

LOOE TOWN COUNCIL

K O N S E L T R E L O G H

Expenditure, Benefit and Best Value Policy



Re-Adopted by Council:
15th May 2023

Next Review due: 31st May 2024



EXPENDITURE BENEFIT & BEST VALUE POLICY

Introduction

Looe Town Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for as well as being used economically, efficiently and effectively.

In discharging this overall responsibility, the Council is responsible for ensuring that it strives to achieve 'Best Practice' in its financial resource allocation, that an appropriate level of benefit is gained from expenditure and that in its fiscal administration a consistent 'Best Value' outcome is sought.

The Financial Regulations adopted by the Town Council specifies the mandatory procedures to be followed regarding different levels of procurement however, it should be noted that there is no requirement to accept the lowest price for any tender, quotation, estimate or other category of procurement and that there may be other considerations that will determine Best Value.

Similarly, whilst the Town Council is responsible for ensuring that any cost or expenditure related to projects or service delivery is proportionate to the benefits gained (cost-benefit), it should be noted that some beneficial outcomes cannot be quantified in monetary terms.

In consideration of the above, this policy is aimed at developing a robust decision making process that will deliver effective outcomes reflecting the Town Council's responsibility towards gaining Best Value and proportionate Cost Benefit.

Policy Statement

Looe Town Council adopts a policy whereby its financial resource allocation is controlled by evidence based decisions.

Historic rates and quality of service provision shall be used to determine Best Value for regular services, utilities and administrative costs. Such rates and service provision shall be reviewed at least every three years and the review outcome recorded.

The Financial Regulations adopted by the Town Council provides a mandatory framework for general procurement activities including those for contracted services and maintenance. The Town Council may enter into Term Contracts with suppliers but the term of such contracts shall not exceed three years, including contract extension periods. All Term Contracts shall include a 'break-clause' to be actuated in the event of non-performance by the supplier.

The Town Council shall ensure that lease arrangements and income from leased properties and assets are reviewed annually. Rental charges shall be consistent with market values and charges shall be in accordance with normal leasing practices. The Town Council will seek professional valuations when required.

Projects that add to, subtract from, or otherwise change the Town Council's business activity or service delivery to the community shall be supported by a Business Case that determines the potential costs, risks, return on investment and benefits to the community. The Business Case must identify those in the community most likely to receive the benefit and consideration must be

LOOE TOWN COUNCIL



EXPENDITURE BENEFIT & BEST VALUE POLICY

given to alternative approaches that could substantially achieve the same goal but reduce costs or minimise risk. The Town Council's decision to progress a project will be guided by the Council's capacity deliver and a reasonable cost-benefit ratio.

Any project that the Town Council decides to progress will be reviewed during the course of implementation. Such projects may be amended or reversed if the information upon which the initial decision was taken, is found to be inaccurate or substantially changed.