

HARTLEY PARISH COUNCIL

Clerk to the Council: Mrs H Boden
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22nd April 2021

Dear Councillor

You are hereby summoned to attend a meeting of the Finance Committee to be held **remotely, using “Zoom” on WEDNESDAY 28th APRIL 2021 commencing at 10.30a.m. or at the conclusion of the meeting of the Planning Committee, whichever is later.**

Please log in using meeting code **436 7184 770**.

Yours sincerely

Helen Boden

Helen Boden
Proper Officer

Please note that the proceedings of this meeting may be recorded, in line with regulations set out in the Openness of Local Government Bodies Regulations 2014.

The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020, came into force on 4th April 2020.

Regulation 5 permits the holding of remote meetings.

Members of the public wishing to attend the meeting, should contact the Clerk at the Parish Office for further instructions.

AGENDA

1. Election of Chairman

Following the resignation of Councillor Bennett, the Committee is requested to elect a Chairman of the Finance Committee until the Annual meeting of the Council to be held in May 2021.

2. Apologies

To receive apologies for absence.

3. Declarations of Interest

To receive Members' declarations of interest not already included on their Register of Interest.

4. Minutes of the previous meeting

To approve the minutes of the meeting of the Finance Committee held on 10th February 2021 as a correct record. (Annexed).

Pursuant to Standing Order 3 (e) the Chairman will invite members of the public to express an interest should they wish to make representations, answer questions or give evidence in respect of any item of business included in the agenda.

5. Review of income and expenditure

To review the Council's income and expenditure from 1st April 2020 to 31st March 2021. (Annexed).

Background document

Detailed income and expenditure by budget heading as at 31st March 2021.

6. Review of the Effectiveness of the System of Internal Audit (GREEN)

Assertion 2 of the Annual Governance Statement contained in Section 1 of the Annual Governance and Accountability Return, requires Members of Hartley Parish Council to confirm that they have *“maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption **and** reviewed its effectiveness”*.

This Assertion covers the Council's responsibility to ensure that its affairs are managed in accordance with proper standards of financial conduct and arrangements exist to prevent and detect fraud and corruption. The Council is required to confirm that it has tested those arrangements, at least once in the year, to make sure that they are working in an adequate and effective way.

When completing Assertion 2, 6 and 7 in the Annual Governance Statement, local councils should consider the outcome of any review of internal audit. Guidance on how the review could be conducted is set out in the Governance & Accountability for Local Council's – A Practitioners' Guide (England) March 2019, pages 36 to 38 inclusive.

A review of the effectiveness of the system of internal audit was undertaken on 27th January 2021, by Cllrs Abraham, Bennett and Sewell.

At the meeting of the Finance Committee held on 10th February 2021, Members considered and approved the review of the effectiveness of internal audit, undertaken on 27th January 2021, by Cllrs Abraham, Bennett and Sewell. (Annexed).

Background document

Review of the effectiveness of the system of internal audit undertaken on 27th January 2021. (Annexed)

7. Internal Auditors Report 2020-21

To consider the Internal Auditor's Report for the year ending 31st March 2021.

8. Annual Governance Statement

The Council is required to complete and approve Section 1 of the Annual Governance and Accountability Return, entitled Annual Governance Statement, which sets out a number of assurances relating to the preparation of the statement of

accounts and the Council's internal controls. A copy of Section 1 of the Statement of Assurance is circulated for Members' attention. (Annexed).

Background document

Pages 7 – 14 of the Governance & Accountability for Smaller Authorities in England, A Practitioners Guide March 2020. (Annexed)(GREEN)

9. Accounts for the Financial Year Ended 31st March 2021 – Accounting Statements

To consider the accounts for the year ending 31st March 2021 and to confirm the dates selected for the period of exercise of public rights.

The Council has received notice from the external auditor, PKF Littlejohn, that the Annual Governance and Accountability Return for the financial year ending 31st March 2021, should be returned by Friday 2nd July 2021, with the following documentation;

- (1) a fully completed and signed Annual Governance and Accountability Return (AGAR). **Section 1 must be approved before Section 2 either at separate meetings or as separate agenda items in the correct order;**
- (2) the completed form confirming the dates planned for the provision for the exercise of public rights;
- (3) a bank reconciliation showing how the cash balance in Box 8 is arrived at;
- (4) a full explanation, with figures, of any significant variances between the current and prior accounting statements;
- (5) a reconciliation for the difference between Boxes 7 and 8 of Section 1 of the AGAR;

The Council has not been selected within the 5% sample for intermediate level review procedures.

