



BOXLEY PARISH COUNCIL

www.boxleyparishcouncil.org.uk

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**It has not been possible, due to limitations on this website, to include some documents.
Copies can be obtained by contacting the parish office.
The parish council apologies for any inconvenience.**

To all members of the Council, public and press

5 November 2012

There will be a meeting of the **Finance Committee** on **Tuesday 13 November 2012** at the Parish Office, Beechen Hall, Wildfell Close, Walderslade commencing at 7.30 p.m.

1. Apologies and non-attendance.

To receive apologies from members unable to attend.

2. Declaration of Interest or Lobbying.

Members are required to declare any interests or lobbying on items in this agenda.

3. Minutes of the meeting of 11 September 2012.

To consider the minutes of the meeting and if in order to sign as a true record (previously circulated).

4. Matters Arising.

4.1 Minute 2452/4.1 Weaving Diamond Jubilee Orchard lease. The issue regarding the dog waste bin has been resolved and MBC will continue emptying it. The revised legal agreement is awaited.

To adjourn to enable members of the public to address the meeting.

5. Financial report.

5.1 Income/Expenditure report of 5 November 2012 to follow before meeting.

i) Code 6 Photocopier lease. Members asked for an investigation into the coding amount. The two previous code 6 payments also included the actual cost of photocopying and this should have been included in code 1. Adjustments have been made.

5.2 Reconciliation of accounts report of 5 November to follow before meeting.

5.3 Reconciliation of October 2012 bank accounts with actual statements will be submitted to the meeting on the night.

6. Policy and procedures reviews and adoption.

6.1 Grants policy & procedure see attached report (page 2-5).

6.2 Reserves policy see attached report (page 5).

6.3 Review Independent Internal Auditor 2013 see attached report (page 5).

6.4 Annual review of H&S/accident book see enclosed confidential report.

7. Investments.

An update on bonds and maturity dates will be supplied at the meeting.

8. BACS payments for staff salary.

To consider whether staff salaries could be paid by BACS see report (page 5).

9. Independent Internal Audit.

To receive and consider the internal audit undertaken by Kevin Funnell on 15 October 2012 see report (page 12).

- 10 **Payment of staff salaries by Standing Order.**
To request that members consider allowing staff salaries to be paid directly into their bank accounts see attached report (page 5).
- 11 **Annual Competency Report.**
To consider the Clerk's report on the work of the Finance Committee (page 5 - 8).
- 12 **2012/13 Draft Budget.**
To consider any projects submitted for inclusion.
Members have asked for an annual review on the Downs Mail expenditure to coincide with the budget being set. Guidance is sought on what information members require.
- 13 **Grant Request.**
 - 13.1 Vinters Valley Nature Reserve – request for release of the additional budget see report (page 9).
 - 13.2 Walderslade Woods Group – request for release of the additional budget see report (page 10).
- 14 **Walderslade Woods Group – Earmarked Reserves.**
To consider a request from the WWG Chairman see report (page 10-11).
- 15 **Matters for Information.**
- 16 **Date of Next Meeting.**
Tuesday 8 January 2013 at Beechen Hall, Wildfell Close, Walderslade commencing at 7.30 p.m.

Clerk to the Council.

Issues to be returned to agenda as they develop. None.

Item 6 Policy and procedures reviews and adoption *Purpose of item - To consider the current documents/information and identify any changes that may be required.*

6.1 Grants Policy & Procedure

An amendment has been made in that all reference to Section 137 grants has been removed. As the Parish Council has power of competency it cannot use S137 so the old section has just been modified to take out reference to that act.

Policy

A grant is any payment or gift made by the Council to an organisation for a specific purpose. In considering a request members of the Finance Committee will be asked to consider the following:

- The degree to which a grant will directly benefit or be in the interests of all or part of the parish and its inhabitants.
- Whether the direct benefit would be commensurate with the expenditure.

At the Finance Committee meeting in January a budget will be set from which grants may be allocated during the following financial year. Once the Grants budget is exhausted, the Parish Council will only consider emergency requests for assistance, and generally only from organisations with which it has close links.

