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Beechen Hall
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To all members of the Council, public and press

6 January 2015

There will be a meeting of the **Finance and General Purposes Committee** on **Tuesday 13 January 2015** 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 Interests, Dispensations, Predetermination or Lobbying.

Members are required to declare any interests, dispensations, predetermination or lobbying on items on this agenda. Members are reminded that changes to the Register of Interests should be notified to the Clerk.

3. Minutes of the meeting of 11 & 25 November 2014.

To consider the minutes of the meetings (11 November previously circulated) and if in order to sign as a true record (pages 3- 4).

4. Matters Arising From the Minutes.

4.1 Minute 2703/4.2 password security. This work is still outstanding.

4.2 Minute 2703/4.3 complaints form available to complete on website. This work is still outstanding.

4.1 Any other matters arising from the minutes, not on the agenda.

Adjournment to enable members of the public to address the meeting.

5. Financial report.

5.1 Reconciliation of accounts report as at 6 January 2015 see report (pages 4-5).

5.2 Income/Expenditure report as at 6 January 2015 see report (pages 5-8).

5.3 Investment Bonds, see item 5.1, see report (page 9).

5.4 Independent Internal Auditor, to receive report (pages 10-11) on the 10 December 2015 interim audit.

6. 2015/2016 Budget.

To consider the draft budget and agree recommendations to the Parish Council on the adoption of the budget and the precept to be set, details enclosed for members and a minor adjustment has been made see report (page 11). A resolution along the lines of **"The budget is recommended to the Parish Council and that a precept of £ be set"** will be considered.

7. Policies and procedures reviews.

7.1 Parish Councillor Audit form (review) see report (pages 12-15).

7.2 Annual Health & Safety and Accident Book Review see report (page 16).

7.3 F&GPC Policies & Procedures, etc. 2014/15 Calendar (review) see report (pages 16-17).

8. Review of banking arrangements

8.1 See report on internet banking (pages 17-20).

8.2 Committee review of Financial Regulations (review to give notice to March Parish Council) see report (pages 20-28).

9. **Personnel matters.**

TOIL, leave and leave/sickness cover.

10 **Grant Requests.**

None received.

11 **Matters for Information.**

None.

12 **Date of Next Meeting.**

Tuesday 10 March 2015 at Beechen Hall, Wildfell Close, Walderslade commencing at 7.30 p.m. Items for the agenda must be with the parish office no later than 5 January.

Pauline Bowdery

Pauline Bowdery
Clerk to the Council.

Issues to be returned to agenda as they develop.

Note to all councillors: you are welcome to attend meetings of committees of which you are not a member but only committee members may vote.

Legislation allows for meetings to be recorded by anyone attending. Persons intending to record or who have concerns about being recorded should please speak to the Clerk.

Supporting agenda papers for the Meeting of the Finance & General Purposes Committee on Tuesday 13 January 2015.

The Chairman will assume that these have been read prior to the meeting.

Councillors wishing to suggest changes to any policy document or procedure in this agenda should notify the office, in writing, at least three working days in advance of the meeting. This will allow details to be circulated at the meeting (or in advance if particularly contentious).

Item 3 Minutes of the Finance and General Purposes Committee Meeting held at Beechen Hall, Wildfell Close, Walderslade on Tuesday 25 November 2014 commencing at 7.30 p.m.

Councillors present: Mr Ivor Davies (Chairman), Mrs P Brooks, Mr Vic Davies, Mr P Dengate, Mr Bob Hinder and Mr G Smith together with the Clerk, Mr A Springate and Mr R Burrows (Chairman Walderslade Woodlands Group).

1. Apologies and non-attendance.

Cllr Wendy Hinder (MBC meeting).

3. Declaration of Interests, Dispensations, Predetermination or Lobbying.

Cllrs Ivor Davies, Vic Davies, Dengate and Bob Hinder declared that they were allotment tenants but had dispensation to vote on matters relating to the allotments.

Cllr Ivor Davies declared that he was a member of the Walderslade Woodlands Group and Friends of Boxley Warren.

Cllr Bob Hinder declared that he was Chairman of Friends of Boxley Warren.

Item 4.1 was taken at this point.

Mr Burrows left the meeting for item 3 which was then taken in closed session due to its confidential nature.

4. Staff salary.

Members **received** a report on what other parish councils were paying their office staff and the recommended NALC/SLCC salary scales. After discussion the Chairman proposed seconded by Cllr Dengate that the 15 hour office assistant position be renamed Administrative Assistant with a salary scale of SCP 14 – 19 and that the current incumbent be offered, subject to a review of the job description and agreement from all parties, an appointment at SCP 14 with retrospective effect from 1 October 2014. **Agreed unanimously.** Clerk and Chairman to liaise with the member of staff. **Action Chairman, Clerk and member of staff..**

5. 2015/2016 Draft Budget.

4.1 Earmarked Reserves

The meeting was adjourned at 7.32 pm to allow Mr Burrows to explain the future plans for the woodlands and to provide information on the need for a financial reserve to purchase an additional storage unit, power scythe and a small tractor. Funds for the development of a dew pond would also be needed. Questions asked by members were answered as they occurred in the reconvened meeting. Meeting reconvened at 7.38pm.

Members **received** the information from Mr Burrows and after in-depth discussion Cllr Vic Davies proposed seconded by Cllr Brooks that **“that the financial year 2015/2016 the WWG grant be set at £4,975 with the current earmarked reserves remaining at the same level and increased by any unspent grant from 2014/15 financial year. The earmarked reserves will be renamed working fund and the issue be revisited in the 2016/17 draft budget review.”** Agreed with the Chairman abstaining.

Discussion took place on the level of ear marked reserves with some minor changes **agreed. Action Clerk.**

Review subscription list. The Clerk's decision not to re-subscribe to the Direct Information Service was **ratified.** The Clerk confirmed that the same information was being received from other sources free of charge. **Agreed** also not to re-subscribe to the Kent County Playing Fields Association.

4.3 Draft budget. Subhead budgets, transfers from reserves and changes to the presentation of information were discussed and **agreed**, as was the Clerk's recommendation that a 1% increase in the Chairman and Parish Councillor Allowances should be included in the budget. **Action Clerk.**

4.4 Precept. A short discussion took place on the drop in last year's precept, due to a billing error, and the implications of this on the setting of the next precept.

4.5 Contingency Fund. Members received a request from Cllr Bob Hinder that provision be made for the purchase of a petrol driven leaf blower to clear leaves from the access road to the allotments. It was suggested that the leaf blower could be made available to other volunteer groups supported by the parish. **Agreed** that up to £180 could be spent.

6. Date of Next Meeting.

Tuesday 13 January 2015 at Beechen Hall, Wildfell Close, Walderslade commencing at 7.30 p.m. Items for the agenda must be with the parish office no later than 5 January.

Meeting closed at 9.15 pm.

Item 5.1 Reconciliation of accounts.

