

Speldhurst Parish Council

Local Government for Langton Green, Speldhurst, Ashurst and Old Groombridge

Minutes of a Governance Committee Meeting held in the Snooker Room, Langton Green Village Hall on Wednesday 20th January at 11am

MEMBERS PRESENT: Cllrs Mrs Jeffreys, Mrs Soyke and Parker

OFFICER PRESENT: Chris May - Clerk

1. **Declarations of Personal and Prejudicial Interest:** None received
2. **Declarations of Lobbying:** None received
3. **Apologies for Absence:** Cllr Pendleton (Business engagement)
4. **Appointment of Committee Chairman** – It was proposed by Cllr Mrs Soyke and seconded by Cllr Parker that Cllr Mrs Jeffreys be appointed Committee Chairman. Cllr Mrs Jeffreys said that she was happy to be appointed but felt that it would be for one year only and then another Councillor should take the Chair.
5. **Composition of Committee and frequency of meetings** – It was decided that there would be a minimum of four meetings a year, however it was noted that one, possibly two might be required before the financial year end.
It was decided four members would be sufficient for the Committee with a minimum of three attending a meeting, however all members were from the Finance Committee and it was proposed that Full Council would be asked whether they would like an independent member to join the Committee.
6. **Areas for Review**
 - **Review of Internal Audit** – In accordance with the Governance and Accountability for Local Councils Document it is the responsibility of the Council to determine the scope and coverage of the work to be carried out by internal audit. The Committee has written Terms of Reference for an Internal Audit and these are attached and will be put to Full Council for adoption at the next meeting.
The Clerk would supply a list of the Financial Records that are kept to the Governance Committee and there would be spot checks with the results recorded in the minutes.
The Clerk would be notified on the morning of the meeting which files were to be inspected.
Inspection of Financial Records would be on every future Agenda.
The Clerk was asked to circulate the register of assets to the Committee.
 - **Risk Management** – It is the process whereby local councils methodically address the risks associated with what they do and the services which they provide and not just about financial management.
 - **Insurable Risk** - The committee would examine the assets and the portfolio would include photographic evidence. The insurance policy would be reviewed to ensure that the council is adequately covered for Public Liability insurance. ***The Clerk was asked to circulate copies of the insurance documents.***

- **Working with others - *The Clerk was asked to contact the Internal Auditor to ask if we need to ask our contractors to provide evidence of Public Liability insurance.***

There would be an annual review of contracts with companies employed (such as KCC Landscapes), playground inspections, recreation ground users and with Trusts.

There would be a review of Banking arrangements – were they appropriate? On this subject the Clerk brought to the attention of the committee a problem that had occurred with the internet banking facility. Barclays had recently (summer 09) brought in a safeguard for accounts such as Councils that required two or more signatures per cheque. It allowed for use of the internet but with no ability to make third party payments – this has the advantage of allowing more accurate unlimited transfers between accounts and enables the Clerk to have accurate figures available for the Council now that the meetings have been brought forward to the first Monday of the month. The problem is that the Clerk also has accounts with Barclays and he would be able to transfer money from the Council's accounts to his own. ***The Clerk was asked to write to Barclays to request a separate password.***

- **Self-Management** – Councillor Mrs Jeffreys said that all members of the Governance Committee should have a copy of the legal powers of the Parish Council. ***The Clerk was asked to circulate to all members who did not already have a copy, including details of section 137 powers.***

The following areas would be covered:

- Keeping of proper financial records
- Ensuring all business activities are within the Council's legal powers
- Complying with restrictions on borrowing
- Ensuring all requirements of employment law and regulations are met.
- Ensuring all HMRC requirements are adhered to.
- Ensuring the sound budgeting and adequacy of the annual precept

Internal Controls – A regular review would be made of:

- Recording of proper minutes; properly numbered and paginated with a master copy kept in safe keeping
- Review of Members' Interests
- Performance measurement
- A system of monitoring a loan
- Monitoring Grants – are they spent on what they say it is for? – it was recommended that an acknowledgement of receipt be requested with information on how and when the money has been spent (where appropriate).

- **Other Areas** – There were none at this stage.

7. Terms of Reference – The following Terms of Reference would be put to full Council for adoption at the next meeting:

- The Committee to consist of four Councillors, to include the Council Chairman, the Vice Chairman and the Chairman of Finance.
- The RFO will attend all meetings
- A quorum of three members is required for each meeting
- There will be a minimum of four meetings a year with additional meetings as required.
- Draft minutes will be submitted to all Council members
- The Committee will design and conduct an annual review of internal audit, together with any interim reviews it considers appropriate.
- The Committee will identify and update key risks facing the Parish Council and ensure appropriate risk management measures are in place.
- The Committee will devise and execute action plans arising from the above.

8. **Action Plan** – As per the above
9. **Items for Information** – There were none.

The meeting closed at 12.40pm.

Chairman