



BOXLEY PARISH COUNCIL
www.boxleyparishcouncil.org.uk

Beechen Hall, Wildfell Close, Walderslade, Chatham, Kent. ME5 9RU
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Clerk Mrs Pauline Bowdery **Assistant Clerk** Mrs Melanie Fooks

A G E N D A

To All Members of the Council, Press and Public

There will be a meeting of the **Finance & General Purposes Committee** on **Tuesday 12 July 2016 at Beechen Hall, Wildfell Close, Walderslade**, commencing at 7:30pm when it is proposed to transact the following business:

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 17 May 2016

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

4. Matters Arising From the Minutes

- 4.1 Minute 2853/4.1. Purchase of pdf software. Due to the current workload in the office this will be actioned when time allows.
- 4.2 Minute 2853/4.2 Charitable Incorporated Organisations (CIOs). All the organisations have now started work on this change.
- 4.3 Minute 2876/5.5 Closure of HSBC. See report (page 3).
- 4.4 Minute 2876/5.7 Opportunities for Investment. To be reviewed once the decisions on the hall extension and the use of reserves have been taken.
- 4.4 Any other matters arising from the minutes, but not on the agenda.

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

5. Financial report.

- 5.1 Reconciliation of accounts reports
 - 5.1.1 HSBC Beechen Hall (page 3-4).
 - 5.1.2 Unity Trust Bank (page 4).
 - 5.1.3 Unity Trust ALTO (page 4-5).
 - 5.1.4 Cooperative Bank. Details to be supplied at the meeting.
 - 5.1.5 Santander Investment Bond (page 5).
 - 5.1.6 Barclays Bank (page 6).
 - 5.1.7 Lloyds 3 month (page 6).
 - 5.1.8 Lloyds Bank 12 mths (page 6-7).
 - 5.1.9 Nationwide Beechen Hall (page 7).
 - 5.1.10 Nationwide Building Society PC (page 8).
- 5.2 Investments. See report (pages 8-9).
- 5.3 Income/Expenditure report as at 1 July 2016. (pages 10-16).
- 5.4 Unity Trust Bank Alto prepaid credit card. This will cease to be available after 31 July 2016. The office is investigating alternatives.

6. **Reserves - review and presentation**
To consider a new format. See report (pages 17-20).
7. **Beechen Hall Extension – Financial Report**
To consider the recommendation from Estates Committee. See report (pages 21-24) and hall extension plan (enclosed).
8. **Parish Councillor Internal Audit**
To receive Cllr Clarke’s report (pages 24-28).
9. **Beechen Hall lights**
To consider the problems with the existing lights. See report (pages 28).
10. **Telephone**
To consider the need to upgrade the office’s telephone system. See report (pages 29 - 31).
11. **Policies and procedures reviews**
 - 11.1 Review of policies and procedures to be undertaken September 2016.
Public use of computers, Bullying and harassment, Health and Safety Policy and Risk Assessment.
 - 11.2 Training needs. To identify any training needs for members.
12. **Personnel matters**
 - 12.1 TOIL, training, leave and leave/sickness cover.
- 13 **Grant Requests**
Weaving Village Hall – 50% grant for a defibrillator. See enclosure.
- 14 **Matters for Information**
None.
- 15 **Date of Next Meeting**
Tuesday 13 September 2016 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 2 September.

Pauline Bowdery

Pauline Bowdery
Clerk to the Council.

Date: 6 July 2016

Issues to be returned to agenda as they develop: Minute 2876/9.1 Health & Safety policy return to agenda September 2016
Minute 2833 Reserves, new format and full review July 2016

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 12 June 2016.

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 4 Matters Arising From the Minutes

Item 4.3 Closure of HSBC Bank Walderslade

Although there are two banks nearby at Hempstead Valley shopping area, Santander is already used by the parish council so there would not be compensation cover for the Beechen Hall account and Kent Reliance does not accept parish councils. However, as it is currently possible to pay any cash received into the Cooperative Bank account via the Post Office in Walderslade, the need to deal with this particular issue is, for the present at least, resolved.

The parish office and Estates Committee have also been investigating the cost and feasibility of accepting debit card payments. It is hoped that by, if necessary, deciding to refuse cash payments and absorbing the cost of accepting debit card payments it may not be necessary to close the HSBC account, in the event that the Post Office facility is withdrawn or proves impractical.

It is recommended that the Estates Committee be tasked to monitor the situation and agree any recommendation concerning the acceptance of debit card payments. Should the situation deteriorate and should the Estates Committee decide that there is no option but to close the account at HSBC it will need to consult with F&GPC. *[You are the RFO but I would have thought that it would be for the F&GPC to OK the acceptance of debit cards, which could be done by e-mail for subsequent ratification. Financial Regs may also need amending]*

Item 5. Financial report.

Item 5.1. Reconciliation of accounts

It is suggested that this reporting method could be simplified, to shorten the agenda and time taken to export and then import the individual reconciliations. Would members accept the name of the account and the balancing per cashbook? These figures can then be checked against the original reconciliations at the meeting.

