

**MINUTES OF THE MEETING OF THE FINANCE & GENERAL PURPOSES  
COMMITTEE HELD ON 4<sup>th</sup> FEBRUARY 2009 AT 10.30 a.m.  
AT HARTLEY LIBRARY, ASH ROAD**

Present: Cllr Mr L Abraham  
Cllr Mr A Barnett  
Cllr Mrs P Cole  
Cllr Mr J Gaywood  
Cllr Mr B Ramsay (Chairman)

In attendance: Mrs J Hoad (Clerk)  
2 members of the public

**1. Apologies**

Apologies had been received from Cllr Mr C Alford, Cllr Mrs J Burns, Cllr Mr Harris and Cllr Mr V Sewell.

**2. Declarations of Interest**

Cllr Mr L Abraham declared a personal interest under minute item 10 (b) in respect of a donation to the Ellenor Lions Hospices as his family had benefited from their services and he contributed to the Charity.

Cllr Mr B Ramsay declared a personal interest under minute item 10 (b) in respect of a donation to the Ellenor Lions Hospices, as he contributed to the Charity.

**3. Minutes**

RESOLVED: That, the minutes of the meeting of the Finance and General Purposes Committee held on 15<sup>th</sup> December 2008 be approved and signed by the Chairman as a correct record.

**4. Receipts and payments**

The Committee examined a financial report setting out a summary of the Council's receipts and payments for the period 1st April 2008 to 29<sup>th</sup> January 2009.

RESOLVED: That, the financial report be noted

**5. Review of the effectiveness of the system of internal audit**

It was reported that Cllrs Harris and Ramsay had undertaken a review of the effectiveness of the Council's system of internal audit.

RECOMMENDED: That, the review of the effectiveness of the Council's system of internal audit for the period 1<sup>st</sup> April 2008 to 31<sup>st</sup> March 2009, as set out in appendix 1 attached to these minutes, be approved and adopted.

**6. Audit of Accounts 2006/07**

It was reported that the Notice of Conclusion of Audit and Right to inspect the Annual Return, together with Sections 1-3 of the Annual Return, had been displayed on the Council's notice board outside Hartley Library for the statutory period of 14 days, from 22<sup>nd</sup> December 2008.

RESOLVED: That, the report be noted.

## 7. Audit of Accounts 2007/08

It was reported that external auditor had completed work on the 2007/08 audit and had returned the certified Annual Return for the financial year ending on 31<sup>st</sup> March 2008.

The Committee was advised that the Notice of Conclusion of Audit and Right to Inspect the Annual Return, together with Sections 1-3 of the Annual Return, had been displayed on the Council's notice board outside Hartley Library for the statutory period of 14 days, from 22<sup>nd</sup> December 2008.

The Committee considered the external auditor's report which stated, "*on the basis of our review, in our opinion the information contained in the annual return is in accordance with the Audit Commission's requirements and no matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met*". Furthermore there were no other matters affecting their opinion which they wished to draw to the Council's attention.

RESOLVED: That, the external auditor's certificate and opinion for the year end 31<sup>st</sup> March 2008 be received and noted.

## 8. Deposit facility for parish/town councils

The Committee considered a deposit facility offered by Sevenoaks District Council to parish and town councils. The facility would allow parish and town councils' funds to be amalgamated in a deposit account held by Sevenoaks District Council with a major bank, where interest rates would be based on the bank's managed rate and linked to the prevailing money market. A number of options were available with regard to the payment of the parish/town precepts. Any councils requiring access to their funds prior to the scheduled payments date would lose interest payments on the whole of the period.

The Committee considered the financial benefits, if any, would be minimal and that the Council should retain control of its own funds in order to manage its cash flow effectively.

In view of recent difficulties experienced by Sevenoaks District Council with regard to deposits held with an Icelandic bank, the Committee felt the Parish Council should retain control of its own funds. Furthermore the Committee considered the financial benefits, if any, would be minimal.

RECOMMENDED: That, the current arrangements for the payment of the annual precept to the Parish Council, i.e. 50% at the end of April and 50% at the end of September, be maintained.

