

## **REVIEW OF FINANCIAL REGULATIONS/STANDING ORDERS**

### **PURPOSE OF REPORT**

1. This paper presents an update on 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 Financial Regulations and Standing Orders at least once during the year.

### **RECOMMENDATIONS**

2. It is recommended that the Council adopts the two changes to the FRs that have been proposed by NALC's recently revised Models of Model Financial Regulations for Town/Parish Councils (MFRPC).
3. It is recommended that the Council adopts the current Standing Orders with no amendments, subject to the need to reflect any changes/insertions with regards to new policies concerning Complaints Procedure, and the treatment of Data Protection requests. Paragraph 21 of the Standing Orders addresses issues relating to enquiries under Freedom of Information 2000, but may need updating once the Parish Council has reviewed its procedures.

### **BACKGROUND**

#### **Financial Regulations**

4. Hannington Parish Council undertook a thorough review of its Financial Regulations (FRs) by reference to the Model documents updated by the National Association of Local Councils (NALC) and circulated to Councils on 8<sup>th</sup> April 2014, and approved FRs to be adopted by the Council.
5. Subsequently, the Parish Council has amended those FRs in line with recommendations issued by NALC, the last being in January 2016.
6. NALC issued its latest amendments in May. These were circulated by HALC in July.
7. There are two amendments:-

Para 1.6 has been amended to provide for the possibility of disciplinary action in the event of the breach of regulations, rather than a definitive statement as to gross misconduct.

Para 6.3 has been re-written to apply more generally than merely in respect of disclosable interests. It is also recommending that the Clerk counter-signs cheques as well as the two 'signatories'.

8. Interestingly, when auditing the Final Accounts 2015/16, I was asked why the Clerk had NOT counter-signed the cheques... because the NALC recommended changes had not yet been notified to the Parish Councils.
9. I attach a copy at Appendix 1 of the current (January 2016 Financial Regulations) showing both the current paragraphs and the **recommended NEW paragraphs in red.**

### **Standing Orders**

10. Standing Orders were last updated in January 2016 to reflect the decisions taken with regards the role and duties of the Clerk.
11. There are no proposed changes to the Standing Orders subject to the potential for changes referred to in paragraph 3 above. The current version of Standing Orders is attached at Appendix 2.

### **FINANCIAL IMPLICATIONS**

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