



TODMORDEN TOWN COUNCIL

Item 22 – Resources Committee
16th Feb 2022

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REPORT TO RESOURCES COMMITTEE

REPORT AUTHOR	Colin Hill Town Clerk and Responsible Financial Officer
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Date	16th February 2022
SUBJECT	Financial Regulations

PURPOSE OF REPORT

1. To remind Members the Financial Regulations and Scheme of Delegation were last reviewed In March 2021.
2. To propose amends that are recommended to be made to reflect the increasing level of financial activity that will be involved in the Town Council taking on the role of Sponsor for the Town Deals Fund (TDF) Centre Vale Park projects.
3. To inform Members that the exact nature of how funds will be received, controlled, and authorised for payment have not yet been clarified in detail, but the proposed amendments to the Financial Regulations provide the remit through which to operate this increased level of activity, including use of Calderdale MBC's procurement and supplier framework agreements.
4. To inform Members that once detail is available a separate paper will be prepared as part of our due diligence process at which stage further amendments may also need to be made to other related Policies. e.g. Internal Controls.
5. To include the post of Project Manager and Finance Manager (PFM) in the Scheme of Delegation.
6. To recommend that the Revised Regulations as per Appendix 1 are submitted to Full Council for adoption.

PROPOSED CHANGES

7. The following table of changes are proposed: -

Reference	Amend	Reason
P3 1.9	Increase Fidelity Insurance amount to £2m	Reflects likely receipt of £1m funds
P5 1.16	Differentiate between normal day to day and TDF related business	To retain existing but introduce new

P5 1.21 /1.22	Clause specifically to cover of receipt of grant funds and delegated powers to spend up to £10,000 TC/RFO/PFM or up to £100,000 with Chair of Resources without need for Full Council approval.	Reflects new grant related activity and practical operational levels to make payments in time
Pg7 3.6	To receive grant funds into Earmarked Reserves., Draw down from and move unused at year end back To affirm Grant related income/expenditure should not be considered when setting level of Precept.	Reflects need in practice to control budgets.
Pg 7 4.1	Increase in virements for TC/RFO to process up to £10,000 – above £10,000 and for Employee Costs with Chair of Resources.	Reflects need in practice to control budgets
Pg7 4.2	To retain normal amounts of spend for approval, with exception of TDF related expenditure.	Authorises none TDF expenditure as well as TDF related.
Pg7 4.7	Minor amend to wording “statement” and increase material movements from £1,000 to £5,000	Reflects how we report detail budgets and summary into Resources and Full Council and when to comment on substantive variances
Pg7 4.11	Authorise use of CMBC procurement and Framework agreement	To reflect practically how under TDF we will procure/tender
Pg7 5.3	Brings into Scheme of Delegation for TDF	To enable TDF to be included in scheme of delegation
Pg 8 5.6	Bringing in process of certification of TDF invoices for payment	To reflect practical control for authorising payment of TDF invoices.
Pg 13 11.1 (V11)a	Retain existing process for orders/contracts approval by Council but excludes need to approve TDF contracts	To enable TDF related contracts to be approved by CMBC
Pg 14 11.1 (c)	Excludes TDF from need to meet quotation requirements.	To enable TDF related quotations to be approved by CMBC
Pg14 (f) and (g)	Update of public contract limits	As advised by YLCA
Pg 18-Appendix A	Scheme of Delegation limits to reflect changes in Financial Regulations.	To provide a practical scheme to operate within.

FINANCIAL IMPLICATIONS

7. Whilst none directly arising from this review, a review of the delegations confirm that they reflect the day-to-day nature of financial management required and introduces specific authorities to enable the Town Councils role as Sponsor for the Centre Vale project elements of the Town Deals Fund to be delivered.

RECOMMENDATION

8. That Members agree the amendments as proposed and recommend to Full Council for adoption.

REASONS FOR RECOMMENDATION

9. Members of the Resources Committee, under their Terms of Reference, are responsible for reviewing key financially related documents and controls.

POLICY IMPLICATIONS:

10. This key Policy is subject to annual review.

DETAILS OF CONSULTATION:

11. None arising from this report.

CLIMATE CHANGE:

12. None arising from this report.

IMPACT EQUALITY ASSESSMENT

13. None arising from this report.

SUPPORTING PAPERS:

14. Appendix 1 - Draft Financial Regulations for review/approval

FURTHER INFORMATION, PLEASE CONTACT: Colin Hill