5.1.1 HSBC Beechen Hall -

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
HSBC General A/C	30/06/2016	416	29,955.75
			<u>29,955.75</u>
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
06/06/2016 2DD8 Southern Water		205.14	
			<u>205.14</u>
			29,750.61
<u>Receipts not Banked/Cleared (Plus)</u>			
		0.00	
			<u>0.00</u>
			29,750.61
		Balance per Cash Book is :-	29,750.61
		Difference is :-	0.00

5.1.2 Unity Trust Bank

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Unity Trust Bank	30/06/2016	8	85,774.07
			<u>85,774.07</u>
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			85,774.07
<u>Receipts not Banked/Cleared (Plus)</u>			
		0.00	
			<u>0.00</u>
			85,774.07
		Balance per Cash Book is :-	85,774.07
		Difference is :-	0.00

5.1.3 **Unity Trust ALTO.** Note. This is the pre-paid debit card that is held by the parish office and which will be kept topped up to a maximum of £250. (But see 5.4 below).

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Boxley Parish Council	05/07/2016	3	35.11
			<u>35.11</u>
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			35.11
<u>Receipts not Banked/Cleared (Plus)</u>			
		0.00	
			<u>0.00</u>
			35.11
		Balance per Cash Book is :-	35.11
		Difference is :-	0.00

5.1.4 Santander Investment Bond. No financial activity since investment.

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Satander Investment Bond	30/04/2016	2016	75,009.25
			<u>75,009.25</u>
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			75,009.25
<u>Receipts not Banked/Cleared (Plus)</u>			
		0.00	
			<u>0.00</u>
			75,009.25
		Balance per Cash Book is :-	75,009.25
		Difference is :-	0.00

5.1.5 Barclays Bank. A £1 transaction took place in May to keep the account active.

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Barclays Bank	20/05/2016	14	64,639.25
			<u>64,639.25</u>
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			64,639.25
<u>Receipts not Banked/Cleared (Plus)</u>			
		0.00	
			<u>0.00</u>
			64,639.25
		Balance per Cash Book is :-	64,639.25
		Difference is :-	0.00

5.1.6 Lloyds 3 month. No financial activity since investment.

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Lloyds 3 mths	05/05/2016	11561	50,296.53
			<u>50,296.53</u>
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			50,296.53
<u>Receipts not Banked/Cleared (Plus)</u>			
		0.00	
			<u>0.00</u>
			50,296.53
		Balance per Cash Book is :-	50,296.53
		Difference is :-	0.00

5.1.7 Lloyds Bank 12 mths. No financial activity since investment.

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Lloyds Bank 12 mths	11/08/2015	815	25,000.00
			<u>25,000.00</u>
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			25,000.00
<u>Receipts not Banked/Cleared (Plus)</u>			
		0.00	
			<u>0.00</u>
			25,000.00
		Balance per Cash Book is :-	25,000.00
		Difference is :-	0.00

5.1.8 **Nationwide Beechen Hall.** No financial activity since investment.

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Nationwide Beechen Hall	17/08/2015	2	40,000.00
			<u>40,000.00</u>
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			40,000.00
<u>Receipts not Banked/Cleared (Plus)</u>			
		0.00	
			<u>0.00</u>
			40,000.00
		Balance per Cash Book is :-	40,000.00
		Difference is :-	0.00

5.1.9 **Nationwide Building Society PC.** No financial activity since investment.

<u>Bank Statement Account Name(s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Nationwide Building Society	07/09/2015	2	35,000.00
			<u>35,000.00</u>
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			35,000.00
<u>Receipts not Banked/Cleared (Plus)</u>			
		0.00	
			<u>0.00</u>
			35,000.00
		Balance per Cash Book is :-	35,000.00
		Difference is :-	0.00

Item 5.2 Investments

Whilst the parish council considers whether to progress with an extension to the hall and the use of parish council reserves there is still a need to consider what to do with the reserves it holds as the various investments are coming to maturity (see below).

BANK ACCOUNTS (closing balances)

Date		
30.06.16	HSBC Beechen Hall	£29,750.61
30.06.16	Unity Trust Bank	£85,774.07
30.06.16	Unity Trust ALTO (prepaid debit card)	35.11
31.05.16	Coop General Account A statement is expected any day and this account will be reconciled at the meeting	£29,847.88
30.06.16	Santander Investment Bond (12 mth) (matures Aug 2016)	£75,009.25
30.06.16	Barclays Bank	£64,639.25
30.06.16	Lloyds (3 mth) (matures 05.08.16)	£50,296.53
30.06.16	Lloyds (12 mth) (matures 11.08.16)	£25,000.00
30.06.16	Nationwide Beechen Hall (12 mth) (matures Aug 2016)	£40,000.00
29.03.16	Nationwide Parish Council 12 mth (matures Sept 2016)	£35,000.00
	Total	435,352.70
	Cash – Office Imprest account	150.00
	Unity Trust ALTO (prepaid debit card) Imprest Account	250.00
	GRAND TOTAL (Banks and Cash)	436,152.70

RFO suggestion/recommendation.

It is considered that it will take many months for the parish council to progress any work, if it decides to go ahead, on the hall extension. The Barclays Bank account has a significant amount within it and it is considered that this along with a three-month investment e.g. Lloyds will be sufficient to cover any financial needs.