Application Procedure

Organisations requesting financial assistance will be requested to submit:

- A completed application form.
- Copies of their last year-end accounts.
- If possible, the number, or percentage, of members that belong to the organisation and live within Boxley Parish.
- Details of any restrictions placed on who can use/access their services.
- Confirmation (on the application form) that it agrees with the Parish Council's Equal Opportunities Policy or give details of their own policy.

Organisations will normally be expected to have clear written aims and objectives, a written constitution and a separate bank account.

For grant requests for projects costing over £3,000 the Parish Council will require that the organisation has robust tendering regulations, e.g. obtaining a minimum of three tenders. The Parish Council reserves the right to request proof of the tender process. Projects notified to the Parish Council in advance and included in the Parish Council's budget documents will only have the funds released on completion of the work. Whilst Boxley Parish Council will not normally consider applications for Capital Projects, any such applications will require a more substantial case with supporting evidence of the community benefit.

Applications will not be considered from:

- Individuals.
- A political party.
- Private organisations operated as a business.
- "Upward funders" i.e. local groups where fund-raising is sent to a central HQ for redistribution.

Assessment Procedure

A grant request, once received in writing, will be considered at the next meeting of the Finance Committee.

Each application will be assessed on its own merits. However, to ensure as fair a distribution as possible of available funds, the Council will take into account the amount and frequency of any previous awards. Due account may also be taken of the extent to which funding has been sought or secured from other sources or fund raising activities. (The Clerk can advise on alternative funding sources). Proposals for match funding will also be considered.

Successful Applications

Organisations receiving grants are required to advise their users/members that the grant or equipment had been received from Boxley Parish Council. Where possible, the Council will affix an appropriate label.

Where equipment is gifted to an organisation, the Parish Council requires that it be insured and maintained at the expense of the user.

Updated 5 November 2012

Boxley Parish Council Grant Application Form.

(Clerk comment; spaces have been removed).

Please complete this form, attaching any other relevant information, and send to Boxley Parish Council, Beechen Hall, Wildfell Close, Chatham, Kent ME5 9RU. Tel 01634 861237 e-mail Clerk@boxleyparishcouncil.org.uk

Application from

Title/organisation	
Contact details	
Telephone/email	

Please state or attach an explanation on the amount of grant requested, why you are applying for a grant and the potential benefits for the residents of the parish. If possible include the number or percentage of members that belong to the organisation and live within Boxley Parish.

If applicable, registered charity reference number:

Have you included a copy of the latest year-end accounts? YES/NO

Are there any restrictions placed on who can use/access the services? YES/NO. Please supply details of any restrictions.

This application will not be accepted unless the Equal Opportunities Policy of the organisation is attached or the following (which is the Parish Council’s own equal opportunities statement) is signed as an acceptance of the principles.

“No service user, employee or job applicant will be discriminated against or receive less favourable treatment on grounds of gender, race, colour, ethnic or national origin, disability, marital status, family commitments, sexual orientation, age, chronic medical condition, religious or political beliefs, social class or trade union activity.”

Signed..... date.....

Statement of understanding.

On behalf of the above organisation, I have read and understood the Boxley Parish Council Grants Policy and Procedure and confirm that if a grant is awarded the organisation agrees to abide by the conditions outlined.

Signed.....date.....

Position in organisation.....

Item 6.2 Reserves Policy. *Clerks comment: Due to the recent and known future outlays it is suggested that a more robust policy is now needed.*

Boxley Parish Council Reserves Policy

Boxley Parish Council has a number of long term projects, aspirations and liabilities and thus has fairly substantial and earmarked reserves; it also uses the interest gained from the reserves to keep the Precept low.

In accordance with recommended practice, the Parish Council maintains an unallocated cash reserve of about 33% of 'normal' annual expenditure. Provision is made in the annual budget for a donation to the reserves to ensure that this figure is met.

In addition, as the Parish Council is aware that Maidstone Borough Council's Concurrent Functions Grant can be reduced or stopped at little or no notice, it considers it prudent to retain sufficient reserves to ensure it could adequately function for 2-3 years without this grant while compensatory arrangements are put in hand.

Item 9. Review Independent Internal Auditor 2013. *Purpose of item – Decision.*

Member's views on the current appointment are sought.

