

REVIEW OF STANDING ORDERS (8.c)/FINANCIAL REGULATIONS (8.d)

PURPOSE OF REPORT

1. This paper presents the annual review of the two fundamental governance documents, recommending changes where necessary and appropriate. In accordance with Standing Order 2.j, and in compliance with best practice, the Parish Council is required to review and adopt its Standing Orders and Financial Regulations at least once during the year.

RECOMMENDATIONS

2. It is recommended that the Council:-
 - i. adopts the current Financial Regulations (as amended by Council September 2016, and subsequently agreed and adopted at the Annual Meeting of the Parish Council 5th May 2017) with no amendments, and,
 - ii. adopts the current Standing Orders (as amended by Council September 2016 and subsequently agreed and adopted at the Annual Meeting of the Parish Council 5th May 2017) with no amendments.

BACKGROUND

Standing Orders/Financial Regulations

3. Standing Orders (SOs) are a key component of how a Council conducts its business at political and officer level, and regulate how business is carried out at committee meetings. They will enable the Council to function efficiently and effectively. Financial Regulations (FRs), while not a part of Standing Orders, are the framework within which the financial administration of the council is conducted.
4. The two documents (SOs and FRs) should cover all matters that may reasonably be expected to arise but should not be so comprehensive as to attempt to cover each and every eventuality, as this could result in them being unnecessarily complex, bureaucratic and incomprehensible.
5. Getting the balance right is a matter for the Council, based on their knowledge and experience, and any appropriate technical/professional advice that is available. SOs and FRs form a key part of the Council's Internal Control, as part of their role is to mitigate risk by both reducing the likelihood of something inappropriate happening that might damage the Council and also from reducing the potential damage were that event to occur. Examples covered within SOs might include rules that would reduce the risk of claims of a breach of confidence/data protection or failure to comply with a request under the Freedom of Information Act.

6. The Parish Council has used as a benchmark and example of good practice, the National Association of Local Councils' "Models of Standing Orders for Local Councils", and "Model Financial Regulations for Parish Councils", as updated from time to time. as updated from time to time.
7. To ensure that Standing Orders, Financial Regulations and other documents (that are aimed at ensuring sound governance and risk management) are up to date and relevant, they are required [Standing Order 2.j.iii through to xii) to be reviewed at least once in each Council Year (April to March). To ensure that sufficient time is available and earmarked to undertake this key review process, the Parish Council has agreed an **Annual Cycle of Business** (last reviewed and approved 9th May 2017) that allocates these documents to each of the FOUR meetings held in the year. A copy of the latest Annual Cycle of Business can be found in the Hannington website under 'Governance'.
8. The Council's Standing Orders and Financial regulations were last reviewed in detail and adopted by the Council at its meeting held in September 2016, taking into account the recommendations of NALC and the comments made by the internal auditors following their Audit 2015/16. The amended SOs and FRs were then formally agreed and adopted at the Annual Meeting of the Parish Council 9th May 2017.
9. There have been no further proposed changes by NALC to their "Models of Standing Orders for Local Councils", and "Model Financial Regulations for Parish Councils", neither have there been any issues raised by the internal or external auditors on this topic.

STANDING ORDERS

10. Listed below are the main headings covered in the Standing Orders of the Council. These can be seen in detail by accessing the Hannington website "*Governance – Standing Orders*".

<https://www.hugofox.com/community/hannington-parish-council-hampshire-7641/about-us>

Contents of Standing Orders:

1. Meetings
2. Ordinary Council meetings
3. Proper Officer
4. Motions requiring written notice
5. Motions not requiring written notice
6. Code of conduct
7. Questions
8. Minutes
9. Disorderly conduct
10. Rescission of previous resolutions
11. Voting on appointments

12. Expenditure
13. Extraordinary meetings
14. Accounts and Financial Statement
15. Estimates/precepts
16. Canvassing of and recommendations by Councilors
17. Inspection of documents
18. Unauthorised activities
19. Confidential business
20. Matters affecting council employees
21. Freedom of Information Act 2000
22. Relations with the press/media
23. Liaison with County, and Borough Councillors
24. Financial matters
25. Allegations of breaches of the code of conduct
26. Variation, revocation and suspension of Standing Orders
27. Standing Orders to be given to Councillors
28. Planning Committee Administrative Arrangements

Financial Regulations

11. Listed below are the main headings covered in the Financial Regulations. These can be seen in detail by accessing the Hannington website "*Governance – Financial Regulations*" <https://www.hugofox.com/community/hannington-parish-council-hampshire-7641/about-us>

Contents of Financial Regulations

1. General
2. Accounting and Audit (Internal and External)
3. Annual Estimates (Budget) and forward Planning
4. Budgetary Control and Authority to Spend
5. Banking Arrangements and Authorisation of Payments
6. Instruction for the Making of Payments
7. Payment of Salaries
8. Income
9. Orders for Works, Goods and Services
10. Insurance
11. Risk Management
12. Suspension and Revision of Financial Regulations

FINANCIAL IMPLICATIONS

12. There are no financial implications ie costs to the Council arising directly from this report.

Chris Pottinger,

Clerk, Hannington Parish Council

3rd September 2017