executive

West Surrey Shadow Authority		
Report title: Member requests regarding the West Surrey Shadow Authority Constitution		
Report to: Constitution Sub-Committee		
Date: 17 September 2026		
Executive Portfolio Holder: Cllr. Victoria Kiehl **Contact Email:** Victoria.Kiehl@westsurrey.gov.uk		
Report of Statutory Officer: Susan Sale, Monitoring Officer (interim) **Contact Email:** Susan.Sale@westsurrey.gov.uk		
Report author(s): Vicky Hibbert, Deputy Monitoring Officer (interim) **Contact Email:** vicky.hibbert@westsurrey.gov.uk		
Wards affected: All **Ward councillors informed:** Yes		
Exempt from publication: No		
Key Decision: No	**If a Key Decision, date registered on Forward Plan:** N/A	
Report cleared for publication by:		
People Workstream	N/A	N/A
Equalities Impact Assessment complete	N/A	N/A
Senior Responsible Officer **(or their delegate)**	N/A	N/A
S151 Officer	Susan Sale on behalf of Vicky Radford	11 September 2026
Monitoring Officer	Susan Sale	11 September 2026
Executive Portfolio Holder consultation	Cllr Victoria Kiehl	11 September 2026
Committee Chair consultation	Cllr Joanne Shaw	11 September 2026
Head of Paid Service	Susan Sale on behalf of Andy Brown	11 September 2026

1. Executive Summary

1.1 This report sets out requests from councillors for areas of the West Surrey Shadow Authority Constitution they would like to see reviewed and amended.

2 Recommendations:

2.1 That the Constitution Sub-Committee resolves to:

2.1.1 Note the agreed responses to requests raised at the last Constitution Sub-Committee meeting held on 27 August 2026 as set out in paragraph 6.2.

2.1.2 Determine whether the newly requested items, should be included in the Sub-Committee work programme, and authorise the Monitoring Officer to update it accordingly, and to bring forward further reports for consideration as appropriate.

3 Reason(s) for recommendation:

3.1 The Constitution Sub-Committee has responsibility for recommending changes to the Constitution to the Standards Committee.

4 Next steps

4.1 If the areas for review, raised by members, as set out in this report are accepted, then they will be added to the work programme and will come forward in due course, with a report for consideration, containing professional officer advice and options.

5 Exemption from publication

5.1 This report is not exempt from publication.

6 Background and Proposal

6.1 The Shadow Authority adopted its Constitution at its first meeting on 21 May 2026. It is inevitable that there will be changes needed to the Constitution as the work of the Shadow Authority develops and the Constitution is used. The Constitution should be kept under constant review to ensure it meets the needs of councillors, officers and the public and it will be a constantly evolving document.

Previous requests and agreed responses

6.2 At the last meeting of the Constitution Sub-Committee held on 27 August, the following changes requested by members were discussed and reviewed and the Monitoring Officer can advise that the following requests have been received:

Councillor	Request	MO Response	Approach agreed by the Sub-Committee on 27 August 2026
Cllr Isobel Mullens	That the Scheme of Members Allowances Schedule 1 be amended from ‘to receive the minority group leader’s allowance a group should have at least 10% of the total members i.e. 9 members’ to ‘to receive the minority group leader’s allowance, a group should have at least 5% of the total members i.e. members’	The Member’s Allowance Scheme is a scheme of payments that are approved by the Council, rather than any of the Committees, and the Council cannot adopt a Member’s Allowance Scheme, or make amendments to their adopted one, without taking into account the advice of the Independent Remuneration Panel. The sub-committee should consider referring this issue to the IRP for consideration when making recommendations for the post vesting day Member Allowances Scheme due to the need to prioritise their work	The Monitoring Officer would refer this issue to the Independent Remuneration Panel for their consideration as part of their work to develop a post vesting day Scheme of Members Allowances.

		programme and limited member and officer resource.	
Cllr Isobel Mullens	To amend CPR 2.3.2 (Date, Place and Time of Meetings) to say "The date or starting time of a previously approved meeting may be changed with the agreement of the Head of Paid Service, the chair of the relevant committee and a majority of its members. When the arrangements for a meeting of a committee are changed in accordance with this Procedure Rule, the Monitoring Officer shall arrange for every Member of the Council to be notified in writing of the change and of the reasons for it. Notice of such alteration should be given at least 5 clear working days before the date of the meeting as originally arranged (i.e. before the summons is issued) unless such alteration arises as a result of exceptional circumstances or from a matter outside the control of the Shadow Authority, (e.g. an	The current provisions are that the Monitoring Officer can alter the place, date or time previously fixed for a meeting, provided that notice of such alteration is given at least 5 clear working days before the date of the meeting as originally arranged, unless such alteration arises as a result of exceptional circumstances or from a matter outside the control of the Shadow Authority, in which case notice is to be given as soon as practicable. If an emergency occurs, the Monitoring Officer may, after consulting with such of the Chair, the Leader of the Shadow Authority and the Head of Paid Service, as may reasonably be contacted, vary any arrangement for the holding of Shadow Authority meetings. If the Sub-Committee wished	This would form part of the CPR Review.

