

NLPC/Governance/Finance

2 November 2015

All Parish Councillors

**NORTH LUFFENHAM PARISH COUNCIL  
REVIEW OF REVISED FINANCIAL REGULATIONS**

**BACKGROUND**

1. As part of the Parish Council Governance Review endorsed by the council, Claudia, Ian and I have reviewed and redrafted the Parish Council Financial Regulations, based on the 2013 NALC Model Financial Regulations template. These are attached in draft form for your consideration. A useful policy note was published in LRALC 2015 Newsletter No 7, which has been circulated but is attached to this note for ease of reference.

**AIM**

2. The aim of this Minute is to highlight the changes in business process that will need to be implemented before the revised Financial Regulations can be formally adopted by the Parish Council. As indicated at the Parish Council meeting held on 19<sup>th</sup> Oct 15, in our review of financial regulations we have identified that we will need to develop new guidance for the management of:

- Bank Reconciliations
- Internal audit of processes and accounts
- Internal financial control processes
- Identify an independent internal auditor (Not financial examiner)
- Quarterly - Compare expenditure with allocated budgets
- Develop a 3 Year rolling forecast of Income and Expenditure
- Review how we authorise routine recurring expenditure
- Review how we invite tenders and procure goods and services
- Develop a means of managing risk

**PROPOSED CHANGES TO BUSINESS PROCESS**

3. The proposed changes to the business processes of the council are encapsulated in the table attached. This will require further development but provides a basis for further work to enable the proposed Financial Regulations to be adopted without undue delay.

**NEXT STEPS**

4. The Parish Council will formally review these revised Financial Regulations at its meeting on 30<sup>th</sup> November. Prior to this date you are requested to review the attached documents and let me have any comments in writing prior to the meeting.

PBG CUMMINGS  
Chair NLPC

Attachments:

1. NLPC Draft Financial Regulations
2. Proposed Changes to Business Process
3. Extract from LRALC 2015 Newsletter No 7