

**Harrietsham Parish Council**  
**Finance and General Purposes Committee**  
**Minutes of meeting held on Thursday 21st April 2016 at 7:30pm**

1. **Present:** Cllrs Trussler (chairman), Dean, Kay, and M Cuerden (RFO)  
Apologies: Cllr Kay  
Members of the public: 2 (A Chinnery & C Przystupa)

2. **Disclosures:** None

3. **Minutes of the last meeting** (14th January 2016) were approved without amendment at January's meeting, and a copy signed by the chairman.

4. **Review of year-end audit arrangements.** The RFO had previously circulated a draft timetable for the year-end audits, together with the two sets of Governance Statements. He then answered several questions about the process, during which it was agreed that any invoices relating to the amenities contracts would be initially sent to the parish office, for the attention of the Amenity Manager, (or the Chair of the Amenities Committee), who would certify them before being passed to the RFO for payment. Cllr Dean also asked that she approve these invoices before payment, which was agreed,.

5. **Review of Year-end accounts.** The RFO had previously circulated the usual detailed income and expenditure sheets, plus the year-end I&E Summary and Balance Sheet. The transactions held no surprises, and attention turned to the summaries. Cllr Dean asked why the entry for "Sale of Assets" was zero when we she knew that some of Remix's drums had been sold. The RFO admitted to having forgotten all about that, as the income had been entered into the books under "Remix". He undertook to amend the accounts in time for the audit, but it was probably too late for the published draft accounts to be released at next week's APM. However, the amendment was minor, and the accounts were being released as "Draft". Cllr Trussler asked if it was possible to remove those lines in the I&E summary which were zero – notably the burial ground and village events. The RFO agreed to look at that too. Other than these minor changes, it was agreed to **Recommend to Council** that the year end accounts, including the I&E Summary and Balance Sheet be approved.

The Chairman checked the bank balances as recorded on the Bank Reconciliation agreed with the Bank Statements, and confirmed that they did.

6. **Insurance.** The RFO had previously circulated a detailed quote from one insurer, plus an email from our current insurer reminding us that renewal was drawing near. The RFO stated that he was sure that last year we spoke to three companies, so he would contact the third to ask for a quote as well. Cllr Dean stated that she still felt that we were paying for items we didn't require, and it was agreed that she would forward to the RFO a list of such items. These would then be sent on to the potential insurers, and we would see what difference it actually made to the premiums. All this needs to be finalised by the end of May, ready for the new policy to start on 1st June.

7. **Review of Standing Orders and Financial Regulations.** We are already aware that the rules relating to high-value tenders have been changed, and our SOs and FRs need amending as a result. In addition, the recent tendering of the amenities contracts had thrown up certain areas that need either clarification or amendment. Amongst these are (a) can a contract be awarded to someone who is both a councillor and a director of the limited company tendering, and would this extend to their immediate family? (b) we need to clarify the £25,000 contract threshold – is this for the total period of the contract, or an annual value? The RFO undertook to check back with the NALC Model Regulations, upon which ours are based, and report back to the next F&GP meeting. The consequences seem to be that if the £25,000 is for the period of the contract it is possible that the contract tender, according to the standing orders (18 d (iii) "the invitation to tender shall be advertised in a local newspaper and in any other manner that is appropriate) may require the tendering process be re-opened. In the meantime, it was agreed to **Recommend to Council** that consideration be given to whether or not the tendering process should be re-opened, once further information has been acquired.

8. **Risk Assessments.** These had been re-approved at March's meeting, but the RFO observed that we have had an almost total turnover of councillors since these were prepared. It may be that we have new expertise in this area, and anyway, a fresh set of eyes may be helpful. It was therefore agreed that the current assessments would be re-circulated to all councillors, with a request for any suggested amendments. These would then be brought back to the next F&GP meeting.

9. **Banking arrangements.** The RFO had previously circulated some information that had caused this item to appear on the agenda. In summary, there are two main reasons. (a) The financial compensation arrangements have now been extended to cover parish councils, but the limit covered has been reduced to £75,000, and (b) the Natwest will be checking turnover on the account, and if it exceeds £100,000 per year, then they will start charging full bank charges – which could get expensive. For both these reasons, we need to now find another, second, bank that is unrelated to the Natwest or its parent company. It was therefore agreed to **Recommend to Council** that the Chair of F&GP and the RFO be given delegated authority to look at the market and select a second bank. It was also agreed to **Recommend to Council** that once the second bank has been set up, that the Chair of F&GP and the RFO agree how to distribute the funds between the two bankers and to take the appropriate action.

10. **Councillor Allowances.** There was a general discussion about the desirability of paying allowances, with a general consensus that they shouldn't be. It was therefore agreed to **Recommend to Council** that a vote be taken to determine whether or not councillors should be paid an allowance, with a recommendation of "No". (NB if the answer is no, then no councillor can receive one, if the answer is yes, then individual councillors can decide for themselves if they wish to take it.) It was also agreed to **Recommend to Council** that a vote be taken on whether or not the chairman should receive an allowance, with a recommendation of "No".

Regardless of the outcome of these votes, it was noted that councillors will still be able to claim expenses. These fall into two categories – being those provided in law, eg travel and subsistence, and those approved by council to facilitate its business. Both need to be claimed from the RFO, and supported by appropriate documentation.

11. **Staff Pensions.** These need to be in place by April 1st next year. It was agreed to defer this until the next F&GP meeting in July.

**Next Meeting:** The date of the next meeting is Thursday 14th July 2016 at 7:30pm, Parish Office.

Meeting closed to the public at 8:45pm

**Harrietsham Parish Council**  
**Finance and General Purposes Committee**

**Confidential Part Two Item**

**Minutes of meeting held on Thursday 21st April 2016 at 8:50pm**

As part of the year-end review, councillors indicated that they were grateful for the support provided to the new council following last year's election and throughout the subsequent year. Accordingly, it was agreed to **Recommend to Council** that the Clerk and the RFO each receive an extra pay increment, backdated to the beginning of April as a gesture of thanks.