Bank Reconciliation at 06/01/2015			
	Cash in Hand 01/04/2014		328,555.48
	ADD		
	Receipts 01/04/2014 - 06/01/2015		168,083.02
			496,638.50
	SUBTRACT		
	Payments 01/04/2014 - 06/01/2015		153,904.61
A	Cash in Hand 06/01/2015 (per Cash Book)		342,733.89
	Cash in hand per Bank Statements		
	Cash	31/03/2014	150.00
	HSBC Beechen Hall	06/01/2015	16,456.94
	Coop General Account	30/12/2014	33,458.01
	Coop Investment Bond	02/07/2013	0.00
	Santander Investment Bond (matures 01.07.15)	23/06/2014	125,040.31
	Natwest Fixed Rate Deposit	16/07/2014	11.09
	Barclays Bank	19/11/2014	29,638.25
	HSBC Invest Bond (matures May 2015)	29/05/2014	25,045.37
	Lloyds 3 mth (matures Jan 2015)	10/12/2014	45,064.00

	Lloyds 12 mth (matures 15.07.15)	29/08/2014	80,000.00	
				354,863.97
	Less unrepresented cheques As attached			29,435.22
				325,428.75
	Plus unrepresented receipts As attached			17,223.59
B	Adjusted Bank Balance			342,652.34
Error A does NOT equal B				
ERROR IS £81.55				

Clerk's explanation. The parish council policy is that all accounts must be reconciled to and supported by invoices and statements and will only be individually signed off as reconciled when all paperwork is complete. The above failure to reconcile is down to two factors and this explanation is part of the audit trail that exists within the accounting systems. The parish council works in an open and accountable way and by highlighting issues that are causing problems there are clear audit trails.

- HSBC account. SITA (refuse collection) is paid by Direct Debit and the statement shows that the amount taken from the account (£104.07) is different by 1p from the invoice received (£104.06). This will be rectified by either the receipt of the correct invoice or with an adjustment made to SCRIBE.
- Cooperative account. BT have taken a direct debit of £81.54 from the account but (and this is a reoccurring problem) it has not been possible to download the relevant invoice from the BT website.

Action is being taken to ensure that the issues are resolved but it has not been possible to do so before this report has been taken off.

Item 5.2 Income/Expenditure report as at 6 January 2015.

Cost Centre & Name

Parish office		Receipts		Payments		
Code	Title	Budget	Actual	Budget	Actual	
1	Administration		0.00	2,833.00	1,501.12	1,331.88
2	Audit		0.00	431.00	420.00	11.00
3	Books and publications		0.00	55.00	14.98	40.02
4	Gratuity/pension		104.16	866.00	399.20	570.96
5	Office rates		0.00	1,530.00	1,432.53	97.47
6	Photocopier		0.00	750.00	339.71	410.29
7	Salaries		0.00	37,010.00	29,800.71	7,209.29
8	PAYE		0.00	17,959.00	10,035.09	7,923.91
9	Scribe lease		0.00	256.00	0.00	256.00
10	Subscriptions		0.00	1,808.00	1,557.00	251.00
11	Training/conferences		0.00	300.00	60.00	240.00
12	Travel-staff		0.00	700.00	437.21	262.79
173	Salaries income		0.00	0.00	0.00	0.00
		0.00	£104.16	64,498.00	£45,997.55	18,604.61

General Parish Council		Receipts		Payments		
Code	Title	Budget	Actual	Budget	Actual	
27	Hire of halls		0.00	300.00	215.00	85.00

28	Insurance	0.00	2,046.00	1,834.32	211.68	
30	Parish tour	0.00	0.00	0.00	0.00	
31	Publicity	0.00	7,594.00	5,920.44	1,673.56	
166	Website admin	0.00	306.00	310.00	-4.00	
167	Referendum	0.00	15,000.00	0.00	15,000.00	
		0.00	£0.00	25,246.00	£8,279.76	16,966.24

Councillor & subsistence allowances

<u>Code</u>	<u>Title</u>	Receipts		Payments		
		Budget	Actual	Budget	Actual	
36	Chairman's allowance personal		0.00	610.00	450.00	160.00
37	Chairman's allowance Civic		0.00	100.00	64.70	35.30
38	Councillors allowance/PAYE		0.00	5,000.00	3,249.48	1,750.52
39	Subsistence		0.00	130.00	35.55	94.45
		0.00	£0.00	5,840.00	£3,799.73	2,040.27

Finance

<u>Code</u>	<u>Title</u>	Receipts		Payments		
		Budget	Actual	Budget	Actual	
42	Agency services		0.00	0.00	0.00	0.00
44	Capital Schemes		0.00	0.00	0.00	0.00
45	Contingency fund		0.00	40,000.00	12,815.16	27,184.84
46	Doubtful debts		0.00	0.00	0.00	0.00
47	Precept		94,931.00	0.00	0.00	-6,000.00
48	Sale of Assets		0.00	0.00	0.00	0.00
175	Parish Service Scheme		14,014.00	0.00	0.00	0.00
		114,945.00	£108,945.00	40,000.00	£12,815.16	21,184.84

Bank Accounts

<u>Code</u>	<u>Title</u>	Receipts		Payments		
		Budget	Actual	Budget	Actual	
51	HSBC general account		0.00	0.00	0.00	0.00
52	Coop general account		120.39	0.00	81.00	39.39
53	HSBC Invest Bond		45.37	0.00	0.00	0.00
57	Santander Investment Bond		5,135.65	0.00	0.00	40.65
171	NatWest Fixed Rate Deposit		1,074.10	0.00	0.00	74.10
172	Natwest Fixed 3 month		0.00	0.00	0.00	0.00
176	Barclays Bank		0.00	0.00	0.00	0.00
184	Lloyds 3mth		64.65	0.00	0.00	45,000.00
185	Lloyds 12 mths		0.00	0.00	0.00	80,000.00
		6,205.02	£6,440.16	0.00	£81.00	125,154.14

Section 137 expenditure

<u>Code</u>	<u>Title</u>	Receipts		Payments		
		Budget	Actual	Budget	Actual	
61	Donations		0.00	0.00	0.00	0.00
		0.00	£0.00	0.00	£0.00	0.00

Parish Council projects

<u>Code</u>	<u>Title</u>	Receipts		Payments		
		Budget	Actual	Budget	Actual	
63	Land/office aquisition		0.00	61,800.00	0.00	61,800.00
66	Community Project		0.00	7,537.00	2,376.32	5,160.68
68	Boxley Warren		7,055.00	9,990.00	23,466.50	-11,411.50

4,990.00 £7,055.00 79,327.00 £25,842.82 55,549.18

War Memorial

<u>Code</u>	<u>Title</u>	Receipts		Payments		
		Budget	Actual	Budget	Actual	
76	Insurance		0.00	0.00	0.00	0.00
77	Maintenance		0.00	0.00	0.00	0.00
		0.00	£0.00	0.00	£0.00	0.00

Closed Churchyard

<u>Code</u>	<u>Title</u>	Receipts		Payments		
		Budget	Actual	Budget	Actual	
81	Maintenance		0.00	0.00	0.00	0.00
		0.00	£0.00	0.00	£0.00	0.00

