

# PRESTON PATRICK PARISH COUNCIL

## FINANCIAL REGULATIONS

*(Based on NALC Model Financial Regulations – 2025 Update, tailored for a micro-council)*

*Reviewed and adopted May 2026*

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### 1. General

1.1 These Financial Regulations govern the conduct of the financial transactions of Preston Patrick Parish Council.

1.2 The Council is responsible for ensuring that its financial management is adequate and effective.

1.3 The Clerk is the **Responsible Financial Officer (RFO)** unless the Council appoints another person.

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### 2. Annual Governance & Accountability Return (AGAR)

2.1 The Council shall review and approve:

- Section 1: Annual Governance Statement
- Section 2: Accounting Statements

2.2 The RFO shall publish the **Exercise of Public Rights** period as required by law.

2.3 The Council shall ensure that internal audit arrangements are in place.

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### 3. Budgeting & Precept

3.1 The RFO shall prepare a draft budget each year for consideration by the Council.

3.2 The Council shall approve the budget and set the precept.

3.3 The budget shall form the basis of financial control for the year.

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### 4. Accounting & Audit

- 4.1 The RFO shall maintain proper accounting records.
- 4.2 Bank reconciliation shall be carried out at least quarterly and reported to Council.
- 4.3 The Council shall review internal controls annually.
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## 5. Banking Arrangements

- 5.1 The Council's banking arrangements shall be made by the RFO and approved by the Council.
- 5.2 The Council shall maintain **at least two councillors** as authorised signatories for online banking.
- 5.3 Additional councillors may be added to ensure resilience.
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## 6. Authorisation of Expenditure

- 6.1 All expenditure must be approved by the Council.
- 6.2 The Clerk may authorise routine expenditure up to **£100** (e.g., stationery, postage) and report it to the next meeting.
- 6.3 Emergency expenditure up to **£250** may be authorised by the Clerk in consultation with the Chair.
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## 7. Payment of Accounts

- 7.1 The RFO shall verify invoices and prepare them for approval.
- 7.2 Payments may be made by:

- cheque
- online banking
- direct debit (only where approved by Council)

### Online Banking (Unity Trust)

- 7.3 Online payments shall be **set up by the RFO** and **authorised by one councillor** using Unity Trust's online banking system.
- 7.4 No individual shall set up and authorise the same payment.
- 7.5 A schedule of payments shall be presented to each Council meeting for approval and minuting.
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## 8. Procurement

- 8.1 For expenditure below **£1,000**, the RFO shall seek value for money.
- 8.2 For expenditure between **£1,000 and £3,000**, the Council shall seek **two quotations** where possible.
- 8.3 For expenditure between **£3,000 and £25,000**, the Council shall seek **three quotations**.
- 8.4 Public Contracts Regulations apply above **£30,000**.
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## 9. Assets & Property

- 9.1 The Council owns **minimal assets** (e.g., noticeboard, laptop).
- 9.2 The RFO shall maintain an **Asset Register**, reviewed annually.
- 9.3 The Council does **not** own land, buildings, allotments, or a cemetery.
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## 10. Insurance

- 10.1 The Council shall maintain adequate insurance cover.
- 10.2 Insurance arrangements shall be reviewed annually.
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## 11. Risk Management

- 11.1 The Council shall review its **Risk Assessment** annually.
- 11.2 The RFO shall report any new risks to the Council.
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## 12. Payroll & Staff Costs

- 12.1 Staff costs shall be approved by the Council.
- 12.2 The Clerk's salary shall be paid in accordance with the contract of employment and NALC/SLCC pay scales.
- 12.3 PAYE shall be operated where required.
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## 13. VAT

- 13.1 The RFO shall ensure VAT is reclaimed where appropriate.
- 13.2 VAT records shall be maintained in accordance with HMRC requirements.

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## 14. Loans & Investments

14.1 The Council shall not enter into loans or investments without prior approval of the Council and compliance with legislation.

14.2 The Council currently holds **no loans or investments**.

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## 15. Orders for Work, Goods & Services

15.1 Orders shall be issued by the Clerk where appropriate.

15.2 Councillors shall not issue orders or commit the Council to expenditure.

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## 16. Grants

16.1 Grant applications shall be considered by the Council.

16.2 Grants shall only be awarded where they benefit the residents of Preston Patrick.

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## 17. CIL (Community Infrastructure Levy)

17.1 CIL funds must be spent within **five years** on infrastructure that benefits the community.

17.2 The RFO shall maintain a record of CIL receipts and expenditure.

17.3 CIL balances shall be reported annually.

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## 18. Review of Financial Regulations

18.1 These Financial Regulations shall be reviewed annually at the Annual Meeting.

18.2 Amendments may be made by resolution of the Council.

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