It is suggested that the maturing Santander investment Bond, Lloyds 12 month bond, Nationwide Beechen Hall and Nationwide Parish Council investments are if possible reinvested for a further twelve months.

If this suggestion/recommendation is followed it does mean that a significant proportion of the reserves would be tied up for the next year and therefore the F&GPC's intention to review investment opportunities, in order to try to locate a better return, would be delayed. If members still wish to undertake such a review then it might consider investing for six-month periods rather than twelve-months.

Item 5.3 Income/Expenditure report

Boxley Parish Council

Detailed Income & Expenditure by Budget Heading 01/07/2016

Committee

Month No : 3

Report

Parish Council		Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Funds Available	% of Budget
100	Parish Office						
4000	Salaries	3,655	10,245	40,372	30,127	30,127	25.4
4005	PAYE	1,096	3,284	16,005	12,721	12,721	20.5
4010	Pensions	77	230	938	708	708	24.5
4020	Administration	316	446	2,132	1,686	1,686	20.9
4025	Audit	0	-200	369	569	569	-54.2
4030	Books and Publications	97	97	120	23	23	81.2
4035	Rates	164	491	1,656	1,165	1,165	29.7
4040	Licences/Leases	0	342	1,400	1,058	1,058	24.5
4045	Subscriptions	0	1,270	1,587	317	317	80.0
4050	Training/Conferences	180	380	1,000	620	620	38.0
4055	Travel-Staff	108	159	512	353	353	31.1
4105	Insurance	0	1,565	0	-1,565	-1,565	0.0
Parish Office :- Expenditure		5,692	16,745	66,091	49,346	49,346	25.3
Movement to (from) Gen Reserve		-5,692	-16,745				
110	General Parish Council						
4100	Hire of Halls	80	80	480	400	400	16.7

4105	Insurance	1,768	1,768	1,612	-156	-156	109.7
4110	Parish Tour	0	0	380	380	380	0.0
4115	Publicity	550	1,385	6,975	5,590	5,590	19.9
4120	Website Admin	0	0	330	330	330	0.0
4125	Referendum	0	0	15,000	15,000	15,000	0.0
General Parish Council :- Expenditure		2,398	3,233	26,433	23,200	23,200	12.2
Movement to (from) Gen Reserve		-2398	-3,233				
120 Councillor & Subsistence Allow							
4150	Chairman's Allowance Personal	51	154	622	468	468	24.8
4155	Chairman's Allowance Civic	73	75	100	25	25	75.0
4160	Councillor's Allowance/PAYE	295	926	7,140	6,214	6,214	13.0
4165	Subsistence	0	14	250	250	250	0.0
Councillor & Subsistence Allow :- Expenditure		419	1,155	8,112	6,957	6,957	14.2
Movement to (from) Gen Reserve		-419	-1,155				
130 Finance							
1076	Precept	0	98,481	98,481	0		100.0
1077	Government Grant	0	2,062	2,062	0		100.0
1090	Interest Received	0	82	1,766	1,684	1,684	4.7
1100	Parish Service Scheme	0	7,007	14,014	7,007	7,007	50.0
1130	Other	0	1,007	0	1,007		0.0

Finance :- Income		0	107,632	116,323	8,691	92.5	
4210	Contingency Fund	1,967	1,967	40,000	38,033	38,033	4.9
4220	Land Aquisition	0	0	75,564	75,564	75,564	0.0
Finance :- Expenditure		1,967	1,967	115,564	113,597	103,654	0.0
Movement to (from) Gen Reserve		-1,967	105,665				
150 Grants							
4270	Other Grants	0	0	2,000	2,000	2,000	0.0
4275	Walderslade Woods Group	400	453	5,075	4622	4622	8.9
4280	Village Hall Grants	0	0	1,400	1,400	1,400	0.0
4285	Vinters Valley Park LNR	0	1,675	6,090	4,415	4,415	27.5
4290	Friends of Boxley Warren	72	72	556	484	484	12.9
Grants :- Expenditure		472	2,199	15,121	12,922	12,922	14.5
Movement to (from) Gen Reserve		-472	-2,199				

Estates							
220	Burial Ground						
1200	Burials	274	664	750	86	86	85.5
Burial Ground :- Income		274	664	750	86		85.5
4045	Subscriptions	0	90	92	2	2	97.8
4420	Admin Fee	0	0	250	250	250	0.0

Burial Ground :- Expenditure		0	90	342	252	252	26.3
Movement to (from) Gen Reserve		274	574				
230 Green Spaces							
4400	Maintenance	109	174	2,700	2,526	2,526	6.4
4450	Boxley Village Green	0	0	10,000	10,000	10,000	0.0
4460	WDJ Orchard	1,180	1,207	1,300	93	93	92.9
Green Spaces :- Expenditure		1,289	1,381	14,000	12,619	12,169	9.9
Movement to (from) Gen Reserve		-1,289	-1,381				
240 Grounds Maintenance							
4500	Grounds Maintenance Contract	0	0	6,361	6,361	6,361	0.0
4505	Roundabout Maintenance	0	0	306	306	306	0.0
Grounds Maintenance :- Expenditure		0	0	6,667	6,667	6,667	0.0
Movement to (from) Gen Reserve		0	0				
250 Street Furniture							
4550	Noticeboards	0	0	2,100	2,100	2,100	0.0
4555	Seats	0	0	500	500	500	0.0
Street Furniture :- Expenditure		0	0	2,600	2,600	2,600	0.0