	emergency) in which case notice is to be given as soon as practicable."	to review this provision, it could be considered as part of the review of the Council Procedure Rules.	
Cllr Jane Austin	To review and reduce the number of members required to call for a recorded vote - particularly for subcommittees where the requirement exceeds in some cases the number of committee members.	The current Council Procedure rules state that 10 members are required to request a recorded vote. If the Sub-Committee wished to review this provision, it could be considered as part of the review of the Council Procedure Rules.	This would form part of the CPR Review.
Cllr Richard Wilson	Procedure Rules Part 4-1. 5.7 Only the Member who asked the question may ask one supplementary question.	The current Council Procedure rules state that any member can ask a supplementary question. The Monitoring Officer advised that the Sub-Committee could be considered as part of the review of the Council Procedure Rules.	This would form part of the CPR Review.
Cllr Richard Wilson	Procedure Rules Part 4-1. 10.3.2 If 25% or more of the total membership of the Shadow Authority (or relevant committee or sub-committee, as appropriate) request a recorded vote, before the vote is taken, then the vote is to be recorded and	The current Council Procedure rules state that 10 members are required to request a recorded vote. The Sub-Committee were advised that if they wished to review this provision, it could	This would form part of the CPR Review.

	reflected in the minutes. [This replaces the figure of 10]	be considered as part of the review of the Council Procedure Rules.	
Cllr Richard Wilson	Procedure Rules Part 4-1. 2.9.2 - delete vii. That is, unheard motions on the agenda will not be carried forward to the next meeting and will fall.	The Monitoring Officer advised that Part 4-1 para 6.1.5 already makes it clear that motions not moved or seconded are treated as fallen.	This had already been addressed in the Constitution as the CPRs do not make provision for unheard motions to be carried forward to the next meeting.

<u>New requests for consideration</u>

6.3 To date no further requests have been received by the Monitoring Officer since the last Constitution Sub-Committee meeting for consideration.

7 Consultation

7.1 The portfolio holder has been consulted and her comments will be reported to the Sub-Committee.

7.2 The Chair of the Standards Committee has been consulted and his comments will be reported to the Sub-Committee.

8 Key Risks

8.1 There is a risk of a lack of engagement if members requests for changes to the Constitution are not considered. However the Sub-Committee only has a limited time, and there are limited officer resources available, before the Constitution must be in an agreed form to recommend to the West Surrey Council.

9 Options

9.1 Not to agree to consider the member requests.

9.2 To agree to consider the member requests and set a timescale for the work programme.

10 Issues for consideration

10.1 Financial Implications

10.1.1 There are no financial implications to this report.

10.2 Section 151 Officer Commentary

10.2.1 West Surrey will operate in a very challenging financial environment, with significant budgetary pressures from increasing demand and costs of service delivery, coupled with limited financial resources and reducing government funding. West Surrey Council will be increasingly reliant on Council Tax as the primary source of income.

10.2.2 Decisions made by the sovereign councils in West Surrey and the West Surrey Shadow Authority will need to consider the ongoing financial impact and ensure that expenditure does not exceed the resources available. It is vital that significant importance is placed on effective financial management and medium-term financial sustainability to achieve a balanced budget position and protect delivery service.

10.2.3 Good governance is essential for West Surrey Council, as is proper scrutiny and challenge. This report provides this on constitutional arrangements.

10.3 Legal Implications

10.3.1 Local authorities have a duty under S37(1) Local Government Act 2000 to prepare and keep their Constitution up to date.

10.4 Monitoring Officer Commentary

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10.4.1 The Sub-Committee is asked to consider the requests to ensure that work can be undertaken by the Sub-Committee to meet the legal requirements in respect of the West Surrey Constitution.

10.5 People/Human Resources Implications

10.5.1 There are no HR implications.

10.6 Equality and Diversity Implications

10.6.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:

(a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
(b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
(c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

10.6.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex, and sexual orientation. The Act states that ‘marriage and civil partnership’ is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).

10.6.3 The Equalities Comprehensive Impact Assessment indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic.

10.6.4 This duty has been considered in the context of this report and it has been concluded that there are no equality and diversity implications arising directly from this report.

10.7 Climate Change and Sustainability Implications

10.7.1 There are no implications arising from this report.

10.8 Stakeholders Implications

10.8.1 The arrangements for the Constitution for both the Shadow Authority and West Surrey Council will impact on councillors, officers and members of the public.

11 Overview & Scrutiny Comments

11.1 N/A

12 List of Appendices

12.1 None

13 List of Background papers

13.1 West Surrey Shadow Authority Constitution

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