

# TORPOINT TOWN COUNCIL

## **BUDGET MONITORING POLICY**

**RENEWAL DATE:- January 2024**

**NEXT RENEWAL DATE:- January 2026**

**Reviewing Body:-  
Finance and Operations Committee**

# TORPOINT TOWN COUNCIL

## Budget Monitoring Policy

1. This statement sets out the Council's policy on the monitoring of the use of monetary resources provided for council related purposes. The Council regards control of the budget as being of utmost importance.
2. The regular comparison of spending against budget is intended to highlight those areas where the budget is under pressure to enable effective remedial management action and to identify those areas where resources may be released to further under resourced elements within the Council development plan. This process should take place at three levels
  - Formal reporting to Council
  - Ongoing Internal monitoring by Committee
  - Monitoring by Officers within the scheme of delegation as part of the procurement process.
3. The Council regards the passage of timely and accurate information as being central to the success of their budget monitoring policy. The Council is responsible for ensuring the financial data is both up to date and accurate so that any budget holder can have an accurate position statement upon request. Internal monitoring is to take place not less frequently than monthly and the Town Clerk/ Responsible Finance Officer confirms accuracy. This usually takes the form of the monthly Budget Variance report to Council.
4. Those that are identified as budget holders are responsible for controlling those aspects of the budget and ensuring that the Council is kept fully informed of spending against budget.
5. The Town Clerk/Responsible Finance Officer is responsible for regular monitoring of all budget lines and reporting to Council. It is essential that the forecast year end position is kept under ongoing review.
6. Where routine budget monitoring reveals budgetary pressures requiring urgent attention that cannot wait until the next meeting the Town Clerk/Responsible Finance Officer shall have the delegated authority to undertake and implement the necessary action.
7. The table below sets out the responsibility of individuals/Committees and the frequency at which tasks and reports must be completed.

Responsibility for budget monitoring

	Council		Finance and Personnel Committee		Town Clerk /Responsible Financial Officer		Town Council Support Officer		Asset Management & Operations Committee		Development & Localism Committee	
	Function	Frequency	Function	Frequency	Function	Frequency	Function	Frequency	Function	Frequency	Function	Frequency
Maintenance of records					✓	W	A	W				
Imports Data into Budget Variance								M				
Bank Reconciliation with Cash Book			S	H	✓	M						
Independent check of Bank Reconciliation			✓	Q								
Approves Budget Variance	✓	M					C	M				
Approves Budget Virement	✓				*							
Monitoring of budget lines/cost centres			✓		S	M	A	M	✓	M	✓	M
Maintain forecast of year-end position	✓	M	✓	M	S	M						
Initiates management action*					✓							
Review and update Council Strategy	✓										✓	Y1
Review and complete End of Year Accounts	✓	Y1			✓*	Y1	C	Y1				
Review Accounts mid-year			✓	H	*		C	H				

Key

Frequency	Functions
W = Weekly	S = Supervises
M = Monthly	R = Reports
Q =Quarterly	C= Co-ordinates
H = Half Yearly	✓ = does
Y1 = Yearly	A =Assists as required
Y= as soon as possible after Year-end	* Acts within delegated powers and if required
	* Financial Consultant contracted