

## FINANCIAL REGULATIONS POLICY

### 1. GENERAL

#### 1.1

These Financial Regulations govern the conduct of the financial management and transactions of Hutton Parish Council and may only be amended or varied by resolution of the Council.

#### 1.2

The Clerk shall be the Responsible Financial Officer (RFO).

#### 1.3

The RFO, acting under the policy direction of the Council, shall be responsible for the proper administration of the Council's financial affairs in accordance with:

- The Accounts and Audit Regulations 2015
- The Local Audit and Accountability Act 2014
- Current Joint Panel on Accountability and Governance (JPAG) guidance
- Current NALC Model Financial Regulations

#### 1.4

The RFO shall be responsible for the production of accurate financial management information.

#### 1.5

The Council shall ensure that appropriate systems of internal control, accounting records and financial procedures are maintained.

### 2. ANNUAL ESTIMATES (BUDGET SETTING)

#### 2.1

Detailed estimates of all income and expenditure shall be prepared each financial year by the RFO.

#### 2.2

The Council shall review the estimates and determine the precept requirement no later than the end of January each year.

### **2.3**

The approved annual budget shall form the basis of financial control for the ensuing year.

### **2.4**

The RFO shall provide members with regular budget monitoring reports comparing actual income and expenditure against budget.

## **3. BUDGETARY CONTROL**

### **3.1**

Expenditure may be incurred up to the amount included within an approved budget heading.

### **3.2**

No expenditure may be incurred which exceeds the approved budget unless approved by Full Council or authorised under delegated powers.

### **3.3**

The RFO shall provide the Council with regular statements of income and expenditure.

### **3.4**

The Clerk/RFO may incur expenditure on behalf of the Council in cases of genuine emergency or urgency where immediate action is required to protect Council property, assets, staff or public safety, subject to a limit of £1,500.

Such expenditure shall be reported to the next available Council meeting.

### **3.5**

Any expenditure incurred under delegated authority that cannot be met from existing budgets shall be subject to approval by Council.

### **3.6**

No capital expenditure shall be incurred unless:

- It has been approved by Council;
- Budget provision exists; or
- Appropriate borrowing approval has been obtained.

### **3.7**

All capital works shall comply with the Council's Standing Orders and procurement procedures.

## **4. ACCOUNTING AND AUDIT**

### **4.1**

All accounting procedures and financial records shall comply with statutory requirements and proper accounting practices.

### **4.2**

The RFO shall complete the annual accounts and prepare the Annual Governance and Accountability Return (AGAR) as soon as practicable following the end of the financial year.

### **4.3**

The Council shall maintain an adequate and effective system of internal control.

### **4.4**

An independent internal auditor shall be appointed annually.

### **4.5**

The Council shall comply with all requirements of external audit.

### **4.6**

Members and officers shall provide any information or documentation reasonably required for audit purposes.

## **5. BANKING ARRANGEMENTS AND AUTHORISATION**

### **5.1**

The Council's banking arrangements shall be approved by the Council and administered by the RFO.

### **5.2**

The Council may operate:

- Current accounts
- Deposit or savings accounts
- Online banking facilities
- Debit or payment cards where approved by Council

### **5.3**

All payments shall be authorised by Full Council or under delegated authority.

### **5.4**

A schedule of payments shall be prepared by the RFO and presented to Council for approval and ratification.

## **5.5**

Electronic payments shall require authorisation by two approved councillors wherever banking systems permit.

## **5.6**

Access to online banking shall be restricted to authorised officers and councillors only.

## **5.7**

Passwords and banking credentials must remain confidential and shall not be shared.

## **5.8**

Bank reconciliations shall be completed regularly and reported to Council.

## **6. PAYMENT OF ACCOUNTS**

### **6.1**

Payments may be made by:

- BACS or online banking
- Direct debit
- Standing order
- Debit card
- Cheque (where necessary)

### **6.2**

All invoices shall be examined, verified and certified by the RFO before payment.

### **6.3**

The RFO shall ensure that goods, services or works have been received satisfactorily before payment is authorised.

### **6.4**

Invoices approved for payment should normally be paid within 30 days.

