



TODMORDEN TOWN COUNCIL

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REPORT TO RESOURCES COMMITTEE

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| Report Author | Nicola Pugh, Responsible Financial Officer |
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| Date | 11 th December 2024 |
| Subject | Financial Regulations |

PURPOSE OF REPORT

1. To remind Members that Financial Regulations should be reviewed:-
 - a. Annually
 - b. On a change of material financial circumstances
 - c. On appointment of a new Responsible Financial Officer
2. To remind Members that Financial Regulations are based on a set of Model Financial Regulations provided by the National Association of Local Councils (NALC) with flexibility to amend to reflect the size and nature of individual Town/Parish Council business conducted.
3. To advise members that there have been three changes in circumstances that have led to the need to review and amend these Financial Regulations:-
 - a. Update by NALC
 - b. Appointment of a new Responsible Financial Officer
 - c. Increase in frequency and level of payments relating to Town Deal funded projects.
4. To place before Members an updated set of Financial Regulations (Appendix 1) and if supportive of these, to recommend to Full Council that these be adopted in replacement of those currently in existence, and that amended/new Schemes of Delegation are approved.

CONSIDERATIONS

5. Financial Regulations are based on a Model Set provided by the National Association of Local Councils
6. They are focussed mainly on smaller Town /Parish Councils but have flexibility to amend to reflect this such as Todmorden with larger budgets.
7. The latest Model Set are substantially different from their previous version reflecting the need to be more flexible, but also tightening up on some areas of control monitoring and reporting.

8. Accompanying the Model Set are guidance notes (Appendix 2) which have been considered when preparing the updated set for approval.
9. To aid Members understanding ,amendments to the new Model Set made are highlighted in yellow.
10. Should Members wish to compare against the existing Financial Regulations these are attached as Appendix 3
11. When identifying what changes are included , we have taken into consideration:-
 - a. Our normal routine business activities and spend levels
 - b. Town Deal related activities and spend levels e.g.
 - i. Higher Contract Tender Procurement
 - ii. Substantial increase in overall payment levels arising from contractual agreements:-
 1. Fees
 2. 3rd party disbursements
 - iii. Higher contract values requiring higher stage payments and greater flexibility to move funds within bank accounts
 - iv. More regular movement between Capital Restricted Earmarked Reserves to ensure up to date budget management for Town Deal specific projects.
12. To make matters clearer we have included two Schemes of Delegation
 - a. A General Scheme of Delegation for our routine a “**none**” **Town Deal** related expenditure
 - b. A Town Deal Scheme of Delegation for Town Deal related payments only
13. We have also taken the opportunity to review our Tender Process to reflect higher levels of financial activity.
14. These documents are included within the Financial Regulations as:
 - a. Appendix 1 – Tender Process
 - b. Appendix 2 – General Scheme of Delegation
 - c. Appendix 3 - Town Deal Scheme of Delegation

FINANCIAL CONSIDERATIONS

15. No direct financial considerations arising from this report other than the “Governance Framework” through which to carry out the financial affairs of the town council in a proper and accountable manner.

RECOMMENDATION

16. That Members support the Financial Regulations and Schemes of Delegation and recommend to Full Council to adopt these.

REASONS FOR RECOMMENDATION

17. The Resources Committee is delegated to consider all financially related matters but Full Council agreement is required to adopt Financial Regulations.

POLICY IMPLICATIONS:

23. None arising from this report.

DETAILS OF CONSULTATION:

24. None arising from this report.

CLIMATE CHANGE:

25. None arising from this report

IMPACT EQUALITY ASSESSMENT

26. None arising from this report.

SUPPORTING PAPERS:

18. Appendix 1 - Updated Financial Regulations
Appendix 2 – Guidance notes
Appendix 3- Existing Financial Regulations

FURTHER INFORMATION, PLEASE CONTACT: Nicola Pugh