Movement to (from) Gen Reserve		0	0				
260 Beechen Hall							
1230	Hire Fees Casual	917	3,726	16,400	12,574		22.7
1231	PL Insurance Income	10	42	220	178		19.1
1235	Hire Fees Regular	3,526	10,011	31,775	21,764		31.5
1250	Wages - AEC	60	60	460	400		13.0
Beechen Hall :- Income		4,513	13,839	48,855	35,016		28.3
4001	Wages	1,228	4,413	20,529	16,116	16,116	21.5
4005	PAYE	206	599	2,496	1,897	1,897	24.0
4010	Pensions	22	64	248	184	184	25.6
4020	Administration	48	48	366	318	318	13.1
4025	Audit	0	-200	328	528	528	-61.0
4035	Rates	382	1,146	3,819	2,673	2,673	30.0
4040	Licences/Leases	0	217	582	365	365	37.3
4105	Insurance	1,122	1,122	1,082	-40	-40	103.7
4210	Contingency Fund	0	0	6,000	6,000	6,000	0.0
4605	CCTV/Alarms Maintenance	0	0	956	956	956	0.0
4610	Consumables	73	110	914	804	804	12.0
4615	Electricity	494	494	2,080	1,586	1,586	23.7
4620	Gas	72	72	1,130	1,058	1,058	6.4
4625	Water	205	205	969	764	764	21.2
4630	Electrical Safety	0	0	400	400	400	0.0
4635	Fire Safety	0	0	254	254	254	0.0
4640	Gas Maintenance	0	0	254	254	254	0.0
4645	Grounds Maintenance	0	48	594	546	546	8.1

4650	Hall Maintenance	130	394	2,700	2,306	2,306	14.6
4655	Hall Marketing	2	2	125	123	123	1.6
4660	Refuse Collections	210	310	1,347	1,037	1,037	23.0
Beechen Hall :- Expenditure		4193	9,043	47,176	38,133	38,133	19.2
Movement to (from) Gen Reserve		320	4,796				
270 Beechen Hall projects							
4550	Noticeboards	0	0	1,250	1,250	1,250	0.0
4705	Internal Decoration	0	0	1,000	1,000	1,000	0.0
4710	External Decoration	0	0	1,000	1,000	1,000	0.0
Beechen Hall projects :- Expenditure		0	0	2,250	2,250	2,250	0.0
Movement to (from) Gen Reserve		0	0				
280 Allotments							
1280	Allotment Income	0	0	1,009	1,009		0.0
Allotments :- Income		0	0	1,009	1,009		0.0
4020	Administration	0	0	80	80	80	0.0
4105	Insurance	243	243	276	33	33	88.0
4400	Maintenance	0	190	1,600	1,410	1,410	11.9
Allotments :- Expenditure		243	433	1,956	1,523	1,523	22.1

Movement to (from) Gen Reserve	-243	-433				
	466	53,838	73,418	19,580	19,580	0.7

Environment							
300 Environment							
4800	Street Maintenance	0	0	5,000	5,000	5,000	0.0
Environment :- Expenditure		0	0	5,000	5,000	5,000	0.0
Movement to (from) Gen Reserve		0	0				

Grand Totals: Income	4,787	122,136	166,937	44,801		73.2
Expenditure	16,673	36,247	312,312	276,065	276,065	11.6
Net Income over Expenditure	-11,887	85,889	-145,375	-231,264		
Movement to (from) Gen Reserve	-11,887	85,889				

Item 6. Reserves. Purpose of item: Decision

Clerk's note: This review was partially undertaken in January 2016 and deferred to this meeting for further consideration. The January 2016 meeting decided that the format was acceptable but wished to wait until the end of year accounts had been submitted before they considered the content and the sums allocated.

Boxley Parish Council has always held reserves and produced a list specifying the sums of money held and why. With the introduction of the new accounting system there is a need to look at how this information is presented.

The new Omega accounting system has specific instructions on how to account for these funds and once members agree the new format it might be possible to enter these into the accounting system. However if this proves very difficult the RFO will keep to the current system and when possible move future restricted payments across to the OMEGA accounting system.

BPC Reserves Review F&GPC 12.07.2016

General Reserves.			
Reflect the money the council has at its disposal for ordinary operating costs. An auditor will usually look for these to be sufficient to cover between 3 and 12 months of expenditure at the year end.			
	2016/2017 Budget		<i>Clerks/RFO comments</i>
Total Cash Reserve for the purposes of running the parish approx. 33% of basic running costs	85,654.00		Need to make it more like 50% of expenditure. 2015/16 sum calculated on 50% of essential running costs (black back ground on budget code)
Finance Committee Contingency Fund	40,000.00		2016/2017 Including £10,000 to contest local plan.
Earmarked Reserves			
These are amounts set aside to meet future projects, commitments or abnormal expenditure. They are controlled by the council and are created, reassigned or spent by resolution; this means that any movements to and from the reserves should be supported by a minute.			
Land or Property Purchases	75,564.00	*	
Parish poll/election/referendum	15,000.00		
Long Term Liability Fund. liabilities are identified as the Closed Churchyard at St Mary and All Saints, Boxley War Memorial and Beechen Hall.	63,654.00	*	Reserve to be controlled by F&GP Committee, although most of the structures are managed by the Estates Committee.

