

**Minutes of the Finance Committee Meeting held at Beechen Hall, Wildfell Close, Walderslade on Tuesday 10<sup>th</sup> July 2012 commencing at 7.30 p.m.**

Councillors present – Mr I Davies (Chairman), Mrs. P. Brooks, Mr. V Davies, Mrs K Macklin (left with apologies at item 6.4), Mr. K Perry and Mr. G Smith together with the Clerk.

**1. Apologies and non-attendance.**

Cllr B Hinder (holiday) and Cllr W Hinder (holiday).

**2. Declaration of Interest or Lobbying.**

There were none.

**3. Minutes of the meeting of 22<sup>nd</sup> May 2012.**

The minutes of the meeting were **signed** and **agreed** as a correct record.

**4. Matters Arising.**

4.1 Minute 2411/10 Penhurst Close lease. **Noted** MBC's legal section had accepted the majority of the Council's requests for changes to the draft lease. The request to have the clause regarding the dog waste bin removed had been referred to another department and a response was awaited.

The meeting was not adjourned as no members of the public were present.

**5. Financial report.**

5.1 **Received** and **noted** the Income/Expenditure report of 2<sup>nd</sup> July 2012.

5.2 Reconciliation of accounts report of 2<sup>nd</sup> July 2012 **received** and **signed off**.

5.3 Members were notified of the reason the May bank account reconciliation could not be completed. A sum of £12.80 had been unaccounted for; this was due to a missing statement with a single entry of £12.80. A duplicate statement was obtained and the account was reconciled. Members **accepted** the explanation.

5.4 **Agreed** the following adjustments to the 2012/2013 budget.

Parish office Salary and PAYE. The split of the budget amended to - Salary £32,246 and PAYE £15,174.

Insurance. An amendment had been made to take into account the reduced premium, a 5 year commitment to the company having been approved. There was also a consolidation of individual codes with the main entry under one code. **Noted** the supporting information accompanying the budget would show what items were insured and that some codes, for instance for Walderslade Woods Group, would be kept separate.

Concurrent functions. Income changed to reflect actual amount that would be received.

Beechen Hall PAYE. The budget for PAYE was increased as it was significantly under the actual amount being paid out. The reason for this will be investigated to ensure next year's budget is correct. **Action** – Clerk.

New codes. These had been added where there was a need, for example Sandy Lane Land.

The Chairman requested an updated copy of the budget. **Action** – Clerk.

5.5 Contingency Virements made to reflect the recent change to the hall and office rates; and the recent decision to accept MBC's reclaim of a wrongly awarded business rate rebate.

**6. Policy and procedures reviews and adoption.**

6.1 Investment Strategy.

Members **received** the Clerk's report.

It was **noted** that due to the maturing of a bond in September but before the next committee meeting, there was a need to make a decision about where to invest this sum either out of meeting or to arrange a special meeting. Another bond will mature in October and the September meeting will need to make a decision about this.

After lengthy discussion due to concerns as to how decisions would be made and the ethics of delegating power to a few people, the following was **agreed**.

- Normally, every effort will be made to involve all members of the Finance Committee in a decision by sending a briefing note and recommendation with time to allow a response. A majority vote would be used to obtain a decision.
- In the event of a need to make a quick decision, e.g. a pressing deadline for re-investment, three Finance Committee members, including the Chair and Vice Chair if available, will be consulted by the Clerk, who will then decide what to do.

The Clerk, also the Responsible Financial Officer, was asked to explain how a decision would be made and how she would deal with any concerns. It was **noted** that out of meeting the Clerk, the Proper Officer of the Council, was responsible for taking decisions but only did so if she was satisfied that a decision was needed and it was in-line with the Council's or Committee's views. All decisions were then ratified at the next meeting. It was **noted** that the Environment Committee had a similar procedure to deal with urgent planning issues which worked well. This procedure allowed the Clerk to use common-sense and also allowed her to decline to make a decision if she considered that the decision would be controversial in which case she either contacted all members of the Committee for guidance/views or arranged a meeting to discuss the issue.

It was **Agreed** that the Clerk would put out a briefing note to committee members setting out the procedure, together with a copy of the draft minutes once cleared by the chairman. **Action** – Clerk.

It was also **agreed** that:

- Members would consider a 2 or 3 year bond being entered into if the interest rate was attractive
- A representative of the Public Sector Deposit Fund should be invited to address the Committee.

After lengthy discussion it was **agreed** that members would be comfortable with £100,000 invested in a 12 month bond, £68,000 in a short term bond and £100,000 in a 12 month or possibly longer term bond. It was further **agreed** that the Clerk would keep members informed of the situation and arrange to brief the 3 deciding members.