## 9. Hartley WI Hall

The Committee considered advice from the Council's solicitor set out in a letter of 15<sup>th</sup> December 2008 and a report of meeting with the Community Hall Advisor from Action with Communities in Rural Kent, (ACRK).

The Council's solicitor had confirmed that the Hartley Women's Institute could not gift the hall to the Parish Council, but had the power to sell the hall. As a charity they had to comply with Section 36 of the Charities Act 1993, which required charities to obtain the best return the market would allow. He explained that the Charity could write to the Charity Commission seeking an order for them to authorise the sale, but preliminary enquires at the Charity Commission indicated that such authorisation would be rare.

The Council's solicitor advised that an alternative option would be to make the Parish Council the Managing Trustees of the Hartley Women's Institute Hall Charity, which could be done by the existing Trustees of the hall passing a resolution. This would enable the Parish Council to proceed with running the Charity, adhering to its charitable objectives. The Parish Council could apply to the Charity Commission to discharge the Official Custodian for the Charity from holding title. However the Council's solicitors explained he had no expertise in this field and suggested seeking specialist advice. He confirmed that

the hall was presently unregistered and that he would like to see a newly created registered title in the name of the Parish Council. For this a reasonably accurate plan would be required.

The Committee was advised that legal advice from ACRK's solicitor was awaited.

Members of the Council had been circulated with various information sheets provided by ACRK, as set out below:

- (1) Village hall information sheet no 36: Village halls run by parish councils as sole trustees
- (2) A guide to conflicts of interest for charity trustees (version 03/04)
- (3) Trustees & Governance: The Essential Guide – An introduction CC3  
(a) published by the Charity Commission
- (4) The Official Custodian for Charities' Land Holding Service: CC13  
(version September 2004)
- (5) Charities and Meetings: CC48
- (6) Charities and Local Authorities: CC29 (version 03/01)
- (7) Village hall information sheet no 13: Performing Right Society  
Licences and Tariff for Community Buildings
- (8) Village hall information sheet no 12: Phonographic Performance Ltd –  
Licensing Sound Recordings used in Public

**RECOMMENDED:** That, Hartley Parish Council seeks to be appointed as the sole trustee of the Hartley Women's Institute Hall Charity and that specialist legal advice be obtained from Action with Communities in Rural Kent, and wherever else necessary, with a view to contacting the Charity Commission to approve the transfer in trusteeship.

## **10. Donations**

(a) The Committee considered a request for a donation from the Round Ash Pre School to provide a canopy over part of the playground, which would enhance play opportunities for children attending the pre-school. The Committee was advised that the local County Council Member would be supporting the project through the KCC Members' Fund.

**RECOMMENDED:** That, in accordance with Section 137 of the Local Government Act a grant of £200 be provided to Round Ash Pre School for the provision of a canopy over their playground.

(b) The Committee considered a request for a donation from the Ellenor Lions Hospices to support their work with providing hospice care to children and adults in their own homes as well as hospice care for adults and young people at the Lions Hospice.

**RECOMMENDED:** That, in accordance with Section 137 of the Local Government Act 1972 a grant of £200 be provided to Ellenor Lions Hospices to support their work in hospice care.

## **11. Parish Office Lease**

(a) The Committee was advised of representations submitted by the Clerk to Sevenoaks District Council in respect of non domestic business rates for the Parish Office. It was noted that the valuation of the Parish Office for rating purposes appeared to higher than comparable office accommodation in the locality

**RESOLVED:** That, the Clerk's actions to enquire about valuation of the Parish Office in respect of the non domestic business rates be confirmed.

(b) The Committee was advised of problem in the Parish Office resulting in a trip hazard caused by the carpet which had stretched.

RECOMMENDED: That, the carpet in the Parish Office be replaced with heavy duty carpet tiles and quotations be sought for the work.