Walderslade Woodlands Group Working Fund	8,377.58		The Finance Committee has allowed the WWG to build up its reserves by earmarking any unspent grant.
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Statutory Reserves

These are amounts used for Capital Financing (BPC has none) and Pension Liabilities (BPC has these).

Gratuities for staff	11,822.00	**	Ring fenced. Clerk's note: sum increased (from budget provision) to reflect changes to the Lower Earning Limit (LEL).
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Restricted Reserves

Amounts of money held by the council which are restricted in their use. The three most common ones are Capital Receipts, Section 106 receipts and unspent grants or loans which were given for a specific purpose**.

Outstanding Creditors (long term)	32,260.00		.
Dove Hill Allotments key deposits	450		Refundable deposits for keys

Total	257,217.58
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2015/2016 Balance Sheet total assets
£348,152

* all items so marked are generally subject to an annual increase of 3% unless otherwise decided.

**** Capital Receipts Reserve.**

A capital receipts reserve is money received from the sale of capital items (generally land or buildings), it is used to purchase new assets or for the repayment of loans. This reserve cannot be used to support precept in funding running costs.

Section 106 Receipts.

Given to a local council to support a new development in their area. The money can only be used for the specified purposes. These funds often have a deadline for the work to be carried out and the legal agreement may specify that the funds must be returned if this work is not undertaken.

Unspent Loans/Grants for specific purposes.

Again these are generally for a specific purpose and should not be used for other expenditure

Item 7. Beechen Hall Extension – Financial Report. Purpose of item: decision

At its meeting on 14 June the Estates Committee took, after considering previous reports and discussions, the following decision on whether the idea to extend the parish hall should be progressed.

“Members **received** and **noted** the updated costings analysis. For the benefit of Cllr Matthew Radcliffe-Godfrey, the chairman and Cllr Dengate gave a brief history and explained the costings. After a brief discussion it was proposed from the Chair that a recommendation is submitted to the Finance & General Purposes Committee to consider the financial aspect for the extension. There were 5 in favour of the proposal with 1 abstention.”

The background to this being that, although the Estates committee was favourably disposed to the project, there would be no point in deciding to move forward without financial backing.

The background to this being that, although the Estates committee was favourably disposed to the project, there would be no point in deciding to move forward without financial backing. A copy of the feasibility and sustainability report agreed by the Estates Committee may be requested from the parish office.

Clerk briefing.

It is the responsibility of the F&GPC to decide whether it is prudent to use the parish council’s reserves for projects and obviously the larger the amount being considered the more complicated and possibly controversial the decision may be. It is therefore vital that any recommendation or decision, either by the F&GPC or the parish council, is undertaken in an open and accountable way and if deemed necessary public consultation should be undertaken.

Projects that benefit only part of the parish can be of concern to some residents who perceive that they gain no advantage and the parish council should always be mindful of this. It must take care to ensure that it presents information or publicises a project so that residents can see and understand how and why a particular decision was reached. The parish council has supported and undertaken projects in areas that potentially only benefit part of the overall parish, for instance Weaving Diamond Jubilee Orchard, so it has a history of investing in individual communities as opportunities arise.

Parish councillors may also be conflicted as to whether large sums of money should be spent on a particular project. With 15 members on the parish council it is right that all have an opportunity to participate in any decision that is *out of the norm*. In this case the investigations and decisions of the Estates Committee have been taken in an open and accountable way and all agenda and minutes have been available on the parish council’s website and supplied to parish councillors.

If the F&GPC decides to make a recommendation to release reserves the parish council could either vote against this or agree in principle to the project, subject to additional information being supplied. The type of information that might be needed is identified in the RFO briefing. It is vital to agree in advance, in the form of terms of reference, which group of people will be responsible for progressing which part of the project and what decision/s they are authorised to take. It will be possible to produce such a draft document for the parish council meeting.

Other aspects of the development at the hall have also been identified. This is solely to allow members of the committee to comment on aspects that come under their terms of reference. Input from councillors at this stage is welcomed as it will help the clerk to understand the type of reports that members might find helpful.

RFO briefing

Cost.

Based on professional advice, the overall expected cost of the project will be between £110,000 and £130,000, including the overdue replacement of the front doors (some £10,000). In addition to this sum it is planned to refurbish the toilets at a cost of approximately £20,000, which, like the doors, will go ahead regardless of whether the extension project is adopted. If the extension is approved then it is sensible to undertake this work at or around the same time.

The parish council has a large reserve, which includes £40,000 invested in the name of Beechen Hall and which is under the control of the Estates committee.

The RFO considers that there are potentially two options to fund the extension. In both scenarios additional work and reports will be needed before a final decision is reached.

