

SCHEME OF FINANCIAL DELEGATED AUTHORITY

Adopted 12/05/2025

1. Purpose of Report

To request the Parish Council review and approve the delegated spending authorities as outlined in the Parish Council's Financial Regulations (FR), specifically Procurement items 5.1, 5.18 and Banking and Payment item 6.8, following the recent model updates published by the National Association of Local Councils (NALC) in March 2025.

2. Background

The Parish Council's Financial Regulations are reviewed annually to ensure compliance with national legislation, guidance from NALC, and evolving best practices. The latest model Financial Regulations (March 2025) have been reviewed by the Clerk/RFO and Finance Committee, with particular attention given to sections concerning financial delegation and emergency expenditure. This report seeks approval of the specific delegation limits that support efficient and lawful financial management.

3. Delegated Authorities

Procurement

FR 5.15 – Authority for individual purchases within an agreed budget for that type of expenditure:

- The Clerk/RFO may authorise individual purchases up to **£1,000** (excluding VAT).
- The Clerk/RFO, in consultation with the **Chair of the Council**, may authorise expenditure between **£1,000 and £2,000 (excluding VAT)**.
- A duly delegated committee of the council may authorise expenditure **up to £5,000** (excluding VAT) within their approved budget.
- Grants will be approved following the council's **Grant Awarding Policy**.
- Expenditure **over £5,000** must be approved by **Full Council**.

Such authorisation must be supported by a minute (in the case of council or committee decisions) or other auditable evidence trail.

FR 5.18 – Emergency or urgent expenditure:

- In cases of **serious risk to the delivery of council services** or **public safety on council premises**, the Clerk/RFO is authorised to approve emergency expenditure of up to **£5,000** (excluding VAT) on repair, replacement or other work that in their judgement is necessary, whether or not there is any budget for such expenditure. The Clerk shall report such action to the Chair as soon as possible and to the council as soon as practicable thereafter.

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Banking and Payments

FR Point 6.8 The Clerk/RFO delegated authority to authorise payments in the following circumstances:

The Clerk/RFO, under delegated authority, is authorised to approve any individual purchases for expenditure that relates to the normal day-to-day running of the Parish Council, within an agreed budget, or the matter is urgent and cannot reasonably wait until the next full council meeting. All such decisions must be reported to the next full council meeting. Authorisation limits are as follows:

- i. **Any payments up to £1,000 (excluding VAT):** The Clerk/RFO may authorise the expenditure under delegated authority.
- ii. **Between £1,000 and £2,000 (excluding VAT):** The Clerk/RFO may authorise the expenditure under delegated authority **only after consulting with the Chair of the Council**, in cases of serious risk to the delivery of council services or public safety on council premises.
- iii. Any payment necessary to avoid a charge under the **Late Payment of Commercial Debts (Interest) Act 1998** or to comply with contractual terms, where the due date for payment is before the next scheduled meeting of the council, where the Clerk/ RFO certify that there is no dispute or other reason to delay payment, provided that a list of such payments shall be submitted to the next appropriate meeting of council.
- iv. **Fund transfers** within the council's banking arrangements up to the sum of **£20,000**, provided that a list of such payments shall be submitted to the next appropriate meeting of the council.

All expenditure under these provisions must be supported by a formal **minute or an auditable evidence trail**, in line with proper practices and internal control standards.

4. Recommendation

That the Parish Council:

- Reviews and confirms the appropriateness of the delegated spending limits set out in FR 5.15, 5.18 and 6.8.
- Formally continues to adopt the delegated spending authorities as part of the Parish Council's Financial Regulations, as recommended by the Finance Committee.
- Notes that these delegations support timely operational decisions, uphold legal compliance, and maintain robust audit standards