

Minutes of the Meeting of Finance held in Rickards Hall on 14 October 2024 at 7:00 pm

Present: Cllrs. Angela Baker, Michael Gemmell Smith, Alan Layland, Michael Stockdale, Stephen Sumner
(Chairman)
In attendance: Town Clerk; Responsible Finance Officer/Deputy Clerk (RFO); Cllrs Todd and McArthur.
Meeting opened at 19:20.

1 Apologies for Absence

Apologies for absence were received, noted, and accepted from Cllrs Compton and McGregor. Members noted that the meeting remained quorate in line with Standing Orders.

2 Declarations of Interests, or Predeterminations

None

3 To Confirm the Minutes of Finance Committee Held on 07 October, 066/01-03

The minutes of 7 October had not been published, and would be presented to the November meeting.

4 Governance

19:21 Cllr Parker joined the meeting (non-member); 19:22 Cllr Gemmell Smith joined the meeting (non-member).

4.1 To receive the New Financial Regulations and consider recommendation to Council

The Finance and Governance Committee meeting 07 October had received the new draft Financial Regulations prepared by the Town Clerk; these were based on the new NALC model financial regulations (April 2024), adapting where appropriate to include Town Council procedures.

Committee were satisfied with the draft financial regulations but had raised queries over the proposed deletion of 5.6 in the model regs. 5.6 was an optional clause whereas 5.4 and 5.7 (shown in bold, were text that indicated legal requirements, which a council cannot change or suspend).

Extract from the NALC guidance notes re 'key limits': 5.6, at what limit will the council require a formal tender process to ensure fair competition, rather than just asking for quotes. If this is set too low, it may discourage suppliers. Many small councils might only use formal tenders once every few years.

5.6 referred to large contracts (£60k plus). Below as quoted in the model regulations:

5.6 For contracts estimated to exceed £60,000 including VAT, the Clerk shall seek formal tenders from at least three suppliers agreed by the council OR advertise an open invitation for tenders in compliance with any relevant provisions of the Legislation. Tenders shall be invited in accordance with Appendix 1.

5.7 For contracts estimated to be over £30,000 including VAT, the council must comply with any requirements of the Legislation regarding the advertising of contract opportunities and the publication of notices about the award of contracts.

The Town Clerk recommended to delete paragraph 5.6 leaving 5.7 (legal requirements thus all contracts £30k plus go to public tender and use of Contracts Finder). Alternatively, Members could opt to keep 5.6, this would then perhaps allow for where there is a contract with very specialised skill for large project/contract (£60k plus) and to ensure at least three suppliers quotes were sought. Or, 5.7 could have another sentence (or bullet point) added to emphasise that should three quotes not be received from tender process, the Clerk shall seek formal tenders from at least three suppliers agreed by the council having already advertised an open invitation for tenders.

Having looked at some other councils who had already reviewed the new model regulations, some had left the Regs as per the NALC models Regs, others had removed 5.6 altogether.

The Town Clerk had amended the Regs to reflect the Council's own practices and procedures, as

well as keeping most of the recommendations (some of which would be new to the current practices strengthening its practices and procedures).

Committee had confirmed the procurement amendments.

Members received the draft financial regulations, and **agreed** with the Town Clerk's recommendation to delete the current (optional) paragraph 5.6 for contracts estimated to exceed £60,000 including VAT, and leave 5.7 covering all contracts estimated to be over £30,000 including VAT, council must comply with any requirements of the Legislation regarding the advertising of contract opportunities and the publication of notices about the award of contracts. Members, had no further comments on the new Financial Regulations, and unanimously,

Resolved: to recommend to Council to adopt the new draft Financial Regulations.

5 Date of next meeting - 18 November 2024

Members noted this meeting would be looking at the new draft budget 2025-26.

Meeting closed 19:26.