## 12. Power to promote the power of well-being

The Committee considered a report on new legislation which had come into effect on 31<sup>st</sup> December 2008 extending the power of well-being to eligible parish councils. The Committee was advised of the conditions which parish councils must satisfy to qualify as an eligible parish council, which included:

- A qualified clerk trained in the power of well-being.
- A minimum of two thirds of vacancies on the council filled at the last ordinary elections.
- 80% of councillors trained in the use of the well-being power.
- Published statement of community engagement.

RECOMMENDED: That, Hartley Parish Council, in principle, adopts the power of well being, subject to the Council satisfying the prescribed conditions required for eligible parish councils, as defined in The Parish Councils (Power to Promote Well-being) (Prescribed Conditions) Order 2008 and subject to statutory guidance issued by the Secretary of State and in this respect:

- (1) the Clerk be authorised to undertake whatever training necessary and complete the necessary qualifications to comply with the requirements of a qualified clerk trained in the use of the well being power, as defined in The Parish Councils (Power to Promote Well-being) (Prescribed Conditions) Order 2008 and,
- (2) Members of Hartley Parish Council be authorised to attend training on the use of the power of well being, as prescribed in The Parish Councils (Power to Promote Well-being) (Prescribed Conditions) Order 2008 and,
- (3) Hartley Parish Council publish a statement of community engagement, as prescribed in The Parish Councils (Power to Promote Well-being) (Prescribed Conditions) Order 2008.

## 13. Kent Police Authority

The Committee was advised that the Kent Police Authority was consulting on its annual budget and policing plan for Kent Police for the financial year 2009/10 and that views on two options for increases were being sought. The Committee was informed that the closing date for the return of responses had been 29<sup>th</sup> January 2009. The consultation document had been received on 9<sup>th</sup> January 2009 and thus missed the January Council meeting. It was reported that the Clerk had taken the matter up with the Chair of the Kent Police Authority requesting that, in future, parish councils be given a longer consultation period.

RESOLVED: That, the report be noted and the Clerk's action confirmed.

## 14. Communities in Control: Real people, real power: Code of recommended practice on local authority publicity

The Council considered a consultation document entitled, "Code of recommended practice on local authority publicity".

RECOMMENDED: That, Members of the Council be provided with a hard copy of the consultation document, "Code of recommended practice on local authority

publicity and be invited to return any comments on the document to the Clerk for submission to the Department for Communities and Local Government.

**15. Kent Men of Trees**

The Committee considered an invitation to subscribe as a corporate member to the Kent Men of Trees. It was reported that the Council had last subscribed to the organisation in 2002 and that despite the fact it had continued to receive newsletters, it had not received any further invitations to subscribe to the organisation. The Committee felt that the organisation did not provide a service to the Council and therefore it would not be beneficial to renew its membership, but considered that individual Members of the Council could support the organisation, if they so wished.

RECOMMENDED: That, the invitation to subscribe as a corporate member of the Kent Men of Trees be declined.

**16. Date of the next meeting**

To be confirmed.

The meeting closed at 11.30 a.m.

Signed:.....

Date:.....

Chairman of the Finance and General Purposes Committee

Expected Standard	Evidence of Achievement	Areas for development
1. Scope of internal audit	<p>The Council's internal auditor has produced an annual audit plan, dated 1<sup>st</sup> November 2007, setting out the scope of the internal audit.</p> <p>The internal auditor is required to undertake two internal audits during the financial year 1<sup>st</sup> April 2008 to 31<sup>st</sup> March 2009; (1) for the period 1<sup>st</sup> April 2008 to 30<sup>th</sup> September 2008 (interim internal audit) and (2) for the period 1<sup>st</sup> April 2008 to 31<sup>st</sup> March 2009(summary internal audit), and report findings, and where appropriate make recommendation, for consideration by the Clerk and the Council.</p> <p>The summary and interim internal audits are completed in accordance with guidance issued by CIPFA and the Audit Commission and with regard to the Accounts and Audit Regulations 2003. <i>(Refer to summary and interim reports, page 1, "Introduction".)</i></p> <p>The summary internal audit undertaken by the internal auditor for the period 1<sup>st</sup> April 2008 to 31<sup>st</sup> March 2009 will examine all the requirements contained in section 4 of the Annual Return, based on an assessment of the Council's risks and including a selective assessment of compliance with relevant procedure and controls. On the basis of the findings in the areas examined, the internal auditor is required to assess the objectives of internal control and summarise the audit conclusions.</p>	<p>Satisfied with current arrangements. No further action required.</p> <p>Satisfied with current arrangements. No further action required.</p> <p>Satisfied with current arrangements. No further action required.</p> <p>Satisfied with current arrangements. No further action required.</p>
2. Independence	The internal auditor has direct access to those charged with governance.	Satisfied with current arrangements. No further