### **6.5**

A full audit trail shall be maintained for all payments.

### **6.6**

Any retrospective or emergency payments shall be reported to and ratified by Council.

## **7. PAYMENT OF SALARIES**

### **7.1**

Salary payments shall be processed through an approved payroll provider or payroll system.

### **7.2**

Payroll records shall comply with HMRC requirements.

### **7.3**

The payment schedule shall be presented to Council as appropriate.

### **7.4**

The Council shall comply with pension auto-enrolment obligations.

### **7.5**

Staff salaries and allowances shall be reviewed annually.

## **8. LOANS AND INVESTMENTS**

### **8.1**

All loans and investments shall be made in the name of the Council.

### **8.2**

Investments shall comply with the Council's Investment Policy and statutory guidance.

### **8.3**

Borrowing shall only be undertaken in accordance with legislation and with Council approval.

### **8.4**

Investment certificates and related documents shall be retained securely.

## **9. INCOME**

### **9.1**

The collection of all income due to the Council shall be the responsibility of the RFO.

### **9.2**

The Council shall review fees and charges annually.

### **9.3**

All income received shall be banked promptly.

#### **9.4**

A record shall be maintained of all income received.

#### **9.5**

Bad debts shall be reported to Council.

### **10. PROCUREMENT, ORDERS AND CONTRACTS**

#### **10.1**

Official orders, letters or emails shall be issued for all works, goods and services where appropriate.

#### **10.2**

The RFO shall seek best value and ensure procurement is fair, transparent and proportionate.

#### **10.3**

Procurement thresholds shall normally be:

<b>Value</b>	<b>Requirement</b>
Up to £1,000	One quotation where practicable
£1,001 – £5,000	Minimum of three quotations
Over £5,000	Formal tender process considered by Council

#### **10.4**

The Council may waive quotation requirements in exceptional circumstances where:

- specialist services are required;
- there is only one supplier;
- genuine urgency exists.

Any waiver must be approved by Council and recorded in the minutes.

#### **10.5**

Contracts shall comply with Standing Orders and relevant legislation.

### **11. INSURANCE**

#### **11.1**

The RFO shall maintain appropriate insurance cover for the Council.

#### **11.2**

Insurance shall include, where appropriate:

- Public Liability
- Employers Liability
- Fidelity Guarantee
- Asset and equipment cover
- Cyber or data liability cover where available

### **11.3**

Insurance arrangements shall be reviewed annually.

### **11.4**

All losses, liabilities or incidents likely to result in a claim shall be reported promptly.

## **12. ASSETS**

### **12.1**

The Council shall maintain an Asset Register.

### **12.2**

Assets shall be reviewed annually for insurance and accounting purposes.

### **12.3**

Council property and equipment shall be maintained appropriately.

## **13. INFORMATION TECHNOLOGY AND CYBER SECURITY**

### **13.1**

The Council shall maintain appropriate cyber security arrangements.

### **13.2**

Electronic records shall be backed up regularly.

### **13.3**

Anti-virus and security software shall be maintained on Council devices where possible.

### **13.4**

Access to electronic information shall be restricted to authorised users.

### **13.5**

Data breaches or suspected cyber incidents shall be reported immediately to the Clerk/RFO.

**14. REVIEW OF FINANCIAL REGULATIONS**

**14.1**

These Financial Regulations shall be reviewed annually or sooner if required due to legislative or operational changes.

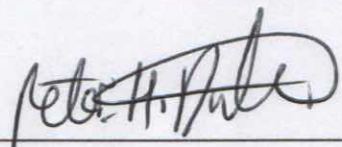
**14.2**

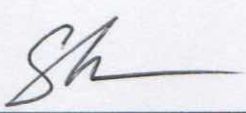
The Council shall make such amendments as are considered necessary to maintain effective governance and financial control.

**ADOPTION**

These Financial Regulations were adopted by Hutton Parish Council at a meeting held on 1<sup>st</sup> June 2026

Minute Reference: 26-28

Signed:   
Chair

Signed:   
Parish Clerk

Review Date: June 2027