Item 10 BACS payments for staff salary. *Purpose of item - To consider the situation and decide on whether this request could be progressed.*

At the last meeting members were asked for their views on whether staff salaries could be paid by BACS. At their request the issue was taken up with the Independent Internal Auditor. He advised that the Cooperative Bank had a system that allows (with the correct audit and security procedure put in place) a BACS payment form to be signed prior to its submission. This would then satisfy the two signatories requirement.

The parish office contacted a parish council that currently runs this system (although their Council's procedure is to sign it after the payments has been made) and was informed:

- there was a small payment of 35p for each transaction;
- the completed form would have to be faxed to the bank, this would cost £1 as the parish office did not have a fax machine but could purchase one.
- should there be a mistake and the bank had to contact the office it would be charged £8 per contact.

Item 11 Annual Competency Report. *Purpose of item - To consider the Clerk's report and decide on any actions, changes or information that might be needed.*

Boxley Parish Council has set itself an aim not to stagnate and always to seek a way to improve the way it works and responds to its residents. As part of this aim each committee is required to undertake an annual review of its work, procedures and efficiency and make a competency report, highlighting any weaknesses and omissions, to the Parish Council.

To allow the Committee to undertake this work the Clerk has prepared the following report on the work of the committee and it lists all the different methods, procedures and ways that are used by the office to ensure that work is undertaken and nothing gets forgotten or missed. The list cannot be exhaustive and there will always be irregular or one off situations that will need to be dealt with as they arise. Part of the review (effectively a health check) will need to be a judgement that there are correct policies and procedures in place to be able to identify and deal with odd or unforeseen situations.

The Finance Committee, under its Terms of Reference has a number of areas that this recommendation covers, and these are as follows:

Risk Assessments (RA), policy and actions taken to control and alleviate/control any potential issues

- Recommendations on Financial Regulations (RA, action and policy)
- Recommendation on banking arrangements (RA, action and policy)
- Recommendation on investments (RA, action and policy)
- Insurance Recommendation on banking arrangements (RA, action and policy)
- Health and Safety (RA and policy)
- Training
- Petty cash (policy)
- Direct Debits and Standing Orders (policy)
- Reserves Policy (RA and policy)
- Risk Assessment (Estates Committee is responsible for Beechen Hall RA) (RA, action and policy)
- Audit Controls (RA and policy)
- Grievance and Disciplinary Procedures (RA and policy)
- Grants
- Grants Policy and procedure (policy)
- Reserves (RA and policy)
- Independent Internal Auditor Appointment.
- Sign off (by Chairman) of annual staff salary payments (action)
- Minimum standard checks on salaries and PAYE (started Oct 2012) (RA, action and policy)
- Management of TOIL and Annual Leave (action and policy)
- Overview of and recommendation to Parish Council of annual budget and precept (RA, action and policy)
- Two monthly check on bank balances and reconciliation of accounts etc. (RA, action and policy)
- End of Year submission (action)

All of the above are scheduled in a document submitted to the January Finance Committee (Review of policies and procedures diary document to allow adjustments). This not only proves to the Committee that the office has correct procedures to ensure reviews but also allows Councillors an opportunity to comment on the review schedule (action).

The Parish Council also has a Financial Scrutiny Committee which is independent of the Finance Committee and this under takes an overview function referring any issues or perceived weakness on financial situations back to the Council or relevant Committee. The Financial Scrutiny Committee along with the Independent Internal Auditor and supported by the 2 Parish Councillor Audits will also highlight issues and problems if discovered and procedures are in place to ensure that members receive an accurate understanding of any situation, minutes have to be approved, copies of audit forms have to be supplied etc.

Procedures.

The parish office and its staff undertake "housekeeping" that members often do not know anything about, or take for granted, and this is why the Council must appoint competent staff and allow them adequate time, training and equipment to do the work. Councillors do not have to become involved in 'housekeeping' issues as this would not be an efficient or effective way to manage the Council. So how do Councillors know if "housekeeping" work is being undertaken? This can be judged in a number of ways;

- Lack of complaints from the public/other members.
- Discussions with/comments from public, contractors etc. will notify Councillors that a problem exists or is brewing.
- Paperwork not being available in adequate time (agenda, reports etc.) Review diary not being adhered to without adequate reason.