The investments were to be spread through various banks, to mitigate risk, and a possible list of banks would be sent to members for their comments. **Action** – Clerk.

The Annual Investment Strategy was then, with a small change to reflect the above, **agreed** as fit for purpose.

## 6.2 Training and Statement of Intent.

CLr Macklin suggested that the Council produced a skills matrix of Councillors and staff then use it to identify weaknesses and for the production of a training matrix. Discussion took place on the benefits of this, the relevance of life experience and that it could only be a voluntary submission. It was **agreed** in principle and the Clerk was asked to draft a form and covering note to be circulated to the Finance Committee for views. **Action** – Clerk.

## 6.3 Petty cash.

**Agreed** the policy and procedure was still fit for purpose.

- 6.4 Payment of bills by Direct Debit and Standing Orders. **Agreed** the policy and procedure was still fit for purpose, however members asked that for future reviews a complete list of companies or organisations authorised to be paid by this method be included. **Action** – Clerk.
- 6.5 Risk Assessments. Members **received** the risk assessments and **noted** the addition of sections dealing with General Power of Competency; Computer security; Council reputation; Weaving Diamond Jubilee Orchard; and Land at Sandy Lane. The Clerk's recommendation that a review is undertaken of computer security, as offered by Cllr Dengate was **agreed**. **Action** – Clerk and Cllr Dengate.
- 6.6 Health and Safety Policy. **Noted** the review of the policy would be undertaken at the September meeting. **Action** – agenda.
- 6.7 Review Audit controls. **Noted** the review of the policy would be undertaken at the September meeting. **Action** – agenda.
7. **Grant Request.**  
Kent Wildlife Trust **agreed** (with the chairman abstaining) proposed by Cllr Vic Davies seconded by Cllr Brooks that a grant of £2,000 is awarded with the condition that it was spent on a project within Boxley Parish. The Clerk was asked to ensure that KWT was aware of the £10,000 Community Project scheme. **Action** – Clerk
8. **Consultation on appointment of external auditor for 2012/13.**  
**Noted** no action required.
9. **Subscription payments.**  
**Received** review of the subscriptions paid by the Council. **Agreed** that, as the list was included in the information supplied when setting the Council's budget, the annual review should in future coincide with the budget work of the committee. **Action** – Clerk.
10. **Earmarked Reserves.**  
After **agreeing** to increase the long-term liability fund to reflect recent acquisitions and rising costs, members **agreed** the earmarked reserves.
11. **Matters for Information.**  
There were none.
- Parish Councillor Allowances, referred from Parish Council meeting. After discussion regarding the increased costs being incurred by councillors, not least that of travel within the parish, stationery and telephone calls, Cllr Vic Davies proposed seconded by Cllr Brooks that a **5% increase to the Councillor and Chairman's Allowances for 2013/2014 be recommended to the Parish Council. Agreed** (with chairman abstaining). It was requested that at the annual review there should be information included in the report detailing any changes to MBC councillor allowances in the preceding twelve months.
12. **Date of Next Meeting.**  
Tuesday 11<sup>th</sup> September 2012 at Beechen Hall, Wildfell Close, Walderslade commencing at 7.30 p.m.

The Chairman moved that in view of the confidential nature (staff salaries and staff remuneration) that the next items would be taken in confidential sitting.

The Clerk left the meeting for the duration of the 2 items.

13. **Outstanding Time off in Lieu.**

After lengthy discussion regarding how this long-standing issue had arisen and how it could be avoided in the future, members **agreed** in principle to purchase all of the

Clerk's outstanding TOIL at an appropriate hourly rate to enable both parties to start with a clean slate. The Clerk should also be asked to review working practices and workload to avoid this situation recurring.

On her return to the room after confidential discussion on item 14, the Clerk was asked to consider a financial offer. This she agreed to do but indicated that she wished to retain a small amount of TOIL as a buffer for emergencies. It was then **agreed** that the Clerk would work with Cllrs Ivor and Vic Davies on a mutually agreeable settlement and to draw up policy and procedures to ensure that the situation did not arise again. **Action** – Cllr Ivor Davies, Cllr Vic Davies and the Clerk.

14. **Salaries of office personnel.**

Members expressed concern that the Clerk and Assistant Clerk had received no increase in salary for three years despite the ever-increasing cost of living during that period. As good employers, it was beholden upon them to concern themselves with the staff's welfare. Cllr Vic Davies proposed, seconded by Cllr Smith, that a **salary addition of 2% of their respective salaries as at 1 April 2012 be awarded to the Clerk and Assistant Clerk.** The amount to be paid as a monetary sum additional to the salary scale and to be shown as such on all future calculations.

Meeting closed at 10.00 pm.

Signed as a correct record of the proceedings.

Chairman.....Date.....