



**D O W N H A M
M A R K E T**

TOWN COUNCIL

OVERSPEND REFERRAL PROCEDURE

Date of Adoption: 21 November 2023

REVIEW: Three years unless changes in legislation dictate

OVERSPEND REFERRAL PROCEDURE

A. INTRODUCTION

This procedure is to ensure a process is undertaken to consider any request, whereby funding has not previously been agreed and is likely to require payment from the Reserves Account. Unbudgeted refers to expenses that were not anticipated and cannot be covered by reallocating funds from the budget. A four stage process will then be put into effect.

B. STAGE ONE

A minimum of two Councillors in writing/an organisation/company makes a request where funding has not been budgeted for.

C. STAGE TWO

The Town Clerk will request supporting evidence/justification if necessary and not already produced.

D. STAGE THREE

The Town Clerk will consider the feasibility of the request. The Clerk will bring the request before the Governance Committee at the earliest opportunity, for consideration. The Committee will be made aware of the level of current monies within the Reserves Account.

E. STAGE FOUR

The Committee will go through a “**traffic light process**” when considering an unbudgeted request requiring funding from the Reserves Account.

GREEN - Recommended to take forward as works/items are deemed essential or necessary. This may include a recommendation for the full amount, or is subject to a reduced/maximum budget.

AMBER - Recommended to be deferred until monies can be found elsewhere e.g. to be considered within the next year's budget or whether a grant option is available.

RED - Approval not recommended as not essential/cost prohibitive/not within the remit of the Council.

F. STAGE 5

Any recommendation will be made to the next meeting of Full Council with supporting reasons.

END