- Office being unable to supply something requested or having no knowledge of something.
- Office not completing an action asked for by a committee or programmed into the diary.
- Information coming to it from serving on another committee or reading another committees agenda/minutes.
- 'Gut instincts'.

The review diary also includes other information by which Councillors can judge whether the committee/office is 'healthy' and these are generally under office notes and are a reminder not only to staff but also to the committee. Examples of these monthly tasks/reminders are:

- (office note – arrange for agenda a review of earmarked reserves situation)

The agenda for meetings includes regular items (Bank Reconciliations) to allow regular reviews and debate and items are added as issues are identified. At the end of the agenda is a list of items that have been deferred for return and members can keep an eye on these to ensure they are returned.

Competent.

The Parish Council is required to appoint a competent Proper Officer (Clerk and in her absence Asst. Clerk). It is a duty of all Councillors to ensure that any document it receives is relevant and the Clerk is responsible for ensuring all documents are kept up to date and are correct. It is the Committees duty to judge whether this has been achieved and so is a shared responsibility. So how do Councillors do this? This can be achieved in the following way:

- Councillors keep abreast of developments through the KALC Parish News, newspapers, Television etc. They should be willing to check with the parish office that they have noted that something is happening and whether it is going to the committee. *Clerks comment – the office is signed up to many e-mail notification systems and also pays to have the Direct Information Service which is a NALC run service giving briefings on changes to legislation, Ministers press releases, other organisations and NALC press releases/statement etc.*
- Read and study all the documents received and using their experience and knowledge judge whether it is correct. *Clerk's comments – the strength of a good Parish Council comes from the variety of Councillor serving on it. Their individual experiences, common sense etc. means that there is generally someone with in depth knowledge.*
- Members may have noted that last year the Clerk, on important reports and documents, started to add a statement to prove that she was competent to make the report or any suggestions/recommendations (see last section of this over view for an example of how such a competence statement can be presented). She has for many years been including in reports where Councillors could find more information (generally a website address) and this allows Councillors access to and knowledge of what was being considered/required. This gives the opportunity for Councillors to judge whether the work submitted has depth and breadth and comes from relevant sources.
- Since the last audit the Parish Council has received Power of Competency and also adopted its own Code of Conduct. It also became responsible for dealing with its own dispensations. All of these actions took place due to changes in legislation and indicates the Parish Council is keeping abreast of the frequent changes. The Parish Council also acted quickly in purchasing land and its ability to do so was supported by the many policies and procedures (many of which are included in this review) that it had previously set up (which indicates long term planning).

Clerk's comment. The following is takes in other elements in addition to this review but it is considered that this might be helpful at this stage.

Councillors have to have an element of trust in its personnel however they should not become complacent. It is not wrong to question a report/item however it is polite to do so in a fair way and not ambush personnel at a meeting. It is more effective and efficient if advance notice can be given of any queries as the personnel undertaking the meeting

might need to gather information and can be tired as they will have been working that day.

Members are already aware that the Clerk has a system to the way she 'advises' members. The purpose of this system is to give appropriate information or guidance. By being briefed on the system members are less likely to be manipulated or feel compelled to make a decision that might please the Clerk. Any of the following can be ignored or added to during the discussion:

- Clerks' comment. This is used to impart (in written form) some additional information that she considers relevant. Councillors then have time, before the meeting, to consider the information. It is also used to create links between the many other documents or other Committee policies etc.
- Suggestion, this is to put forward a possible decision, plan or idea to open debate.
- Options, this is used when the Clerk can't find that the Council has any policy or previous stated views on the issue being considered. It is to help members consider what is in front of them and to open up discussion.

The Clerk also uses 'recommendation' and anything under this description is more likely to deal with a legal requirement. Thus a recommendation to adopt a policy is because not to do so could create legal problems, result in the Council acting unprofessionally or result in the Council not meeting requirements set by itself or another outside body. This does not mean that members should not change or amend aspects of the policy/decision but members need to do so from a position of information and so advance warning of any queries would be extremely helpful.

The Councils' method of working is that all Councillors receive agenda and minutes of all committees and that the agenda items are supported by relevant reports and information. This allows members to make informed decisions and it is always helpful to receive feedback on the whether the report was balanced and included all the information members needed.