1. The parish council's reserves could be used to fund all the work in which case the F&GPC and the parish council will need to approve the project within a stated maximum cost and agree to the reserves being committed. Agreement-in-principle could be given prior to a final decision as the parish council may wish to request a report on the possible long-term implications of dedicating these funds. This would allow members to consider future policy on the amount of reserves the parish council intends to hold and whether there is a need to plan to replace the reserves that will be used.
2. Apply for a Public Works Loan (PWL) for part of the costs and use this and the parish council's reserves to fund the whole project. The advantage of this approach would be that the parish council's reserves would not be as significantly reduced and future parishioners, who would more likely benefit from the extension, would be paying towards the project. Again an in principle decision could be taken so that exact details and implications could be presented to the parish council.
An application for a public works loan requires the applicant to undertake public consultation. Advice from KALC is that this can be via the parish council newsletter.

What would a PWL cost?

To obtain a rough idea the RFO used the PWLB website to obtain some early information and on an interactive part of the website entered in the amount of £60,000 for a loan.

For such an amount, to be paid back between 15 - 20 years, the percentage rate for an annuity would be 2.67 giving a total cost repayment of £77,830. **Action: RFO to identify whether these rates are fixed or variable.**

A similar amount over the same repayment period but with equal instalments of principal (EIP) was shown as 2.61% and a total repayment of £76,052.

Please note further investigation will be required and a fuller report of all the possible options regarding repayment period, amount of loan etc. will be produced.

Standing orders and Financial regulations

if the project is to proceed a number of standing orders and regulations concerning tendering will have to be met and depending on the price of the project EU procurement rules (or their successor!) may be triggered (SO 26). Projects costing between £60,000 and £138,982 require a formal and laid out tendering process to be followed (SO 26C - D).

Competency of the Clerk/RFO to complete the project

The Estates committee has received some professional input to produce the draft plans. However, it is important at this stage that it is recognised that whilst the parish office can undertake the basic administrative and financial roles of the project the staff cannot take on more professional aspects of the project.

Impact on the staff, office and hall hire

To reach this stage in the process has taken a lot of staff hours and impacted on daily office work, it should also be acknowledged that the Estates committee members, particularly Cllr Dengate, have invested a large amount of their time and individual expertise. If this project does go ahead then professional advice and support will be needed and this has been factored into the estimated costs.

What will need to be explored is the impact on office hours and also during any development the impact on the day-to-day work of the office and on the staff, including the caretakers. Part of any project management document/work will need to address this impact.

Timeline for project

Currently there is no timeline as further information is required from members and the decisions they take will of course need to be considered. The hall will have to be closed for periods during any construction work and of course this will impact, short term, on hall income.

RECOMMENDATION FROM CLERK/RFO

That F&GPC decides whether

- a) to recommend to full council that this project be considered financially sustainable and an appropriate use of parish funds whether or not partly funded by say a £60,000 Public Works loan if available
- b) if agreed, to make a recommendation on option one (full funding) or option two (partly loan-funded) or needs further information.
- c) it wishes to recommend to the parish council the reports that it or committees should receive prior to making more decisions
- d) to recommend a way to progress the project e.g. forming a working group and if so responsible to ???
- e) to identify the roles that F&GPC should be solely responsible for
- f) to request that the Clerk produces terms of reference and also flowcharts for the September parish council meeting to consider should it agree that the project goes ahead

Chairman's Guidance

It is the responsibility of the F&GPC to decide whether it is prudent to use the parish council's reserves for projects and obviously the larger the amount being considered the more complicated and possibly controversial the decision may be. It is therefore vital that any recommendation or decision, either by the F&GPC or the parish council, is undertaken in an open and accountable way and if deemed necessary public consultation should be undertaken.

Projects that benefit only part of the parish can be of concern to some residents who perceive that they gain no advantage and the parish council should always be mindful of this. It must take care to ensure that it presents information or publicises a project so that residents can see and understand how and why a particular decision was reached. The parish council has supported and undertaken projects in areas that potentially only benefit part of the overall parish, for instance Weaving Diamond Jubilee Orchard, so it has a history of investing in individual communities as opportunities arise.

Parish councillors may also be conflicted as to whether large sums of money should be spent on a particular project. With 15 members on the parish council it is right that in such cases all have an opportunity to participate in any decision. For this reason, as always, the investigations and decisions of the Estates Committee have been taken in an open and accountable way with all agendas and minutes being available on the parish council's website and supplied to parish councillors and open to comment.

If the F&GPC decides to make a recommendation to release reserves the parish council could either vote against or agree in principle to the project, subject to additional information being supplied. The type of information that might be needed is identified in the RFO briefing. It is vital to agree in advance, in the form of terms of reference, which group of people will be responsible for progressing which part of the project and what decision/s they are authorised to take. It will be possible to produce such a draft document for the September parish council meeting.

Other aspects of the development at the hall have also been identified [*What are these?*]. This is solely to allow members of the F&GPC to comment on aspects that come under its terms of reference. Input from councillors at this stage is welcomed as it will help the clerk to understand the type of reports that members might find helpful.

Item 8. Parish Councillor Internal Audit

Cllr Clarke has suggested that the form be simplified.

