

TAVISTOCK TOWN COUNCIL

**BUDGET & POLICY COMMITTEE
TUESDAY 4th MARCH 2025**

COUNCIL FINANCIAL POLICIES & PROCEDURES

1. INTRODUCTION

- 1.1 The Council has a range of documents which govern its administrative, procedural, financial and other arrangements.
- 1.2 This report relates to various of those which are of a financial nature and provides the opportunity, inter alia, to both review fitness for purpose and any administrative/consequential amendments, as appropriate.
- 1.3 To that end the report sets out, in brief, a commentary on any changes which are being proposed and if/as incorporated in the respective attachments. Each of these documents, together with certain related provisions, is required to be reviewed periodically by the Council (typically at the time of the Annual Meeting). This report is in discharge of that obligation.

2. COUNCIL DOCUMENTS

- 2.1 **Tavistock Town Council Financial Regulations** – at the time of last review (2022 – notwithstanding minor updates last April 2024) the document considered was substantially unchanged from that previously adopted in 2019, when a full review was undertaken to accord with the (then) content as recommended by the National Association of Local Councils. Subsequently National Guidance has been subject to review and a new set of Model Financial Regulations issued by NALC.
- 2.2 In the circumstances the normal approach of updating the extant Financial Regulations to reflect changes has not been practicable. Not least in view of both content and formatting changes to the Model document. Therefore the approach has, on this occasion, been to take the Model document and use that as a base from

which to incorporate relevant aspects of this Council's current financial arrangements.

2.3 Two matters, in particular, are worthy of note. The first, as set out in the introductory section, is that the Model document requires various adjustments to meet local circumstances. The second, which in part flows from that, is that the Model document is intended to provide a template that, so far as possible, can be used, subject to adjustment by all 10,000 local Councils in England – the overwhelming majority of which are much smaller than Tavistock. That means that some elements such as dual Member signatories for electronic invoicing are not applicable to the larger Councils in the sector, albeit the corresponding principle of dual authorisation is.

2.4 Therefore the appended draft Financial Regulations (Appendix 1 refers) is the current NALC Model document, showing annotations that are suggested and have been made for the foregoing reasons, in red.

2.5 Such changes as have now been made in the Appendix (excluding either/or choices) relate primarily to matters of an administrative or clarifying nature, in particular to reflect:

- a) That, in general the Council makes payment by cheque infrequently;
- b) reporting arrangements via the Budget and Policy Committee and timeframes for setting the Budget/Precept;
- c) the current Scheme of delegation to Officers;
- d) the operation of Council electronic financial management systems.

RECOMMENDATION – the Committee be invited to review and, subject to outcome, recommend adoption of the submitted revised Draft Financial Regulations for Tavistock Town Council.

2.6 **Other Periodic Reviews** – it is timely, as part of the foregoing and associated requirements, to discharge other periodic obligations, namely:

RECOMMENDATION – Council be invited to:

- a) **Banking and Payments** (Para 6.1) – the Council confirm the continuation of primary banking arrangements with Barclays Bank and CCLA;
- b) **Regular Payments** (Para 6.6) – the Council confirm the schedule of regular payments (Appendix 2);
- c) **Regular Direct Debit Payments** (para 7.9) - the Council confirm the schedule of regular payees by variable direct debit (Appendix 3);
- d) **Payment by BACS or CHAPS** (para 7.10) The Council approve the use of BACS or CHAPS for appropriate payments;
- e) **Bankers Standing Order** (Para 7.11) – The Council approve the facility for use of a Bankers Standing Order principally for the payment of salaries if required (currently such payments are made by BACS);

Note – the Bank Mandate (para’s 1.7 & 7.1 (electronic) refer) have just recently (2025) been reviewed.

2.7 Tavistock Town Council System of Internal Control (Appendix 4) – (para 2.4 refers) this is a document the Council undertakes to review regularly, minor changes to reflect organisational practice are shown in red.

RECOMMENDATION – Council be invited to adopt the submitted document.

2.8 Tavistock Town Council Treasury & Investment Policy (Appendix 5) – this is a document the Council undertakes to review regularly (as part of the Treasury Management Policy appended to its Financial Regulations). It is therefore typically reviewed alongside Financial Regulations. Changes agreed previously were in conformity with the recommendations of your Internal Auditor to reflect the necessary balance between funds held and the risk of bank failure. Minor changes are shown in red.

RECOMMENDATION – Tavistock Town Council be invited to

- i) adopt the submitted document;
- ii) agree for the 2025-26 Financial Year the continuing waiver of the % provisions of section 5.2 (first bullet point) in view of the absence of suitable alternative accounts and the

distributed nature of the CCLA cash account (second bullet point) til the end of the next (2025-26) financial year.

2.9 Tavistock Town Council Members Scheme of Basic Allowance and the Travelling and Subsistence Allowance Scheme (Appendices 6-7) – no amendments are proposed*.

RECOMMENDATION – Council be invited to adopt the submitted documents.

*However, please note that the Basic Allowance is linked, by % value, to that of West Devon Borough Council and therefore typically adjusts annually.

2.10 Tavistock Town Council Pension Discretions Policy (Appendix 8) – no changes are proposed to this document, it is brought back for periodic consideration and review. The Committee will note that the approach of the Council, where discretions are potentially available, is typically to reserve that matter to itself for consideration on a case by case basis as/when circumstances arise.

RECOMMENDATION – Council be invited to adopt the submitted document.

3. RECOMMENDATIONS

3.1 It is recommended that, subject to the comments of the Committee & Council, the recommendations as identified above, together with any consequential administrative amendments, be endorsed and the revised documents/arrangements come into effect from 18th March, 2025.

**CARL HEARN
TOWN CLERK
TAVISTOCK TOWN COUNCIL
FEBRUARY, 2025**