

**TAVISTOCK TOWN COUNCIL  
BUDGET & POLICY COMMITTEE  
TUESDAY 27<sup>th</sup> FEBRUARY 2024**

**BRIEFING NOTE  
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 the changes which are being proposed and if/as incorporated in the respective attachments. Each of these, together with certain related provisions, is required to be reviewed periodically by the Council (normally at the time of the Annual Meeting). This report is in discharge of that obligation. Because there have been no material changes in NALC recommended practice, or audit recommendations, no significant changes are proposed. However, see para 2.1 below.

**2. COUNCIL DOCUMENTS**

**2.1 Tavistock Town Council Financial Regulations**

No material changes are proposed at this time – the document circulated is substantially unchanged from that adopted in 2019 and readopted in 2022 (please refer to your Member election pack). Previously a full review was undertaken to accord with the then (and still) current updated contents as recommended by the National Association of Local Councils. However, a piece of work is taking place nationally to update the model regulations and when this has been received a more thoroughgoing review will likely be appropriate. Consequently, any such changes as are now proposed relate primarily to matters of a minor administrative nature as regarding clarifying current council arrangements:

- a) Para 5.2 – addition of references to 5.2.4 Merchant Account and 5.2.5 Works Department Incidental Spend Account;
- b) Para 6.6 insertion of 'etc' to follow 'supplies' and 'eg' to precede 'energy' to reflect that variable direct debit may be used in other areas such as bar supplies and photocopier leases etc;
- c) Para 6.8 – the addition of 'or faster payment' to follow the first reference to 'Bankers Standing Order' to reflect changing payment practices;

RECOMMENDATION – Council be invited to adopt the submitted changes.

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

RECOMMENDATION – Council be invited to:

- a) Section 5.10 – Note the List of Existing Suppliers (Appendix i refers) – for information;
- b) Section 6.6 – Approve the continuation of use of a variable Direct Debit for utility and equivalent services (a schedule of current providers is enclosed for information);
- c) Section 6.7 – Approve the facility for use of a faster payment or Bankers Standing Order principally for the payment of salaries if required (this is a model standing order - please note currently such payments are made by BACS);
- d) Section 6.8 – Approve the use of BACS or CHAPS for appropriate payments.

**2.3 Tavistock Town Council System of Internal Control** (Appendix 1) – this is a document the Council undertakes to review regularly, no material changes are recommended.

RECOMMENDATION – Council be invited to adopt the submitted document.

**2.4 Tavistock Town Council Treasury & Investment Policy** (Appendix 2) – this is a document the Council undertakes to review regularly (as part of the Treasury Management Policy within its Financial Regulations). It is therefore typically reviewed alongside

Financial Regulations. In this Council's case it forms an appendix to same.

The 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. It is acknowledged that the dearth of sector providers continues to present challenges regarding compliance with the provisions of para 5.2 which your auditor continues to note.

RECOMMENDATION – Council be invited to:

- a) adopt the submitted document;
- b) endorse, pending availability of suitable other providers, and in the interests of receiving a fair return on cash deposits, the continuing operation of an exception to the (para 5.2 refers) 60% provision beyond the stated 3 months to be reviewed prior to the end of the next financial year.

## **2.5 Tavistock Town Council Members Scheme of Basic Allowance and the Travelling and Subsistence Allowance Scheme**

(Appendices 3-4) – no amendments are proposed beyond updating of the level of basic allowance payable and date of first payment (Appendix 3 para 3 refers). However, since the dissolution of the Standards Board for England, the Committee will note that circumstances which might give effect to para's 2 and 3 (a) (Appendix 4 refer) are unlikely to arise.

RECOMMENDATION – Council be invited to adopt the submitted documents.

## **2.6 Tavistock Town Council Pension Discretions Policy** (Appendix

5) – 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 and Council,

- the recommendations as identified above, together with any
- consequential administrative amendments;

be endorsed and the revised documents/arrangements come into effect from 1<sup>st</sup> April 2024.

**CARL HEARN  
TOWN CLERK  
TAVISTOCK TOWN COUNCIL  
FEBRUARY 2024**