Councillors also have responsibilities that impact on the competency of the Council and need to read their agenda and reports prior to a meeting. The information supplied to Councillors by the office and information available from other sources allows Councillors to form opinions and to take decisions from a position of information.

Health Check.

Members need to undertake a health check on the Finance Committee to identify

- Are the current policies and procedures enough if not where are there weaknesses?
- Are the current checks (reports to meetings) enough to make a decision or do members wish to devise an alternative audit for example a spot check at the office?
- What improvements they think there could be to the way current policies, actions and procedures are managed.
- Are there procedures in place to be confident that one off or irregular issues are dealt with by the office under housekeeping or referred to the Committee in a prompt and correct manner.

Weaknesses identified by the Clerk whilst undertaking the report

- Work overload at the office but this has been recognised by the Parish Council and a temporary member of staff is being employed.
- Interestingly looking back on the last audit this overload was clearly identified as a weakness that needed addressing and whilst the report was signed off no councillor or committee took responsibility for dealing with it. The weakness therefore identified is that some projects/issues can be ignored because no person has been assigned to action it.
- Feedback on meetings. It was suggested last year that this took place more often but nothing really transpired. With 2 new members of the council and an increasingly complicated workload do members wish to revisit this idea?

And (almost) finally

Clerks' comment - Having received this report it will be easy to set up more checking/auditing to attempt to become better however this could create weaknesses and so a balanced response should be looked for. Councillors should be careful to ensure that they do not introduce excessive checking of systems that already have checks undertaken on them. Spot checks for financial paperwork etc. is allowed under the Parish Councillor Audit and, as long as a Councillor is confident to ask questions this should be sufficient.

Statement of Clerks competency to produce such an overview.

The Clerk is a qualified Clerk (Certificate of Higher Education in Local Policy July 2000) with 20 years' experience. She undertakes regular training to keep up to date and refreshed. Training undertaken in 2012 was Module 7 Power of Competence, Allotments and Fixed Playground Equipment safety training. Her financial and administrative systems are annually audited by the Independent Internal Auditor and receive positive reports on her competence and the quality of the office systems. The Parish Councillors Internal Audits check her financial systems and positive feedback is received by this.

Item 13 Grant Request. *Purpose of item – to make a decision.*

The parish council allocates an annual grant to the Vinters Valley Nature Reserve and also to the Walderslade Woodlands Group, a charity. Two years ago, due to the cut in the Concurrent Functions Grant, it reduced these grants by 20% however the budget includes a caveat that should the VVNR or WWG apply to the parish council with details of a project that needed funding then the Finance Committee would consider making additional funding (the cut 20%) up to a maximum of £937.58 per group.

13.1 Vinters Valley Nature Reserve.

VVNR has submitted the following project and asks that the parish council consider. The letter from the warden Steve Songhurst reads

“After discussion with members of the management committee, we would like to be considered for additional support to repair a set of steps used by our visitors as they exit the main valley floor. These steps were last repaired in 2005 and due to continuous use, now need a major overhaul and upgrading to the same standard as other flights of steps, which we have been repaired as part of our visitor upgrade programme, which commenced in 2008.

You may already be aware that we have just completed an earlier upgrade on another flight of steps, which we were able to fund through a mixture of funding from our own resources, additional support from our visitors, plus some commercial support. I have enclosed a photo showing the new upgraded steps, so that you can see we have the experience to produce work of a good standard when undertaking this work.

*As regards this request I have enclosed additional information on the repair work, but suffice to say that the material costs to undertake the work amount to **£842 + vat (£1010 inc vat)**. We would be quite happy to cover all the labour costs and will utilise the services of myself and my team of volunteers, it's the material costs which we struggle to fund and delays our upgrade programme.*

Financially, despite a difficult economic situation we have managed our finances in a prudent manner and manage to adjust our expenditure to match our funding capabilities. As at 31st August 2011 our unrestricted funds stood at £19800 and this year as at 31st August 2012 the unrestricted funds stood at £21380, which reflects this cautious approach”.

Members generally require a copy of the last audited accounts however this year VVNR has moved its financial year end from 31st August to 31st December and so the last available audited accounts would be as at 31 August 2011. A copy of the report referred to in the letter will be available at the meeting.