Burial Ground

<u>Code</u>	<u>Title</u>	Receipts		Payments		
		Budget	Actual	Budget	Actual	
85	ABA subscription		0.00	92.00	90.00	2.00
86	Admin fee		0.00	250.00	0.00	250.00
87	Burials		0.00	0.00	0.00	-750.00
		750.00	£0.00	342.00	£90.00	-498.00

Grants

<u>Code</u>	<u>Title</u>	Receipts		Payments		
		Budget	Actual	Budget	Actual	
91	Kent Wildlife Trust		0.00	0.00	0.00	0.00
93	Other grants		0.00	1,000.00	870.00	130.00
94	Walderslade Woods Group		2,000.00	4,878.00	3,913.83	2,964.17
95	Village Hall Grants		0.00	1,400.00	0.00	1,400.00
96	Vinters Valley Park LNR		0.00	4,878.00	2,980.00	1,898.00
183	Friends of Boxley Warren		0.00	240.00	12.67	227.33
		0.00	£2,000.00	12,396.00	£7,776.50	6,619.50

Green Spaces

<u>Code</u>	<u>Title</u>	Receipts		Payments		
		Budget	Actual	Budget	Actual	
101	Boxley Village Green		0.00	0.00	0.00	0.00
102	General Maintenance		0.00	2,000.00	819.85	1,180.15
103	Impton Lane Open Space		0.00	0.00	0.00	0.00
165	WDJ Orchard		0.00	450.00	170.00	280.00
		0.00	£0.00	2,450.00	£989.85	1,460.15

Grounds maintenance

<u>Code</u>	<u>Title</u>	Receipts		Payments		
		Budget	Actual	Budget	Actual	
107	Grounds maintenance contract		0.00	7,250.00	7,087.54	162.46
108	Roundabout maintenance		0.00	420.00	0.00	420.00
109	Street maintenance		0.00	2,500.00	2,152.00	348.00
		0.00	£0.00	10,170.00	£9,239.54	930.46

Street furniture

<u>Code</u>	<u>Title</u>	Receipts		Payments		
		Budget	Actual	Budget	Actual	
113	Bus shelters		0.00	0.00	0.00	0.00
114	Litter bins		0.00	0.00	0.00	0.00
115	Noticeboards		0.00	848.00	388.95	459.05

116	Seats		0.00	0.00	0.00	0.00
117	Village signs		0.00	750.00	555.00	195.00
			0.00	£0.00	1,598.00	£943.95
						654.05
Beechen Hall						
			Receipts		Payments	
Code	Title	Budget	Actual	Budget	Actual	
121	Administration		4.00	364.00	112.98	255.02
122	Audit		0.00	431.00	420.00	11.00
123	CCTV/alarms maintenance		0.00	969.00	941.24	27.76
124	Consumables		0.00	984.00	574.76	409.24
125	Electricity bill		0.00	2,392.00	1,698.60	693.40
126	Electrical safety		0.00	350.00	0.00	350.00
127	Damage waiver current year		300.00	381.00	300.00	231.00
128	Damage Waiver future year		0.00	0.00	0.00	0.00
129	Damage waiver past year		0.00	0.00	0.00	0.00
130	Fire safety		0.00	36.00	30.00	6.00
131	Gas bill		0.00	2,783.00	897.84	1,885.16
132	Gas maintenance		0.00	250.00	244.32	5.68
133	Ground maintenance		0.00	250.00	0.00	250.00
134	Hall maintenance		0.00	7,118.00	1,634.79	5,483.21
135	Hall marketing		0.00	75.00	69.40	5.60
136	Hire fee - casual		8,181.89	0.00	187.30	-6,005.41
137	Hire fee casual future years		600.64	0.00	0.00	-399.36
138	Hire fee regular		24,783.93	0.00	42.90	-5,258.97
139	Hire fee regular future year		0.00	0.00	0.00	-1,000.00
140	Insurance		82.50	1,386.00	1,521.17	-52.67
141	Licences		0.00	322.00	0.00	322.00
142	Rates		0.00	3,713.00	3,342.56	370.44
143	Refuse collections		0.00	1,428.00	913.12	514.88
144	Wages		0.00	17,723.00	12,276.07	5,446.93
145	PAYE		0.00	1,598.00	1,876.12	-278.12
146	Water bill		4.03	1,628.00	570.58	1,061.45
170	Wages -AEC		90.00	150.00	0.00	90.00
182	Pension		0.00	65.00	83.82	-18.82
			46,300.00	£34,046.99	44,396.00	£27,737.57
						4,405.42
Beechen Hall projects						
			Receipts		Payments	
Code	Title	Budget	Actual	Budget	Actual	
161	Carpet		0.00	0.00	0.00	0.00
162	Hall internal decoration		0.00	1,000.00	200.00	800.00
163	Hall external decoration		0.00	1,600.00	200.00	1,400.00
164	Hall floor		0.00	0.00	0.00	0.00
			0.00	£0.00	2,600.00	£400.00
						2,200.00
Allotments						
			Receipts		Payments	
Code	Title	Budget	Actual	Budget	Actual	
177	Administration		0.00	300.00	171.36	128.64
178	Earmarked Reserves		180.00	488.00	0.00	668.00
179	Insurance		0.00	222.00	0.00	222.00
180	Maintenance		456.00	1,000.00	894.76	561.24
181	Allotment income		1,742.22	0.00	0.00	354.22
			1,388.00	£2,378.22	2,010.00	£1,066.12
						1,934.10
NETT TOTALS			£160,969.53	290,873.00	£145,059.55	257,204.96

Item 5.3 Investment Bonds. *Purpose of item: information and action.*

Review of Santander investment bond expires April. Clerk's report: This is generally the long term bond (12 months) and is reinvested. Due to the timeline of meetings members' approval is requested for a decision on its reinvestment being made out of meeting once all members have been briefed.

Item 5.4 Independent Internal Auditor 10 December 2015 interim audit report *Purpose of item: information and action if identified.*

BOXLEY PARISH COUNCIL INTERIM INTERNAL AUDIT REPORT 2014 - 2015

I am pleased to report to Members that I completed my interim internal audit of the Parish Council for 2014-2015 on 10 December 2014

Members should be aware that my work cannot be relied on to identify the occasional omission or insignificant error, nor to identify breaches of trust or statute, neglect or fraud which may have taken place and which it is the responsibility of the Members of the Council to guard against.

I would like to take this opportunity to thank your Clerk for the assistance given to me in the conduct of my audit work.

PREVIOUS AUDITS:

External Audit:

The Parish Council's External Auditor issued an unqualified Audit Certificate for 2013-2014 on 19 August 2014.

The External Auditor raised two minor matters concerning the inaccurate completion of section 1 of the Annual Return and that an explanation for the high level of reserves had not been submitted.

I discussed the External Auditors comments with the Clerk and the discrepancy of £61.87 between the 2013 - 2014 figure calculated by the accounting system for box 9 and the sum of the figures for boxes 1+2+3-4-5-6 is currently being investigated. The section 1 figures for 2013 - 2014 appearing on the 2014 - 2015 Annual Return will be 'RESTATED' where necessary in accordance with paragraph 3.89 of the Practitioners' Guide 2014. As the matter has not yet been resolved I will carry out further work on this area during my next visit.