	<p>Reports are prepared by the internal auditor under the consultancy name of “Wealden Management Consultancy”.</p> <p>The internal auditor is an independent consultant appointed by the Council, <i>(refer to letter dated 20<sup>th</sup> September 2002)</i>, does not have any other role within the Council and is not related to any Member or Officer of the Council.</p>	<p>action required.</p> <p>Satisfied with current arrangements. No further action required.</p> <p>Satisfied with current arrangements. No further action required.</p>
3. Competence	<p>The Council has no evidence that the internal audit work had not been carried out ethically, with integrity and objectivity.</p>	<p>Satisfied with internal auditor’s competency. No further action required.</p>
4. Relationships	<p>The responsible financial officer (RFO) is advised of the outcome of the interim and summary internal audit before completion of the internal auditor’s report. The RFO is given the opportunity to ask questions of the internal auditor and visa versa.</p> <p>Members of the Council are aware of the requirements to review the effectiveness of the system of internal audit.</p> <p>Members of the Council conducting and reporting back the findings of the review of the effectiveness of the system of internal audit were provided with the following documentation, before commencing the review:</p> <ul style="list-style-type: none"> <li>(1) Internal audit plan, dated 1<sup>st</sup> November 2007, prepared by the Council’s internal auditor</li> <li>(2) Last year’s review of the effectiveness of the system of internal audit</li> </ul>	<p>Satisfied with current arrangements. No further action required.</p> <p>Satisfied with current arrangements. No further action required.</p> <p>Satisfied with current arrangements. No further action required.</p>

	<p>undertaken on 2<sup>nd</sup> May 2007.</p> <p>(3) Advice note 48/2007 published by the Society of Local Council Clerks</p> <p>(4) Extract from Governance and Accountability for Local Councils, pages 41 to 46.</p>	
<p>5. Audit Planning and reporting</p>	<p>The internal audit properly took account of corporate risk. <i>(Refer to the interim and summary internal audit reports (page 1, "Introduction"), which confirms the internal audits are completed in accordance with guidance issued by CIPFA and the Audit Commission and with regard to the Accounts and Audit Regulations 2003).</i></p> <p>The interim internal audit report for the period 1<sup>st</sup> April 2008 to 30<sup>th</sup> September 2008 was considered by the Finance and General Purposes Committee at a meeting held on 15<sup>th</sup> December 2008 and adopted by the Council at a meeting held on 12<sup>th</sup> January 2009. <i>(refer to the relevant minutes of the meetings)</i></p> <p>The summary internal audit will be undertaken in the Council offices after 31<sup>st</sup> March 2009 and the summary internal report will be reported to Council, when it becomes available. Any recommendations contained therein will be considered by the Council.</p> <p>The Council's internal auditor was interviewed by Members of the Council on 12<sup>th</sup> November 2007. The outcome of the interview was reported to the Finance and General Purposes Committee at a meeting held on 5<sup>th</sup> March 2008. <i>(refer to the relevant minutes of the meeting.)</i></p> <p>The internal auditor works to the audit plan to examine and test each of the requirements set out in section 4 of the Annual Return. The internal auditor provides the Council with working documents to support the examination and testing undertaken during the interim and summary audits. The working documents are circulated by e mail to Members of the Finance and General Purposes Committee.</p>	<p>Satisfied with current arrangements. No further action required.</p> <p>Satisfied with current arrangements. No further action required.</p> <p>Satisfied with current arrangements. No further action required.</p> <p>No further action required.</p> <p>Satisfied with current arrangements. No further action required.</p>