Page 3 of the Annual Return relates to the internal audit report to be completed by the Council's internal auditor. The Council's internal auditor undertook an internal audit of the Council's accounts on 12th April 2021.

The Audit Commission had suggested Monday 14th June as the date on or after which interested parties and local electors for the area to which the annual return for the financial year ending 31st March 2021 relates, may exercise their rights under the Local Audit and Accountability Act 2014, Sections 26 and 27, and the Accounts and Audit Regulations 2015 (SI 2015/234).

The notice of appointment of date for the exercise of electors' rights shall be displayed on the Council's notice board outside Hartley Library. It is a requirement of the Regulations, that this notice is published not less than one day before the start of the inspection period.

Background documents

RBS Software Solutions: Income and expenditure account, balance sheet, trial balance, creditors and debtors, Council detail report, year-end reconciliation of current accounts and savings accounts

Explanation of significant variances

Annual Return, Section 1 – working details

Annual Return, Section 2 – Accounting Statements 2020/21

Yellow form confirming dates of the period for the provision of public rights

10. Supporting Statement (GREEN)

To consider the supporting statement to the accounts for the year ending 31st March 2021. (Annexed).

11. Financial Regulations

To review the Council's Financial Regulations. (Annexed)

12. Insurance

To consider an email dated 12th March 2021, received from the Council's Insurers, in respect of the policy falling due for renewal on 1st June 2021.

Background document

Email dated 12th March 2021, from Came & Company. (Annexed).

Renewal Risk Presentation. (Annexed).

13. Risk Assessments (CREAM)

To review the Council's current risk assessments.

Background documents

List of current risk assessments in place dated 18th February 2019. (Annexed) (CREAM)

Copies of the risk assessments. (Emailed to Members prior to the meeting) (CREAM)

14. Queen's Platinum Anniversary

To consider making funds available to support the "Queen's Platinum Anniversary" event, due to take place on a date between 2nd and 5th June 2022.

15. Bank Signatories

In light of Councillor Bennett's recent resignation, the Committee is requested to consider including an additional Member of the Council as a signatory to the Council's bank accounts. The current signatories are Cllrs Abraham, Graeme, Oxtoby and Ross.

16. Credit card

The recent Internal Audit highlighted the fact that both the Clerk and Assistant Clerk have had to use their personal bank cards to make substantial purchases on behalf of the Council.

The Auditor recommended that the Council re-consider the use of a corporate credit card facility, especially the Lloyds Bank Card, linked to the Unity Trust Bank, thereby avoiding any interest charges with additional security benefits.

The Committee is therefore requested to consider applying for a credit card facility.

17. Date of Next Meeting

List of circulated documents

1. Minutes of the meeting of the Finance Committee held on 10th February 2021. **(WHITE)**.
2. Detailed income and expenditure by budget heading as at 31st March 2021 **(BLUE)**.
3. Review of the effectiveness of the system of internal audit undertaken on 27th January 2021. **(GREEN)**.
4. Internal Auditor's Report for the year ending 31st March 2021. **(YELLOW)**.
5. Annual Governance Statement 2020/21. **(WHITE)**.
6. *Pages 7 – 14 of the Governance & Accountability for Smaller Authorities in England, A Practitioners Guide March 2020.* **(GREEN)**.
7. Annual Governance and Accountability Return. **(WHITE)**.
8. Income & Expenditure account. **(WHITE)**.
9. Balance Sheet. **(WHITE)**.
10. Trial Balance. **(WHITE)**.
11. Creditors & Debtors. **(WHITE)**.
12. Council Detail Report. **(WHITE)**.
13. Bank reconciliation for the current accounts (Barclays & Unity Trust). **(WHITE)**.
14. Bank reconciliation for the savings accounts. **(WHITE)**.
15. Explanation of Significant Variances. **(WHITE)**.
16. Annual Return, Section 1 – Working Details. **(WHITE)**
17. Annual Return Section 2 – Accounting Statements 2020/21. **(WHITE)**.
18. Yellow form confirming dates of the period for the provision of public rights. **(YELLOW)**.
19. Supporting Statement. **(GREEN)**.
20. Financial Regulations. **(PINK)**.
21. List of current risk assessments in place dated 18th February 2019. **(CREAM)**.