The level of earmarked reserves is reported to Members and they are fully considered by the Parish Council when considering the Precept every year.

FINDINGS THIS VISIT:

During this visit I checked the accounting records including the cashbook, bank reconciliations, VAT, invoices and read the minutes.

Cashbook and Bank Reconciliations:

The cashbook was up to date. Regular bank reconciliations are carried out on all the bank accounts and there were no unexplained entries.

Value Added Tax:

The VAT records were up to date and refunds claimed up to the end of September 2014.

Payroll:

Regular payments have been made to HMRC in respect of PAYE and NI and in accordance with the HMRC's requirements for Real Time Information.

Invoices:

All of the payments inspected had been authorised and accurately recorded in the cashbook.

Minutes:

All the minutes inspected had been signed/initialled in accordance with best practice.

BOXLEY PARISH COUNCIL
INTERIM INTERNAL AUDIT REPORT 2014 - 2015

Repeal of s150(5) of the Local Government Act 1972:

I noted that the Parish Council has decided to retain its requirement for two signatures when authorising payments. (Finance and General Purposes Committee held on 11 November 2014 (Minute No. 7) and the Full Council meeting held on 1 December 2014 (Minute No. 6.3))

Financial Regulations:

The Parish Council's Financial Regulations have been reviewed and approved at the Finance and General Purposes Committee held on 20 May 2014 (Minute No. 6.3) and the Full Council meeting held on 2 June 2014 (Minute No. 7.3)

The Openness of Local Government Bodies Regulations 2014 :

I noted that following the publication of the The Openness of Local Government Bodies Regulations 2014 which came into force on 6 August 2014 (Statutory Instrument No. 2095) the Parish Council has adopted a policy covering the filming/recording of meetings.

Allotments:

I noted that all the new allotments had been allocated.

Item 6 2015/2016 Budget. Purpose of item: information.

Minor adjustment Estates Beechen Hall ref 3.17 licences. The budget has been increased by £110. The Premises Licence notification was received and it is now for £180 instead of £70. An explanation was requested from MBC and it appears that MBC had placed the hall on the wrong rating band and this has now been spotted and rectified.

Item 7.1 BOXLEY PARISH COUNCIL PARISH COUNCILLOR AUDIT. Purpose of item: decision.

7.1 Parish Councillor Audit form

Clerk’s note: At the last F&GP Committee it was agreed that the Clerk would try to simplify the current form to make it easier for a councillor to undertake a check but without compromising the requirement for a robust internal check on the parish council’s accounts and procedures. A parish councillor undertakes an audit so that they can report back to their colleagues that a random check has or has not identified issues which need addressing. The RFO has to guide members but must not lead them so it is important that members are reminded that they can undertake a spot check at any time.

The following is a redraft of the old form and a couple of checks have been amalgamated as it was suggested that very similar checks were being undertaken in different parts of the old form. For example check number 15 was previously two checks with similar aims (to check that income was banked and the paying in books were up to date and contained an audit trail).

BOXLEY PARISH COUNCIL PARISH COUNCILLOR AUDIT.

CONDUCTED BY on

The purpose of this audit is not only to check that the necessary authorisation and reporting takes place but also to check that the procedures are such that there is a clear link between all the pieces of paper and authorisations, an audit trail.

12 month checklist

The following only require 1 check in the past 12 months. The previous Parish Councillor Audit document will show what has been previously checked and if you are satisfied the date is within 12 months you can mark the section as NA (not applicable).

	12 MONTH CHECK REQUIRED	EVIDENCE SEEN AND/OR COMMENT	Initials
1.	Are annual estimates of revenue and expenditure produced?	Minute No.	
2.	Is insurance annually reviewed by full council or Finance Committee and adjusted as appropriate? <i>(Office note: generally in May)</i>	Minute No	
3.	Are the end of year accounts formally adopted by the Parish Council? <i>(Office note: generally in June)</i>	Minute No	
4.	Is the external audit report on the End of Year accounts seen by all members of the Council?	Minute No	
5.	Are salaries and wages reviewed at least annually?	Minute No	

6.	Are the policies and procedures of Parish Council readily accessible and easily consulted?	Checked	
7.	Is interest rate on long-term deposits/bank accounts reviewed at least annually? (<i>Office note: generally in March</i>)	Minute No	
8.	Are the Parish Council and its committees actively involved in setting the annual budget?	Checked	
9.	Are Beechen Hall hire fees reviewed at least annually? (<i>Office note: generally at Estates in April</i>)	Minute No	
10	Are Dove Hill Allotment fees reviewed at least annually? (<i>Office note: generally at Estates in June</i>)	Minute No	

General

	CHECK REQUIRED	EVIDENCE SEEN AND/OR COMMENT	Initials
11	Is income and expenditure, including salaries, checked against budgets and are these reports submitted every two months to the F&GP Committee?	Minute No	
12	Is VAT being reclaimed on a regular basis? (<i>Office note: generally quarterly</i>)	Latest claim dated	
13	Is the tendering system for the purchase of goods and services conducted in accordance with Standing Orders?	Tenders for the purchase of seen and procedure checked against requirements of Standing Orders.	
14	Are Councillors regularly reminded that they must not sign blank cheques? (<i>generally every 4 months on Parish Council agenda</i>)	Minute No	
15	Are all bank accounts regularly reconciled? (<i>Finance Committee meetings</i>)	Minute No	
16	Are bank paying-in books kept up to date, do they contain an audit trail to identify the source of funds and is income banked as expeditiously as possible?	HSBC checked Coop checked	

		Barclay checked	
17	Is income and expenditure promptly recorded and are the accounts generally well-maintained so for example someone can link a payment to an invoice and also see that the payment has been reported to the parish council.	Checked	
18	Are requests to cash personal cheques, contrary to Standing Orders, refused?	<i>No evidence of the cashing of personal cheques found</i>	
19	Have the minimum standards checks, part of the internal auditing system, been carried out?	Checked	
20	Are all cash and cheques books kept secure at all times? (Ask for an explanation of how this requirement is met. Any recommendations for improvement should be made below).	<i>Checked</i>	

Petty cash

21	Does total of cash in hand plus disbursements made equal the amount received into the account? *should equal £150	Petty cash is set at £150.	
		<i>Cash in box: £</i> <i>Vouchers for disbursements made since start of month:</i> <i> £ _____</i> <i>* Total: £ _____</i>	

Cheques/Direct Debits, Income etc.

The following table is to check that the system works effectively and is generally well maintained. Random checks are to be made and the councillor chooses how many, but a minimum of three from the general and three from the hall account are requested. A councillor should be able to enter the system at any point within the table below and then move forward and backward along the audit trail, for example a councillor may decide to pick a date in the hall diary and then follow a particular booking. Please note that:

- The hall has casual and regular hires and you may wish to ensure that at least one of each is checked.
- Some hall hires do not go ahead but there is still an audit trail of a provisional booking. This means that not all of the table can be completed but it is important to be able to trace the original document.
- N/A – not applicable may be entered in the table as some columns will not always be applicable to what you are checking.

