

HARTLEY PARISH COUNCIL

Clerk to the Council: Mrs H Boden
The Parish Council Office, Hartley Library, Ash Road, Hartley, Longfield, Kent DA3 8EL
Tel: 01474 709441
E mail: mail@hartleyparishcouncil.org.uk
Website: www.hartleyparishcouncil.org.uk

21st April 2022

Dear Councillor

You are hereby summoned to attend a meeting of the Finance Committee on **WEDNESDAY 27th APRIL 2022** at **Hartley Library, Ash Road**, commencing at **10.15a.m.** or at the conclusion of the meeting of the Planning Committee, whichever is later.

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.

AGENDA

1. Apologies

To receive apologies for absence.

2. Declarations of Interest

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

3. Minutes of the previous meeting

To approve the minutes of the meeting of the Finance Committee held on 16th February 2022 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.

4. Review of income and expenditure

To review the Council's income and expenditure from 1st April 2021 to 31st March 2022. (Annexed).

Background document

Detailed income and expenditure by budget heading as at 31st March 2022.

5. 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 that arrangements exist to prevent and detect fraud and corruption. The Council is required to confirm that it has tested these arrangements, at least once in the year to make sure 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 2021, pages 23 to 26 inclusive.

A review of the effectiveness of the system of internal audit was undertaken on 2nd February 2022, by Cllrs Abraham, Alford and Ramsay.

At the meeting of the Finance Committee held on 16th February 2022, Members considered and approved the review of the effectiveness of internal audit, undertaken on 2nd February 2022, by Cllrs Abraham, Bennett and Sewell. (Annexed).

Background document

Review of the effectiveness of the system of internal audit undertaken on 2nd February 2022. (Annexed)

6. Internal Auditors Report 2021-22

To consider the Internal Auditor’s Report for the year ending 31st March 2022. (Annexed).

7. 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 8 – 14 of the Governance & Accountability for Smaller Authorities in England, A Practitioners Guide March 2021. (Annexed)(GREEN)

8. Accounts – Accounting Statements

To consider the accounts for the year ending 31st March 2022 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 2022, should be returned by no later than 30th June 2022, with the following documentation;

- (1) a fully completed and approved 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 narrative and numerical explanation 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 Governance and Accountability 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 11th April 2022.

The Audit Commission had suggested Monday 13th 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 2022 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 2021/22

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

9. Supporting Statement

To consider the supporting statement to the accounts for the year ending 31st March 2022. (Annexed).

10. Financial Regulations

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

11. Insurance

To consider an email dated 16th April 2022, received from the Council's Insurers, in respect of the policy falling due for renewal on 1st June 2022.

Background document

Email dated 16th April 2022, from Gallagher Insurance. (Annexed).

Pre Renewal Questionnaire. (Annexed).

12. Risk Assessments (CREAM)

To review the Council's Cash Handling risk assessment. (Annexed).

13. The Pensions Regulator

At the meeting of the Finance Committee held on 16th February 2022, the Committee approved the re-declaration of compliance to be submitted to the Pensions Regulator.

The Committee is requested to note that a letter was received from the Pensions Regulator dated 31st March 2022, confirming that this has been received and that the Parish Council will have to re-declare in three years' time.

14. Grants/Donations

a) To consider a request received from Victim Support for a donation towards their work. (Annexed).

b) To consider a request received from Air Ambulance Charity Kent Surrey Sussex, for a donation towards their work. (Annexed).

15. Sevenoaks District Council's Community Infrastructure Levy (CIL) (GREEN)

To consider a letter received from Sevenoaks District Council dated 21st April 2022. (Annexed).

16. Date of Next Meeting

List of circulated documents

1. Minutes of the meeting of the Finance Committee held on 16th February 2022. **(WHITE)**.
2. Detailed income and expenditure by budget heading as at 31st March 2022 **(BLUE)**.
3. Review of the effectiveness of the system of internal audit undertaken on 16th February 2022. **(GREEN)**.
4. Internal Auditor's Report for the year ending 31st March 2022. **(YELLOW)**.
5. Annual Governance Statement 2021/22. **(WHITE)**.
6. *Pages 8 – 14 of the Governance & Accountability for Smaller Authorities in England, A Practitioners Guide March 2021.* **(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. Email dated 16th April 2022 received from Gallagher Insurance. **(YELLOW)**.
22. Pre Renewal Questionnaire. **(YELLOW)**.
23. List of current risk assessments in place dated 28th April 2021. **(CREAM)**.
24. Letter dated 1st April 2022, received from Victim Support. **(PINK)**.
25. Letter dated 4th March 2022, received from KSS Air Ambulance Charity. **(PINK)**.
26. Letter dated 21st April 2022, received from SDC. **(GREEN)**.