



Document Retention Policy

The purpose of this document is to provide a corporate policy framework to ensure that particular documents (or sets of documents) are dealt with in the correct manner; being retained and/or disposed of in the correct method and timescale.

This policy gives Crediton Town Council (CTC) a system for the management of paper and electronic records. The Town Clerk is responsible for ensuring CTC documents are managed accordingly.

This policy is based on the National Association of Local Council's Legal Topic Note on Local Council Documents and Records, therefore legal requirements and recommended practice within the sector.

Where the policy refers to 'documents' this includes both paper and electronic copies.

Introduction

There is a clear need for CTC to retain documentation for audit purposes, staff management, tax liabilities, and the eventuality of legal disputes and legal proceedings. (Please also see 'Retention of documents for legal purposes' below.) Many documents are now only held electronically so the same arrangements for keeping records and copies will be applied to an electronic document as for a paper document.

Appendix One indicates the appropriate minimum retention periods for the most important documents for audit and other reasons.

Subject to these reasons for retaining documents, papers and records may be destroyed if they are no longer of use or relevant. If in doubt, document(s) will be retained until proper advice has been received.

Retention of documents for legal purposes

Most legal proceedings are governed by the Limitation Act 1980 (as amended). The 1980 Act provides that legal claims may not be commenced after a specified period. The specified period varies, depending on the type of claim in question. The table below sets out the limitation periods for the different categories of claim. The reference to 'category' in the table refers to claims brought in respect of that category.

Category	Limitation Period
Negligence (and other 'Torts')	6 years
Defamation	1 year
Contract	6 years
Leases	12 years
Sums recoverable by statute	6 years

Personal Injury	3 years
To Recover Land	12 years
Rent	6 years
Breach of Trust None	None

Where the limitation periods above are longer than other periods specified in policy, the documentation should be kept for the longer period specified. Some types of legal proceedings may fall within two or more categories. Rent arrears, for example, could fall within the following three categories (depending on the circumstances):

- contract (6 years) – because all tenancies and leases are contracts;
- leases (12 years) – if the arrears are due under a lease; and
- rent (6 years) – if the arrears are due under a tenancy (and not a lease).

In these circumstances, the National Association of Local Councils (NALC) advises that the relevant documentation should be kept for the longest of the three limitation periods.

The same principles apply in the case of debts. If the debt arises under a simple contract the limitation period will be six years but if the debt arises under a lease the limitation period will be 12 years (unless it relates to rent in which case the limitation period will be six years). A final complication relates to sums due under leases which are ‘reserved as rent’. Sometimes, for example, service charges are expressed to be payable as ‘additional rent’. The limitation period for service charges in those circumstances will be six years – even though the sums are due under a lease.

As there is no limitation period in respect of trusts, councils are advised that they should never destroy trust deeds and schemes and other similar documentation.

It should also be noted that some limitation periods can be extended. Examples include:

- where individuals do not become aware of damage until a later date (e.g. in the case of disease)
- where damage is hidden (e.g. to a building)
- where a person is a child or suffers from a mental incapacity
- where there has been a mistake by both parties
- where one party has defrauded another or concealed facts.

APPENDIX ONE

Retention of Documents and Records

(Based on NALC Legal Topic Note - last updated 03 August 2022)

Document	Minimum Retention Period	Reason
Approved minutes/Minute books	Indefinite	Archive
Scale of fees and charges	6 years	Management
Receipts & payment account(s)	Indefinite	Archive
Receipt books of all kinds	6 years	VAT
Bank statements, including deposit/savings accounts	Last completed audit year	Audit
Bank paying-in books	Last completed audit year	Audit
Cheque book stubs	Last completed audit year	Audit
Quotations and tenders	6 years	Limitation Act 1980 (as amended)
Paid invoices	6 years	VAT
Paid cheques	6 years	Limitation Act 1980 (as amended)
VAT records	6 years generally but 20 years for VAT on rents	VAT
Petty cash, postage and telephone books	6 years	Tax, VAT, Limitation Act 1980 (as amended)
Timesheets	Last completed audit year 3 years	Audit (requirement) Personal injury (best practice)
Wage books	12 years	Superannuation
Insurance policies	As long as a claim can be made under it	Management, Legal proceedings
Certificates for insurance against liability for employees	Indefinite	Audit, Management
Investments	Indefinite	Audit, Management
Title deeds, leases, agreements, contracts	Indefinite	Audit, Management
Members allowances register	6 years	Tax, Limitation Act 1980 (as amended)

Document	Minimum Retention Period	Reason
For Halls, Centres, Recreation Grounds		
<ul style="list-style-type: none"> • Letting diaries • Application to hire • Copies of bills to hirers • Record of tickets issued 	6 years	VAT
For Allotments		
<ul style="list-style-type: none"> • Register and plans 	Indefinite	Audit, Management
For CCTV		
Review requests	3 years	Data Protection
Stills/photographs/digital prints	31 days	Data Protection
Procedures Manuals	For as long as valid upon regular review	Management