- **As long as the first column is completed a tick in the relevant box is sufficient to show the relevant checks have been undertaken.**

Identifying ref e.g. cheque number, DD number, hire form number	Cheque counterfoil are the following present?				Invoice	Other		Hall hire only are the following present, completed or undertaken?		
	2 Cllr initials	Date	Amount	Audit trail to invoice or order?	Can you connect the invoice to the payment etc.?	Scribe report signed by 2 Cllrs	PC minute Number recording the income or payment	Unique security ticket number	Raffle book	Prompt issue of invoice.

Details of any Additional Checks Conducted and/or Further Comments

Possible areas for checks include over-ordering of stationary or other supplies.

I confirm that, having been offered the opportunity to conduct any further checks that I wished, I have completed an internal audit of the accounts and accounting systems of Boxley Parish Council as summarised above. I am satisfied that, in my opinion, all procedures are properly being followed (except, if applicable, as noted above).

Signed:

Date:

Item 7.2 Annual Health & Safety and Accident Book Review . Purpose of report:
Information and consideration.

In the past 12 months two accidents, both office related, have been recorded in the accident book.

Both accidents were related to portable projector screen. The weight and centre of gravity causing issues for staff moving it. More details will be supplied at the meeting.

Item 7.3 F&GPC Policies & Procedures, etc. 2015/16 Calendar. Purpose of report:
Information and consideration.

Finance and General Purposes Committee – Review of policies and procedures 2015 – 2016.

The purpose of this document is to ensure that the parish council and its office meets its duties and manages its risk effectively and efficiently. It is a rough timescale and will be subject to change as needed.

Some documents are reviewed either biennially or by the parish office as “housekeeping”. If this has been agreed then either **H** (housekeeping), **O** (odd year review) or **E** (even year review) is shown; no letter indicates an annual review. The parish office will bring forward a review if it is necessary and a member can request a review of a document at any time.

January		Review of this document to allow adjustments. Committee review of Financial Regulations (to give notice to March Parish Council) Review of banking arrangements. Annual health and safety and accident book review.
<i>Office note</i>		<i>Review Santander investment bond expires 25/04/14 Review Cooperative 6 month investment bond.</i>
March		Investments. Insurance – annually and every 2-3 years report on whether better value service could be provided by another company. Terms of Reference (to go to April PC mtg) – are there any amendments that the committee wish to request?
<i>Office note</i>		<i>Arrange for agenda review of earmarked reserves situation. Review fidelity amount to reflect maximum holding.</i>
May	E H H	Health and Safety Policy Training and Statement of Intent. Petty Cash. Payment of bills by Direct Debit and Standing Orders list. Review Reserves Policy
<i>Office note</i>		<i>Submit the final Summary of Receipts and Payments include +/- 10% explanation for members. Submit the office produced notes that accompany the EoFY audited accounts.</i>
July		Risk assessment –general.

	E E H	Public use of computers. Bullying and harassment. Public internet access policy, Review audit controls for statement to be produced. Review all committee and parish council training needs
September	O O	Grievance Procedure Disciplinary Procedure Grant for War Memorial Wreath Annual competency review (health check)
November	E E O H	Grants policy & procedure. Reserves policy. Review subscription list (with budget) Review Independent Internal Auditor appointment Annual review of H&S/accident book. Review Value for Money – Downs Mail (with budget) Recording of Meetings of the Parish Council and its Committees
<i>Office note</i>		<i>Arrange for agenda item to review the projects being considered by committees.</i>

Item 8.1 Review of banking arrangements. *Purpose of report: Information and decision.*

Clerk's note. An annual review of the parish council's banking arrangements is scheduled every January in accordance with Financial Regulations and to comply with auditing and accounting requirements. As part of this review the office has investigated the possibility of internet banking in accordance with the F&GP Committee's earlier approval in principle.

*A briefing note and draft risk management assessment follow and the committee is **asked to approve the latter.***

Briefing note.

When investigating internet banking the following were consulted: Cooperative; Barclay's; Natwest; Lloyds; TSB; Santandar. The parish council has a policy of spreading its financial exposure in order to reduce its risk.

Different banks offer different services and various levels of authority however the main-stream banks limit authorising signatures to 2 or 3 people and generally one of these has to be the person inputting the details and this restriction does not meet the standard that the F&GP Committee has indicated that they wish to set.

Having investigated the banks it appears that the only bank that will offer a service that will meet the parish council's needs is the Unity Trust Bank and an information leaflet is enclosed for members. A number of parishes already successfully use this bank and KALC has been consulted.

DRAFT Risk Management Assessment: Internet Banking

The following assessment incorporates comments from the Independent Internal Auditor and Cllrs Ivor Davies and Paul Dengate.

Ref	Risk	Risk level	Control, safeguards and recommendations
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1.1	Non-compliance with current legislation	Low if safeguards followed.	The parish council currently operates a robust BACS and internet banking payments system which ensures that two signatories are received on the authorisation form prior to payment.
1.2	Loss of cash through theft or fraud. Comment: Fraud most commonly comes from the regular transfer of small amounts.	Low if safeguards followed	<p>Appointment of the correct office personnel, references must be obtained and checked.</p> <p>Continue with, and if necessary increase, the current robust auditing systems (clear admin and audit trails required with independent monitoring). Internal audits sample check receipts against payments, paying in books etc. Present procedure for payments via BACS to be extended to cover internet banking.</p> <p>Where possible incorporate limits on the amount of a single transaction.</p> <p>Ensure all office personnel audit their colleagues and that there are clear instructions and expectations concerning the reporting of any concerns about any financial transactions or issues.</p> <p>Security codes to be kept in a secure place. The number of personnel with knowledge of or access to the security codes to be restricted.</p> <p>The Clerk and Assistant Clerk alternate on making payments by internet banking.</p> <p>Payment authorisations are approved and authorised by 2 signatories. Invoices accompany payment authorisations so that they can be scrutinised by the signatories. Lists of payments are reported to parish council meetings and appended to the minutes of the meeting.</p> <p>Due to the parish council's large reserves the insurance cover has to include adequate fidelity insurance as required by Council policy.</p> <p>Parish councillors to be clearly briefed on the system being used, the risk assessment and their responsibilities for checking letters of authorisation etc.</p>
1.3	Losing track of transactions through wrong coding etc	Low if safeguards followed	<p>When putting bank account details into the system for the first time another member of staff will check the account number etc. of the payee.</p> <p>Clear audit and admin trails. Work is undertaken in a quiet area or if not possible the person undertaking the work is not disturbed.</p>