RFO report. The form could be reduced by taking out many of the 12 months checks. The parish council operates, via its F&GPC, a robust checking system and every committee approves (annually) a calendar for reviews and this could be revised to include a reminder that members should expect to see certain decision in a year.

Members views are sought.

**BOXLEY PARISH COUNCIL
PARISH COUNCILLOR AUDIT**

CONDUCTED BY Laine Clarke on 25/5/16

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. 2832/6	NC
2.	Is insurance annually reviewed by full council or Finance Committee and adjusted as appropriate? (Office note: generally in May)	Minute No 2853/6.2	NC
3.	Are the end of year accounts formally adopted by the Parish Council? (Office note: generally in June)	Minute No programmed for June.	NC
4.	Is the external audit report on the End of Year accounts seen by all members of the Council?	Minute No. Audit in progress	NC
5.	Are salaries and wages reviewed at least annually?	Minute No 2864/11.7 - ongoing	NC
6.	Are the policies and procedures of Parish Council readily accessible and easily consulted?	Checked YES In office: on website	NC
7.	Is interest rate on long-term deposits/bank accounts reviewed at least annually? (Office note: generally in March)	Minute No 2853/5.2/6.1	NC
8.	Are the Parish Council and its committees actively involved in setting the annual budget?	Checked YES.	NC
9.	Are Beechen Hall hire fees reviewed at least annually? (Office note: generally at Estates in April <u>December</u>)	Minute No 2826/11.1	NC

General

	CHECK REQUIRED	EVIDENCE SEEN AND/OR COMMENT	Initials
10	Is income and expenditure, including salaries, against estimates reported regularly to F&GP Committee?	Minute No YES. 2813/5.2 sheet available	NC

11	Is VAT being reclaimed on a regular basis? (Office note: generally quarterly)	Latest claim dated YES: Quarterly claim outstanding	NA
12	Is the tendering system for the purchase of goods and services conducted in accordance with Standing Orders?	Tenders for the purchase of barriers: W&J... seen and procedure checked against requirements of Standing Orders. 2826/8.2.	NA.
13	Are Councillors regularly reminded that they must not sign blank cheques? (generally every 4 months on Parish Council agenda)	Minute No 2844/7.5.	NA
14	Are all bank accounts regularly reconciled? (Finance Committee meetings)	Minute No 2853/5.1.	NA
15	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 C963? Checked Coop checked Stress	NA.
16	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 YES.	NA
17	Are requests to cash personal cheques, contrary to Standing Orders, refused?	No evidence of the cashing of personal cheques found	NA.
18	Have the minimum standards checks (for insurance purposes) been carried out?	Checked New chair will undertake	NA
19	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).	Checked YES.	NA.

Petty cash

20	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. Cash in box: £89.46 Disbursements made since start of month: £60.54. * Total: £150.00	
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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.**

BACS/ etc.

HALL

DCT SALARY

Identifying ref e.g. cheque number, DD number, hire form number	Cheque counterfoil are the following present?				Invoice	Other		Hall hire 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.?	Salary report signed by 2 Cllrs	PC minute Number records the income or payment	Unique security ticket number	Raffle book	Prompt issue of invoice.
WANGS K1571	N/A	N/A	N/A	N/A	✓	N/A	SEEN	YES.	N/A	29.20
				✓	✓	N/A	SEEN	C851	YES	NOT YET REQUIRED.
				✓	✓	N/A	SEEN	C951	YES	✓
DM ED1	✓	18/2	60.00	✓	✓		2844/7.1			
PC01	✓	2/10	2200.92	✓	N/A	YES	2807/8.1			
3DD17	✓	5/11	490.14	✓	✓	YES.	2816/7.1			

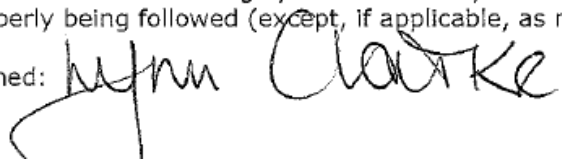
KUSHIATOR
DUNCANSON

Details of any Additional Checks Conducted and/or Further Comments

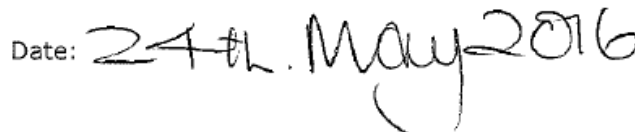
Possible areas for checks include over-ordering of stationary or other supplies.

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 9 Beechen Hall lights. Purpose of item: Decision

Clerk's report: The F&GPC is being approached for its views as the Estates Committee is not due to meet until August and depending on the decision taken work may need to have booked in for the school holidays when the hall has fewer bookings.

In 2011 the parish council replaced the lights and ceiling tiles in the hall, committee room and foyer. The lighting units chosen, whilst they are aesthetically appealing, have not proved successful. Within 18 months of completion of the project at least six were replaced (their warranty having not expired) and since 2013 five more units have been replaced and currently another two have failed. It looks like the ballast part of the units are failing and as a replacement costs almost as much as a new unit it is considered cheaper to purchase a new unit. The light bulbs are also having to be replaced frequently, which is a problem when they are in the main hall. A replacement lighting unit costs between £50 and £65, depending on whether it is an emergency unit or not.