13.2 Walderslade Woods Group.

The following report was submitted to the Environment Committee as a progress report on the Group's work.

Report from Rob Burrows, Chairman WWG.

I have been involved with discussions with the MBC Landscape Office team and it has been agreed that I and (hopefully soon) other members of the group will be involved in charting the peripheral woodland adjacent to residential areas, and compiling a record of its significant trees. This will be the first step in the redrafting TPO 1969, as these are the trees which are 'at risk' from illegal cutting. A letter drop will take place to residential properties that are in areas which already show signs of unauthorised work, the aim of which is to educate local residents about TPO's, and the penalties involved.

Arrangements have been made for the Forestry Commission to visit the woods in order to build a relationship with them, and hopefully to gain information, advice and guidance. I will also use the opportunity to find out more about the Ash tree situation.

I have asked the KWT to review the existing management plan, as it is now five years old. The original plan needs to be brought up to date, and also include the plateau areas. A request is going to the parish council's Finance Committee to make available the 20% reduction in the annual budget, to pay for this revision, the cost of which I am currently awaiting from KWT.

The WWG is involved with Bredhurst Woodlands Group and the North Downs AONB Unit, in applying for a Local Heritage Initiative Grant to undertake a LIDAR survey of the local woodlands.

Two of the group have just completed a second tranche of chain saw training to allow a pole chainsaw to be used.

The group is trying to find funding to purchase a wood chipper, as, now the group is actively involved in coppicing ever larger areas, there is a dire need to recycle the cut material into wood chips for the paths.

This year an informal, but extremely useful, first aid course was organised. The course introduced members to what actions should be taken in an emergency. It was especially adapted for accidents that might occur during the use of chainsaws (which is why a first aid certificate could not be awarded). The purpose of the training was to ensure numerous members could react properly to any situation.

13.2 Request from Rob Burrows, Chairman WWG, for the release of additional funding.

The work the WWG undertakes is dictated by the Management Plan drawn up by the Kent Wildlife Trust in 2007. The original plan did not include the plateaux at Round Wood, so there is now a need to add to the 2007 plan and it would make sense at the same time to update it. I therefore request that the additional funding is released to allow this work to be undertaken. The Group will soon start work on producing its annual budget, which it is required to submit to the parish council, however a decision on this request and also the request to be able to build up 'savings' is awaited before the work starts.

Item 14 WWG Earmarked Reserves. Purpose of item – to make a decision.

Request from Rob Burrows, Chairman.

After discussion with the Clerk about the possibility of 'saving' for a wood chipper (see above report) she has advised that perhaps the best way forward is to request that Boxley Parish Council allows the group to retain any unspent grant as an earmarked reserve. Grant applications are also being made, and any which are received, will be paid to the parish council to go into such a reserve.

The cost of the correct size chipper will be in the region of £13,000, and it will be stored within the group's unit, next to Beechen Hall. We store all our tools and machinery here, with the brush mower having the largest footprint at the moment. But with the shredder's footprint being 1830mm(L) by 835mm(W), still makes it a viable proposition for it to fit into the store, alongside the mower.

This would be a large scale investment for the group, however it would allow the full implementation of the coppicing cycle for the woodlands, as is detailed in the KWT Management Plan. Training would be required for its use, however it would allow us to recycle matter for use on paths for example. At the moment there is no other way we can dispose of 'rubbish' from our management projects, as KCC will not allow us the burn within the woods. It would be self-propelled in the same way as the mower is, and so, we already have the required experience in transporting it to the required site within the woodlands. The group now has a clear aim and vision to undertake work, and it is anticipated that the earmarked reserve will be spent within 3 years. We also have the aim of obtaining match funding so that we can make our purchase as soon as possible.

Clerk's comment. The parish council's earmarked reserves already have £1,226.90 allocated to the Walderslade Woodlands Group (the remainder of a grant that Cllr Springate obtained). By allowing the group to retain the money within the parish council's account it will still be possible to reclaim the VAT on the wood chipper. Should any of the money be moved from the parish council's account (for example should the group set up its own account) then it would not be possible to reclaim VAT. It is confirmed that if the group is successful in obtaining grants and if these are paid to the parish council then VAT could be reclaimed when the council purchases the wood chipper.