



WHITE COLNE PARISH COUNCIL

White Colne Village Hall, Bures Road, White Colne, CO6 2QA.

13th November 2024

BACKGROUND PAPER

Please note information and councillor responsibilities regarding the following Agenda items:

1. APOLOGIES FOR ABSENCE

At time of writing, apologies for absence have been received from Cllr John Wilson.

9. FINANCE

ii. Schedule of payments 01.05.2024-31.10.2024 – please see Appendix J, attached the council meeting agenda.

ii. The council's budget for 2025-26 will be set at the meeting scheduled for 21st January 2025. This Agenda item offers members the opportunity to suggest opportunities, projects, and potential budgets needed for new and/or ongoing projects.

iii. The New Model Financial Regulations are attached to this Background Paper. Please review the document ahead of the meeting. Notes to assist in the use of the new Model Financial Regulations:

- 1) The document is a model for councils of all sizes to use to develop their own financial regulations, suitable for the size of the council and the activities it undertakes.
- 2) Bold text indicates legal requirements, which a council cannot change or suspend.
- 3) For the rest, each council needs to adapt the model to suit its size and structure. For example, some councils have both a clerk and RFO, possibly with several more staff, while others have a single employee as clerk/RFO. Some councils have committees, some have a high level of delegation, and some make all decisions at full council meetings. Many now use online payment methods, but others still rely on cheques.
- 4) Curly brackets indicate words, sentences or sections that can be either be removed if not applicable, or amended to fit the council's circumstances. An example of this is the phrase {or duly delegated committee}, which can be deleted if there are no committees.
- 5) Specific areas that may need adapting:
 - a) In 1.5 – is the Clerk the RFO? – Wording clarified for WCPC. Question over end of Paragraph 1.7.
 - b) In 3.3 and 3.4, the words "Governance and Accountability" do not apply in Wales - Removed
 - c) In section 4, does the council have committees and how many years are forecast? – As WCPC does not have any Committees, any reference to them could be removed. If a Committee was subsequently set up, however, the Financial Regulations would need to be updated, so the references remain at the council's discretion. Elsewhere in Section 4, does the council want to commit itself to producing a three-year forecast?
 - d) In 5.6, does the council issue an open invitation to tender, or invite specific firms? The wording covers either option.
 - e) In 5.9, are online prices acceptable evidence? Can't see why not.

- f) In 5.13, 5.15 and 5.17, does the council have committees?
 - g) In 5.16, will a councillor ever be instructed to place an order?
 - h) In 5.20, is there a minimum level for official orders? £250 seems quite a low bar.
 - i) Section 6 includes several alternatives to cover delegation to committees or to officers, approval of invoices individually or in batches, or for approval of regular contractual payments at the beginning of the year.
 - j) Sections 7, 8 and 9 also includes several alternatives, including wording for where the clerk is a signatory. These are intended to allow a council's financial regulations to fit what they actually do, not to force any council to change what they do. 7.1 will need updating if the banking mandate changes. 7.7 appears to be unnecessary. Section 8 could be removed.
 - k) Section 10 gives two alternatives, with or without petty cash. Amended.
 - l) 13.6 has alternatives for VAT-registered and unregistered councils – only use one.
 - m) 13.7 and 13.8 are removable if they don't apply to the council.
 - n) Much of Section 16 can be deleted if not applicable.
- 6) Square brackets indicate where the council needs to specify who, or how much, or what the timescale is. For example [£500] might need to be £100, or [October] might need to be November, or [the council] might need to say the Policy and Resources Committee.
- a) In 4.1 and 4.7, select the wording for England or Wales, based on your location.
 - b) In Section 4, the council needs to determine the timescale for its budget setting.
- 7) It is challenging to try to offer guidance on setting financial limits. A council spending £1,000 a year is unlikely to delegate authority to spend £500 to its proper officer, but one spending £5 million a year might regard £5,000 as a reasonable limit. Each council needs to determine its own limits, that help, rather than hinder, its operations.
- 8) Key limits to set:
- a) In 5.6, at what limit will the council require a formal tender process to ensure fair competition, rather than just asking for quotes? If this is set too low, it may discourage suppliers. Many small councils might only use formal tenders once every few years.
 - b) In 5.8, at what limit will the council require fixed-price quotes rather than estimates?
 - c) In 5.9, at what level can smaller purchases be made without competition?
 - d) In 5.15, at what level can purchases be made under delegated authority (having complied with the rules about obtaining prices)?
 - e) In 5.18, how much can the clerk commit to spending in an emergency?
 - f) In 6.9, can payment of invoices (for purchases that have already been authorised) be authorised by an officer under delegated authority as a general principle, or only to avoid problems?
 - g) In Section 9, what are the limits for card payments?
 - h) In 16.5, what value of assets can be bought or disposed of, without seeking council approval?
- 9) The contents list is a table that extracts section headings from the document. It can be updated by clicking on the contents list, whereupon a tab saying “update table” appears at the top of the list.
- 10) Once this model has been tailored to fit the council's needs, the resulting Financial Regulations (with the insertion of the council's name at the top) should be adopted at a meeting of the full council. The date of adoption should be inserted below the Contents. Any subsequent proposal for amendment should also be made to the full council.

- 11) The council should keep abreast of developments in legislation that affect the local council sector and should review and update its Financial Regulations annually.
- 12) Please ensure that the latest approved version is published on the council's website.

15. CLERK'S PROBATION PERIOD & CONTRACT OF EMPLOYMENT

- ii. Please note the highlighted paragraphs in Clause 8 of the Contract of Employment. The Contract is based on NALC's most up-to-date model, however, highlighted in yellow is wording that is common but not standard.
The wording highlighted in green refers to Clause 10, which is included as standard.