

BURTON-IN-KENDAL PARISH COUNCIL

FINANCIAL REGULATIONS

Based on NALC Model Financial Regulations – 2025 Update

Tailored for Burton-in-Kendal Parish Council

Reviewed and adopted: May 2026

1. General

1.1 These Financial Regulations govern the conduct of the financial transactions of Burton-in-Kendal Parish Council and may only be amended or varied by resolution of the Council.

1.2 The Council is responsible in law for ensuring that its financial management is adequate and effective and that the Council has a sound system of internal control.

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

1.4 The RFO shall determine, on behalf of the Council, its accounting records and accounting control systems.

1.5 The Council has nine councillors.

2. Annual Governance & Accountability Return (AGAR)

2.1 The Council shall each year review and approve:

- Section 1 – Annual Governance Statement;
- Section 2 – Accounting Statements.

2.2 The RFO shall ensure that the Exercise of Public Rights is published in accordance with statutory requirements.

2.3 The Council shall maintain appropriate internal audit arrangements.

2.4 The Council shall comply with the Accounts and Audit Regulations currently in force.

3. Budgeting and Precept

- 3.1 The RFO shall prepare a draft annual budget for consideration by the Council.
 - 3.2 The Council shall approve the budget and set the annual precept.
 - 3.3 The annual precept is approximately £16,000.
 - 3.4 The approved budget shall form the basis of financial control during the financial year.
 - 3.5 Any significant variation from the approved budget shall be reported to the Council.
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4. Accounting and Audit

- 4.1 The RFO shall maintain proper accounting records.
 - 4.2 Bank reconciliations shall be carried out at least quarterly and reported to the Council.
 - 4.3 The Council shall review the effectiveness of internal controls annually.
 - 4.4 The Council shall appoint an independent internal auditor.
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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 operate online banking.
- 5.3 Online banking payment arrangements shall require:
 - (a) the RFO/Clerk to set up payments;
 - (b) authorisation of payments by two councillors;
 - (c) no person shall both set up and authorise the same payment.
- 5.4 The Council shall maintain sufficient councillor authorisers to ensure operational resilience.
- 5.5 A schedule of payments shall be presented to each Council meeting and recorded in the minutes.

6. Authorisation of Expenditure

6.1 All expenditure shall be approved by the Council unless specifically delegated by these Regulations.

6.2 The Clerk/RFO may authorise routine expenditure up to £250 for operational purposes such as stationery, postage, software subscriptions or minor administrative costs.

6.3 Emergency expenditure up to £500 may be authorised by the Clerk/RFO in consultation with the Chairman where delay would be detrimental to the Council.

6.4 All expenditure authorised under delegated powers shall be reported to the next Council meeting.

7. Payment of Accounts

7.1 The RFO shall examine and verify invoices and prepare them for payment.

7.2 Payments may be made by:

- online banking;
- cheque;
- direct debit where specifically approved by the Council.

7.3 The Council shall maintain online banking controls appropriate to a parish council.

7.4 Payment instructions shall be prepared by the RFO/Clerk and authorised by two councillors.

7.5 The authorising councillors shall satisfy themselves that payments are lawful, within budget and supported by invoices or other documentation.

7.6 Direct Debits may only be established where approved by resolution of the Council.

8. Procurement

8.1 For expenditure below £1,000, the RFO shall seek best value.

8.2 For expenditure between £1,000 and £5,000, the Council shall seek at least two quotations where reasonably practicable.

8.3 For expenditure exceeding £5,000, the Council shall seek at least three quotations.

8.4 Procurement shall comply with all applicable legislation and statutory procurement thresholds.

8.5 The Council shall consider community benefit and value for money in procurement decisions.

9. Assets and Property

9.1 The RFO shall maintain an Asset Register.

9.2 The Asset Register shall be reviewed annually.

9.3 The Council's assets may include noticeboards, benches, street furniture, IT equipment and other community assets.

9.4 Assets shall be insured where appropriate.

10. Insurance

10.1 The Council shall maintain adequate insurance cover.

10.2 Insurance arrangements shall be reviewed annually.

10.3 Fidelity Guarantee cover shall reflect the Council's level of funds and banking arrangements.

11. Risk Management

11.1 The Council shall maintain and annually review a Risk Assessment.

11.2 The RFO shall report any significant new financial or operational risks to the Council.

11.3 The Council shall take appropriate steps to mitigate identified risks.

12. Payroll and 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 current NALC/SLCC pay scales.

12.3 PAYE and pension obligations shall be operated where required.

12.4 Payroll records shall be maintained securely and confidentially.

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.

14. Loans and Investments

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

14.2 Any temporary surplus funds shall only be deposited in low-risk accounts approved by the Council.

15. Orders for Work, Goods and Services

15.1 Orders for work, goods and services shall be issued by the Clerk/RFO where appropriate.

15.2 No councillor may issue an order or commit the Council to expenditure unless specifically authorised.

15.3 Official orders shall be supported by approved budgets or Council resolutions.

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 Burton-in-Kendal.

16.3 The Council may request evidence of expenditure or outcomes where grants are awarded.

17. Community Infrastructure Levy (CIL)

- 17.1 CIL funds shall be spent in accordance with relevant regulations.
 - 17.2 The RFO shall maintain records 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 of the Council.
 - 18.2 Amendments may only be made by resolution of the Council.
 - 18.3 These Regulations shall operate alongside the Council's Standing Orders.
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Approved and adopted by Burton-in-Kendal Parish Council.

Chairman: _____

Clerk / Responsible Financial Officer: _____

Date Adopted: _____