1.6	Additional safeguards/controls.	<p>Internal and External Audits - present regime. Clerk 'books' different councillors for 2 internal checks per year with clear records to show what is checked and by whom. Checklist includes more checks on areas at higher risk of fraud. Checklist clearly states that councillors can increase the number of checks on any item and may question any part of the financial and accounting system. The signed audit report has to be given to the F&GP Committee after each internal audit and kept for an audit trail. Copy of last internal audit is given in advance to the participating councillor prior to undertaking the next internal audit.</p>
		<p>Cheque account statements are reconciled by the office on a monthly basis and as received for Investment Bonds. The F&GP Committee 'signs off' an all banks reconciliation at its bi-monthly meetings.</p>
		<p>Adequate training for staff and councillors.</p>
		<p>The Council reviews annually (scheduled for April) its Financial Regulations by which the Council and RFO abide. In the event of any emergency situation or deviation from the regulations there is dialogue between the RFO and Chairman/councillors as necessary and the decision is ratified at the next meeting.</p>
		<p>An independent Internal Auditor has been appointed as required by regulations.</p>
		<p>Providing councillors authorising banking transactions with sufficient time to review all relevant information. As this is frequently done just before a committee meeting when councillors' concentration is likely to be on the meeting agenda, the Clerk or Asst Clerk sits with the signatories and helps with identifying the information or locating the invoice.</p>
		<p>Minimum Standards check. A checklist of minimum standards (based on an insurance company checklist) is undertaken quarterly by the Chairman or a Councillor.</p>
		<p>Computer passwords are changed quarterly and on the resignation of office staff.</p>
		<p>The insurance requirements for staff on resignation or recruitment are followed.</p>

The F&GP Committee is also asked for their views on the number of authorised signatories, the Unity Trust Bank allows more than two or three people. The committee is also asked whether the slight risk of allowing councillors to use their personal computers outweighs the inconvenience of having to attend the office.

The parish council holds a second current account (HSBC) used for Beechen Hall. Internet banking is also being investigated for Beechen Hall however it is important not to lose the convenience of the bank in the village for depositing cash payments.

Subject to the above, the F&GP Committee is asked to make a formal recommendation to the Parish Council's January meeting that **"The Finance & General Purposes Committee having approved a risk management assessment and identified the Unity Trust Bank as provider, the setting up of internet banking for the parish council's general and Beechen Hall accounts by the RFO and working party is agreed."**

Item 8.2 Committee review of Financial Regulations (to give notice to March Parish Council) *Purpose of report:* Information and consideration in order that a recommendation can be made to the January PC meeting.

Clerk's note: Due to changes in the model documents the following were subject to an intensive review and changes were made in June 2014.

During the review the inclusion of the following clauses was deferred until the issue of internet banking was decided upon. Members may wish to consider their inclusion under heading 6. Banking and Investments.

For each financial year the Clerk and RFO shall draw up a list of due payments which arise on a regular basis as the result of a continuing contract, statutory duty, or obligation (such as but not exclusively, Salaries, PAYE and NI, Superannuation Fund and regular maintenance contracts and the like for which council [,or a duly authorised committee,] may authorise payment for the year provided that the requirements of regulation 4.1 (Budgetary Controls) are adhered to, provided also that a list of such payments shall be submitted to the next appropriate meeting of council [or Finance Committee]. *Clerk's note: depending on the type of internet banking and the safeguards parish councillors include the above may not be possible.*

If thought appropriate by the council payment for certain items may be made by internet banking transfer provided evidence is retained showing which member/s approved the payment.

Clerk's note: Cllr Dengate had grave security based reservations about the following model clause.

Where a computer requires use of a personal identification number (PIN) or other password(s), for access to the council's records on that computer, a note shall be made of the PIN and Passwords and shall be handed to and retained by the Chairman of Council in a sealed dated envelope. This envelope may not be opened other than in the presence of two other councillors. After the envelope has been opened, in any circumstances, the PIN and / or passwords shall be changed as soon as practicable. The fact that the sealed envelope has been opened, in whatever circumstances, shall be reported to all members immediately and formally to the next available meeting of the council. This will not be required for a member's personal computer used only for remote authorisation of bank payments.

Boxley Parish Council Financial Regulations

I N D E X

- 1 General
- 2 Responsible Financial Officer
- 3 Value for Money
- 4 Open and Accountable
- 5 Principles of Expenditure and Authority to Commit
- 6 Banking and Investments
- 7 Payment of Creditors
- 8 Annual and Interim Accounts
- 9 Principles of the Precept
- 10 Preparation of Budgets and Setting of the Precept
- 11 Financial Carry-Over Limits
- 12 Tenders, Quotations and Estimates
- 13 Payment of Salaries and Parish Councillor Allowances
- 14 Assets
- 15 Responsibility for Observance
- 16 Suspension and Revision of Financial Regulations
- 17 Risk Management
- 18 Beechen Hall
- 19 Income

Boxley Parish Council Financial Regulations

1. General

The Parish Council is legally responsible for ensuring that its Financial Management is adequate and effective and that the Council has a sound system of Financial Control, including arrangements for the management of risk and for the prevention and detection of fraud and corruption. Financial regulations must be observed in conjunction with the council's standing orders and any individual financial regulations relating to contracts.

These Financial Regulations demonstrate how the Parish Council meets these responsibilities and may only be amended or varied by a resolution of the Council after a recommendation from the Finance & General Purposes Committee (F&GP Committee).

The F&GP Committee maintains an overview in the application of these regulations.

2. Responsible Financial Officer

The position of Responsible Financial Officer (RFO) is a statutory office and the RFO in this case the Parish Clerk. The RFO:

- Is appointed by the Parish Council and acts under the policy direction of the council.
- Administers the Council's financial affairs in accordance with all acts, regulations and proper practices¹.
- Determines, on behalf of the Council, its accounting records, and accounting control systems.
- Maintains and ensures that the accounting records of the council are up to date in accordance with proper practices;
- Assists the council to secure economy, efficiency and effectiveness in the use of its resources; and
- Produces financial management information as required by the council.

If, in the opinion of the RFO, a decision has been taken that is unsafe or which may bring the council into disrepute the RFO has authority to 'call in' the decision and report the issue back to the council or committee for review.

3. Value for Money

The Parish Council shall adopt the principles of Value for Money in all of its financial dealings and associated matters.

4. Open and Accountable

All financial and budgetary matters, including those leading to the setting of the Precept, shall be fully available to all parishioners and publicised via the Parish Council Agendas and Minutes, notice boards and the Parish Council's website. The allocation of budgets and their purpose shall be promoted in a similar way once the Precept has been approved

5. Principles of Expenditure and Authority to Commit

- 5.1 No project shall be submitted for approval to the Parish Council unless it has a Parish Councillor owner and it can be demonstrated to be of Value for Money to the parish and has adequate supporting capital and revenue information. The only exception to this rule shall be proposals for feasibility studies.
- 5.2 The Parish Council shall only commit annual expenditure up to the value of the Precept, received grants and other income plus reserves. Monies taken from the reserves shall be clearly identified.
- 5.3 Once approved by the parish council all disbursements shall be authorised by the Clerk, who shall specify the goods or service to be supplied and their agreed value. No expenditure will be authorised for payment unless provided for within these Financial Regulations or which is a previously agreed Standing Order, Direct Debit or BACS².

