

To Councillors: A Baker, S Compton (*Vice-Chairwoman*), M Gemmell Smith, C Jacques, A Layland, S McGregor, A Read, M Stockdale, S Sumner (*Chairman*).

A Finance Committee Meeting will be held at 7:00 pm on 14 October 2024 in Rickards Hall.

Notice is hereby given Councillors who are Members of the Finance Committee are summonsed to attend this meeting.

Members of the public are welcome to observe this meeting.

Caroline Leet, Town Clerk
9 October 2024

To assist in the speedy and efficient dispatch of business members wishing to obtain factual information on items included on the Agenda are asked to enquire of the Town Clerk prior to the day of the meeting. Council Meetings may be recorded.

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Meeting Papers & Report

1 Apologies for Absence

2 Declarations of Interests, or Predeterminations

The disclosure must include the nature of the interest. If an interest becomes apparent to a member during the course of a meeting that has not been disclosed under this item, the member must immediately disclose it.

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

4 Governance

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

The Finance & Governance Committee meeting 07 October received the new draft Financial Regulations prepared by the the Town Clerk having used the new NALC model financial regulations, adapting where appropriate to include Town Council procedures.

Committee had queries over the proposed deletion of 5.6 in the model regs. 5.6 is an optional clause whereas 5.4 and 5.7 (shown in bold, are text that indicates 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 covers for where 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 recommends 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 can 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 are sought. Or, 5.7 could have another sentence (or bullet point) added to emphasis 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 have already reviewed the new model regulations, some have left the Regs as per the NALC models Regs, others (for example

Sevenoaks Town Council) have removed 5.6 all together. The Town Clerk has amended the Regs to reflect the Council's practices and procedures, as well as keeping most of the recommendations (some of which will be new to the current practices).

Finance and Governance did confirm the procurement amendments. *Copy of the NALC model regs are available from NALC website or Town Clerk. Current regs are published on the website under policies.*

Do Members have any comments and how do they want to proceed with 5.6 and 5.7 (as numbered in the model and draft regulations)?

Do Members have any further comments on the new draft Financial Regulations?

Do Members confirm to make recommendation to Council to adopt the new Financial Regulations?

 Confidential Annex 1 (omitted from public documents):

5

Date of next meeting - 18 November 2024

This will also include the draft budget.