

Delivering Value for Money Statement

Faversham Town Council has statutory powers including the authority to raise money through taxation (the precept) and a range of powers to spend public money. Financial rules and procedures set by government, through various statutes and regulations, are designed to protect the council and ensure that it takes no unacceptable risks with public money. The rules protect community assets and aim to make the best use of public money.

The Council maintains an asset register listing all the assets it owns. This records the date and cost of acquisition, and a value for insurance purposes. To ensure value for money, consideration is given to the level of 'excess', or the initial sum of any claim that the Council is prepared to pay; this will ensure the Council is insuring significant losses and not small everyday minor losses.

Our Standing Orders include guidelines for the purchasing and procurement of goods and services, including how tenders are invited. The aim of the purchasing process is to obtain best value for money for the Council, although the best value may not necessarily be the cheapest quote. To comply with these requirements, Faversham Town Council's Financial Regulations set a limit for the purchase of goods and services above which estimates or quotes should be invited.

A council should typically hold between 3 and 12 months expenditure as a general reserve. If the general reserve is too low then it may not be enough to cover unexpected expenditure or emergencies, whilst if the general reserve is too high then local electors have paid a tax which is not being used for the benefit of the local community. Faversham Town Council's Reserves Policy ensures the general reserves held offer the best value for money and are reviewed every six months.

The Town Clerk is the appointed Responsible Financial Officer and has delegated authority to make expenditure within the set budget, significant expenditure or expenditure that falls out of the agreed budget requires authorisation by the Council. Expenditure against the budget is reviewed on a quarterly basis. A nominated Councillor checks bank statements and payments on a monthly basis. All payments are agreed at Full Council then, whether online or by cheque, are authorised by two Councillors. A qualified internal auditor carries out a thorough audit every six months.

Financial savings are made wherever possible and utilities are reviewed on an annual basis.

Town Council owned assets are reviewed annually to ensure that they are delivering value for money and attaining the maximum benefit, financially or otherwise, for the local community.

Adopted by Faversham Town Council on 11th March 2019