¹ The accounting records determined by the RFO shall be sufficient to show and explain the council's transactions and to enable the RFO to ensure that any income and expenditure account and statement of balances, or record of receipts and payments and additional information, as the case may be, or management information prepared for the council from time to time comply with the Accounts and Audit Regulations.

² Outside of the powers delegated to the RFO, expenditure is authorised by the Parish Council and committees. Agreed budgets also indicate what expenditure has been agreed/planned.

- 5.4 (a) The Parish Council and committees shall be permitted to commit up to the approved sum on all schemes within their budgets.
- (b) The F&GP may authorise the transfer of monies between the contingency budget and other budget after considering recommendations from the relevant committees.
- (c) Committees can vire monies between its own committee budgets subject to a ceiling of £1,000 per project. Amounts in excess of this will require endorsement by the F&GP. These will be noted and the accounting system will be adjusted to reflect those changes
- (d) The F&GP will monitor progress on projects and seek confirmation that the budget created is to the size established at the project authorisation stage.
- 5.5 Payments due by Standing Order, Direct Debit or BACS are authorised by the relevant committee and a list of all such payments must be included on the accounts payment lists. A complete list of all approved Standing Orders, Direct Debits or BACS will accompany invoices for payment.
- 5.6 For clarity, the following procedural steps shall be followed for all projects requiring expenditure:
- (a) Identification of project to the Parish Council or relevant committee. It is expected that this will be done at the budget setting stage.
- (b) Approval or rejection by Council/committee after discussion.
- (c) Priority rating allocated by Council/committee.
- (d) Tender specification³ drawn up and approved by Council or relevant committee.
- (e) Management of successful tenders/work agreed⁴
- (f) Tenders/quotations invited by RFO to meet with specification approved by appropriate committee or Parish Council chairman.
- (g) Opening of Tenders/Quotations.
- (h) Evaluation by project owner and parish office for submission to appropriate committee.
- (i) Approval/rejection by Committee or Parish Council.
- (j) Order raised by RFO.
- (k) Work in progress shall be monitored.
- (l) Signing off confirming work done/goods delivered by RFO/committee chairman.
- (m) Payment of invoice, including the stage payment where appropriate.
- 5.7 Where the Parish Council donates money to, or financially supports another organisation or group, it is a condition of such financial support that a copy of the organisation's approved accounts shall be made available. Village Hall organisations will be encouraged to apply for other sources of funding (see relevant grant policies).
- 5.8 Any resolution, which is not the result of a recommendation of the F&GP, and which, if agreed, would, in the opinion of the Chairman or RFO, substantially

³ Specifications should include when available relevant dates (commencement of work/services, finish date, frequency of any maintenance etc.), standards set/required, relevant maps or descriptions of locations, glossaries, payment terms, any identified penalties etc.

⁴ Issues to be considered identification of project manager, identification of what checks will be undertaken to ensure any standards are met/work is completed, will there need to be any reviews on costs/prices etc.

increase the expenditure or reduce the revenue of the Council or committee, shall be referred to the next ordinary meeting of the Council for discussion.

- 5.9 If, in the opinion of the RFO, a financial decision has been taken that is unsafe or which may bring the council into disrepute the RFO has authority to report the issue back to the council or committee for review.

6. Banking and Investments

- 6.1 The Parish Council shall operate bank account(s) as appropriate and banking arrangements shall be approved by resolution of the Parish Council. The Parish Council shall review the banking arrangements as and when required but at least annually. Banking arrangements shall only be changed by resolution of the Parish Council. The Bank will issue statements to the Clerk at least monthly for current accounts and as appropriate for other accounts. Reports on investments will be made to every bi-monthly F&GP meeting or, if deadlines are pending, Parish Council meetings.
- 6.2 All parish councillors can be authorised signatories. Each cheque/ Direct Debit/Standing Order or BACS authorisation shall bear 2 authorised signatures. The Clerk, as the RFO, shall not be an authorised signatory.
- 6.3 Cash in excess of £200 received by the parish council shall be banked within two working days.
- 6.4 Cheques will be banked within 5 working days of receipt.
- 6.5 The RFO shall have delegated authority to authorise the payment of items only in the following circumstances:
- (a) Fund transfers within the council's own bank accounts banking arrangements up to the sum of £15,000, provided that a list of such transfers shall be submitted to the next appropriate meeting of the council or F&GP Committee.

7. Payment of Creditors

- 7.1 All payments will be authorised in accordance with 6.2 above. Payments will only be made against invoices properly directed to the RFO, Beechen Hall or Boxley Parish Council.
- 7.2 The RFO can authorise procurement of goods or services and agree expenditure up to £1,000 after consultation with the Chairman of the relevant Committee.
- 7.3 The RFO shall have discretion to order goods and sundries and authorise the execution of minor works up to £500 necessary for the day-to-day performance of the Council's business.
- 7.4 Petty cash of £150 will be held in the parish office. A monthly account of expenditure is to be submitted to restore the amount to £150. As there are no local cashing facilities the cheque to replenish the petty cash shall be paid to the RFO who would then draw out cash for the parish office.
- 7.5 At every meeting invoices will accompany cheques, BACS, DD or SO for payment and 2 parish councillors shall check these against the cheques etc. being presented for signature.
- 7.6 For each financial year the RFO shall draw up a list of due payments which arise on a regular basis as the result of a continuing contract, statutory duty, or obligation (such as but not exclusively, Salaries, PAYE and NI, Superannuation Fund and regular maintenance contracts and the like) for which the F&GP Committee may authorise payment for the year provided that the requirements of regulation 6.2 are adhered to, provided also that a list of such payments shall be submitted to the next appropriate meeting of the F&GP Committee.

8. Annual and Interim Accounts

- 8.1 Accounts will be prepared annually for the year ending 31st March, and then as soon as practical, presented to a full meeting of the Parish Council. A financial report shall be submitted to the Parish Council or F&GP on variances over 15% against the budget, concurrent function expenditure and on the overall position of the Parish Council finances.
- 8.2 The Parish Council finances will be subject to two independent internal audits by a person who is both competent and can act independently from influence by the council. A report will be submitted to the F&GP after each inspection. The appointment of the independent internal auditor will be reviewed annually by the F&GP.
- 8.3 The Parish Council will make an annual return as required by the Accounts and Audit Regulations.
- 8.4 Two audits will be undertaken by parish councillors and a report will be submitted to the F&GP.
- 8.5 The Chairman or a parish councillor should undertake a minimum standards check every 4 months. This check will include checking the petty cash amount held at the office, bank statements and that regular banking of amounts paid to the parish council are taking place. Members will be asked to sign a minimum standards form to indicate that this has happened.
- 8.6 The F&GP will be responsible for producing the Annual Governance Statement.

9. Principles of the Precept

- 9.1 The Precept shall be used to raise the money necessary for the maintenance and repair of assets, buildings and land that are the responsibility of the Parish Council. As well as specific projects which the Parish Council may decide are for the benefit and in the interests of the community.