It had been considered by the Clerk and Assistant Clerk that initially the three units (one of which is broken) in the committee room could be replaced with LED lighting panels thus releasing two spare units for elsewhere in the building. Now that another unit has gone in the hall and with all the accompanying bother to get it replaced perhaps this needs reconsidering.

Members views are sought:

1. Whether to replace all the current hall units with LED panels.
2. Whether to replace the committee room and then foyer units (as they expire) with new LED lighting units and use the spares to replace units in the hall as they expire.
3. Whether just to continue replacing the current units.

Item 10 Office Telephone System. Purpose of item: Decision

Members were notified via email the report below (*in italics*) and in principal was in support of the new system and the cost. I have added the latest BT Bill which is in bold and this has changed the additional costs slightly to the PC which is also in bold. There is also an additional cost for an 8 port POE switch ¹

In addition to the report and after a technical meeting with RTF Networks, Cllr Dengate and the Assistant Clerk the decision was made to recommend to members to place all the CCTV, IT and the new telephone system in a single place in the office, in a 'comms cabinet'. The benefits would be a better use of office space and a more effective and pleasant workplace and more importantly the removal of rip and trip hazards from under the desks. The quote for this cabinet can be found below the following report

At present the telephone system in the office is becoming increasingly poor. It is very difficult to hear people on the other end of the line and it is restrictive in as much as only one call can be made at a time. It has never been good but the service has recently declined again, many councillors have commented on this and it is causing issues for any person with hearing difficulties.

Hosted telephones, will bring many benefits to the Parish Council and Beechen Hall. It will allow the office to:

- *Make and receive multiple calls, thus allowing staff to offer a better service*
- *A clearer line. So we can hear and be heard*
- *Call waiting notification*
- *Music or advert for the person on hold*
- *1,000 minutes of calls per handset to 01,02,03 and mobile phones.*
- *Answerphone message can be left if no calls are being answered.*
- *Automatic call back*
- *Call park, this would be extremely helpful for hall bookings*

Calls will be over a Fibre Broadband connection, rather than a fixed Telephone line.

The quote includes a 3 handset hosted solution, as well as installation and Project Management. RTF Networks is a local company based at Turkey Mill, so any problems would be handled promptly.

There are a couple of upfront charges and these are £20.00 to port the number across from BT, plus a one off £99.00 installation charge for a new line which is charged by BT. As the Parish Council is a not for profit making organisation, RTF Networks have agreed to do the installation and setup of the phones for free.

In addition the monthly charges excluding VAT will be £86.95 and give us all the benefits we are currently receiving from BT and more.

To give you an idea on current charges, I have listed the latest bills from BT (6 months) these exclude VAT.

June £76.51
May £80.09
April £70.08
Mar £70.22

¹ This will allow a lot of the cables under the desks to be eliminated.

Feb £67.72
 Jan £70.46

Average **£72.51** per month. Increase cost to the parish council **£16.43** per month, **£197.16** per annum.

The contract would be for minimum of a three-year period.

The parish office has looked at this in the past but either never found a company that after initial interest came back, because our business wasn't big enough, or the charges were so above what was paid to BT that it was not viable. This company is happy to deal with smaller businesses.

Cost Comparison Table

Package	BT (Monthly Charges)	RTF Network (Monthly charges)	RTF Network One off costs	
Broadband	£34.10	£40.95	8 Port POE Switch – Netgear (saves cabling issues)	£100.00
Call Package	£18.80 (includes 500 minutes to local/national/international and 0845/0870 numbers. 500 minutes to UK mobile numbers).	£36.00 - £12.00 per handset (includes 3000 local, national and UK mobile numbers)	Number Port Charges (BT Charge for transferring number across)	£20.00
Business Line Rental	£22.30	£11.00	Business Line set up fee	£99.00
Fraud Protection	NIL	£0.99		
Total	£75.20	£88.94		£219.00

	Total	Monthly Rentals	Qty	Total Charges
Equipment Costs - Cabinet				
	Setup Fee	Unit Price	Qty	Total Setup Cost
47u 600 (w) x 600 (d) Prism Data Cabinet/Data Rack	£0.00	£381.70	1	£381.70
PDU with UK 13Amp Plug Sockets	£0.00	£41.80	1	£41.80
Prism Fixed Shelf for 600mm Deep Cabinets	£0.00	£16.50	2	£33.00
Usystems 4210 Stabilising Plinth Upgrade (Optional)	£0.00	£39.00	1	£39.00
Delivery	£0.00	£45.00	1	£45.00
	Total			£540.50

Assumptions:

All prices are excluding VAT, an engineer to fit is an additional £150.00 but optional.

Notes:

Quote Valid for 30 Days

Subject to Site Survey

All prices are subject to VAT

To summarise members are required to consider and decide on the following:

- Agree to transfer the telephone system to RTF Networks for a minimum contract of 3 years, pay the monthly billing fees as well as the one off costs.
- To consider purchasing the 'coms cabinet' and to build in the cost of the installation of £150.00.

However there is no budget in place for the one off costs and the 'comms' cabinet members may wish to make an application from the contingency fund.