10. Preparation of Budgets and Setting of the Precept

- 10.1 Committees shall be responsible for setting their individual budgets.
- 10.2 The timing of preparation of budgets will be such as to lead to a draft budget being prepared by the RFO and submitted to parish councillors in October. Committees shall debate and agree a recommended budget and supporting projects and programmes for submission to the F&GP meeting in January. The F&GP shall consider the budgets and make recommendations to the January Parish Council meeting. The Parish Council shall then agree a budget and set a Precept.
- 10.3 All discussions on budgets and preparation of submissions shall be based upon the principles of Zero Based Budgeting.
- 10.4 All proposed expenditure shall show the legislation under which the Parish Council is empowered to make payment.
- 10.5 The approved annual budget shall form the basis of financial control for the ensuing year.

11. Financial Carry-over Limits

- 11.1 Schemes or projects which were approved but which are not contractually committed during a financial year shall be treated as new projects and subject to re-submission and re-evaluation for subsequent year(s).

12. Procurement

- 12.1 A Quotation/tender is defined as a fixed price for which specified work will be carried out, or goods supplied. Where possible the Parish Council will seek quotations.
- 12.2 An Estimate is defined as a sum of money, which specified work or supply of goods may cost. It is not a fixed price. Estimates should not normally be sought.
- 12.3 Any proposed contract for the supply of goods, materials, services and the execution of works shall be procured as follows:
- (a) The method of selection of a company or persons to be contacted shall be decided by members or the Responsible Financial Officer from any of the following sources:
 - any local authority 'fair trading' list;
 - by recommendation; or
 - by advertising in a local newspaper of the intention of the Council to invite tenders.
 - (b) The Clerk may authorise the procurement of goods, materials, services and the execution of works up to £1,000, after consultation with the Chairman of the relevant Committee for purchases in excess of £500: see Financial Regulation 7.3 above.
 - (c) The procurement of goods, materials, services and the execution of works between £1,000 and £5,000 shall be entered into, at the Council's or committee's discretion after consideration of quotations invited from contractors.
 - (d) The procurement of goods, materials, services and the execution of works over £5,000 and not exceeding £10,000 shall not be entered into without three written quotations being obtained: see Financial Regulations 12.3 (f) & (i) below.
 - (e) The procurement of goods, materials, services and the execution of works exceeding £10,000 shall not be entered into without a minimum of five contractors being invited to tender: see Financial Regulation 12.3 (i) below.
 - (f) Where the circumstances make it inappropriate to invite the number of quotations specified above a lesser number of contractors, as decided by the Council, may be invited. Where the work or the supply of goods or materials is of such a nature as to render competitive tendering or the obtaining of a quotation impractical, the council or committee may decide to select a single firm with or without a quotation for the purpose. Where the RFO believes it necessary to recommend waiving the specific financial regulations relating to contracts to enable a price to be negotiated without competition, the reason shall be embodied in a recommendation to the parish council. None of this shall apply where the cost of this exceeds £60,000⁵.
 - (g) All tenders and quotations for goods, materials or for the execution of works shall as far as practicable be based on a specification and unless the specification sent to companies invites submission of other ideas/recommendations no tender shall be accepted which deviates from that specification.
 - (h) Tenders shall be opened in the presence of a Parish Councillor who is not a member of the committee considering the tender. A note signed by the opener will record the name of the company and the tender price. An

⁵ Standing Order 26(c).

alphabetical list of firms is to be included in the briefing document submitted to the committee choosing the successful quotation/tender.

- (i) If, despite attempts, an insufficient number of quotations/tenders is received or all submissions are identical the council may make such arrangements for procuring the goods or materials or executing the works as it thinks fit. None of this shall apply where the cost of this exceeds £60,000⁶.

12.4 In view of paragraph 3 in these regulations neither the Parish Council or any committee is bound to accept the lowest tender, estimate or quote.

12.5 If a person or company applying to the Council for work or employment is to his/her knowledge related to or has business links to any member or employee of the Council, then this link/relationship must be notified in writing to the RFO. Failure to do so will result in an application being rejected and, if already appointed, could result in termination without notice. The RFO shall report to the council or committee any such disclosure.

12.6 Canvassing of members of the Council or of any committee, directly or indirectly, for any appointment shall disqualify the applicant from such appointment. The RFO shall make known the purpose of this sub-paragraph to every applicant.

12.7 The European Union Procurement Directive shall apply and the terms of the Public Contracts Regulations 2006 and the Utilities Contracts Regulations 2006 including thresholds shall be followed⁷.

13. Payment of salaries and Parish Councillor Allowances⁸

13.1 The Council shall pay all salaries and Councillor Allowances in accordance with payroll records and the rules of PAYE and National Insurance operating at the time. Salaries and Parish Councillor Allowances shall be as approved by a resolution of the council or the F&GP.

13.2 Payment will be made by cheque or BACS on the 22nd of each month unless that day falls on a weekend or bank holiday when it will be paid the previous Friday.

13.3 Parish Councillor Allowances, staff salaries and PAYE/NI may be paid by standing order or BACS as approved by the parish council.

14. Assets

14.1 The RFO shall maintain an Asset Register, which shall be reviewed annually and re-valued as necessary.

14.2 The Asset Register will be used as a basis for the annual insurance renewal.

15. Responsibility for Observance

15.1 Responsibility for advice to the Parish Council and observance of financial controls rests with the RFO as the Proper Officer and Responsible Financial Officer.

15.2 A breach of these Regulations by an employee is gross misconduct.

15.3 Members of Council are expected to follow the instructions within these Regulations and not to entice employees to breach them. Failure to follow instructions within these Regulations brings the office of Councillor into disrepute.

⁶ Standing Order 26(c).

⁷ Standing Order 26(f).

⁸ Includes the Chairman's Allowance

16. Suspension and Revision of Financial Regulations

- 16.1 The Financial Regulations of the Council shall be subject to annual review prior to the adoption of the Annual Governance Statement.
- 16.2 The RFO shall make arrangements to monitor changes in legislation or proper practices and shall advise the council of any requirement for a consequential amendment to these financial regulations.
- 16.3 The council may, by resolution of the council duly notified prior to the relevant meeting of council, suspend any part of these Financial Regulations provided that reasons for the suspension are recorded and that an assessment of the risks arising has been drawn up and presented in advance to all members of council.

17. Risk Management

- 17.1 The Estates Committee will undertake Risk Management Assessments for Beechen Hall, allotments and open spaces.
- 17.2 The RFO shall prepare, for approval by the council, risk management policy statements in respect of all other activities of the council.
- 17.3 The F&GP Committee shall annually review its Risk Management Assessment. This will include risks relating to financial issues including investments, security of cheque books and cheque signing mandates.
- 17.4 The F&GP shall annually review the insurance of the property, liabilities and commitments of the Parish Council and make such adjustments as deem necessary.

18. Beechen Hall

- 18.1 The Estates Committee shall be responsible for an annual review of the hire fees for Beechen Hall.

19. Income

- 19.1 The collection of all sums due to the council shall be the responsibility of and come under the supervision of the RFO.
- 19.2 The Estates Committee will review all fees and charges annually or biennially, following a report of the RFO.
- 19.3 Any sums found to be irrecoverable and any bad debts shall be reported to the council and shall be written off in the year.