



## FINANCE, EMPLOYMENT AND RISK MANAGEMENT COMMITTEE

**Minutes** of an ordinary meeting of the Parish Council Finance, Employment & Risk Management Committee on Monday 11<sup>th</sup> July 2011 commencing at 1800 in The Parish Council Office Saddlemakers Lane Melton IP12 1PP.

**Present:**

Cllr Mrs BK Abbott  
Cllr Mr GK Butterwick  
Cllr Miss KS Martin

Cllr Mr HM Needham [Chairman]  
Cllr Mr A Thompson

**Absent:**

**In Attendance:**

Mr MJ Green - Clerk to Melton Parish Council

- 11.30 TO RECEIVE APOLOGIES FOR AND CONSIDER CONSENTING TO ANY ABSENCE**  
There were no apologies as all members of the committee were present.
- 11.31 TO RECEIVE DECLARATIONS OF INTEREST WITH REGARD TO ITEMS ON THE AGENDA AND ADDITIONS TO THE REGISTER**  
There were no declarations of interest with regard to items on the agenda or additions to the register
- 11.32 PUBLIC PARTICIPATION SESSION**
- 11.32.01 To receive representations from Councillors who have declared a prejudicial interest**  
There were no representations from Councillors as none had declared a prejudicial interest at item 11.31
- 11.32.02 To receive representations from members of the public in respect of items on the agenda only**  
There were no representations from members of the public.  
*As there were no members of the public present it was not necessary to lift standing orders.*
- 11.33 OPEN FORUM FOR MEMBERS OF THE PUBLIC TO TALK TO COUNCILLORS**  
There were no members of the public present.
- 11.34 TO APPROVE THE MINUTES OF PREVIOUS MEETINGS**
- 11.34.01 Finance and Risk Management Committee on 11<sup>th</sup> April 2011**
- 11.34.02 Amendment #1 – Add to those present Cllr Martin**  
With this one amendment **it was RESOLVED** that minutes FRM(11)M02 previously circulated be received, noted and signed as a correct record by the Chairman.  
**Proposed by:** Cllr Needham      **Seconded by:** Cllr Martin
- 11.35 TO REVIEW MANAGEMENT ACCOUNTS TO 30<sup>TH</sup> JUNE 2011**  
Concern was expressed about the additional expense being incurred on the cleaning up of the graffiti on the playing field. Committee was advised that there was a small contingency contained within the budget being used for this purpose and that this was being carefully monitored.

It was **RESOLVED** that the Management Accounts contained in paper FRM(11)35 previously circulated were received and noted.

**Proposed by:** Cllr Needham **Seconded by:** Cllr Martin.

**11.36 TO RECONCILE THE BANK STATEMENTS WITH THE MANAGEMENT ACCOUNTS**  
It was **RESOLVED** to confirm the bank reconciliation contained in paper FRM(11)P36 previously circulated.

**Proposed by:** Cllr Needham **Seconded by:** Cllr Martin.

**11.37 TO AUTHORISE SIGNING OF ORDERS FOR PAYMENT**  
It was **RESOLVED** to authorise the signing of orders for payment contained in paper FRM(11)P37 previously circulated. A copy of the paper is attached to these minutes.

**Proposed by:** Cllr Needham **Seconded by:** Cllr Martin.

**11.38 TO RECEIVE A REPORT ON ACTION TAKEN ON MATTERS ARISING NOT OTHERWISE ON THE AGENDA**

Paper FRM(11)P38 previously circulated was received and noted.

**11.39 TO REVIEW THE RISK MANAGEMENT POLICES AND PRACTICES OF THE COUNCIL**

**11.39.01 To Review the effectiveness of Internal Audit**

Paper FRM(11)P39.01 previously circulated was received and noted.

Councillors considered the Internal Audit Review Checklist and determined the following:

Expected Standard	Evidence of Achievement	Yes or No	Areas for Development
1. Scope of Internal Audit	Terms of reference re-approved 11/7/2011 [see item 11.39.02] Internal audit includes council's risk assessment Internal audit covers council's anti fraud arrangements	Yes Yes Yes	
2. Independence	Internal audit has direct access to RFO Reports are made in own name to management Audit has no other role in council	Yes Yes Yes	
3. Competence	No evidence of failure to carry out audit ethically with integrity and objectivity.[see item 11.39.02]	Yes	
4. Relationship	RFO is consulted on audit plan [dates and content agreed in writing [see 11.39.02] Responsibilities for RO & audit defined [see 11.39.02]  Responsibilities of councillors understood and training carried out as necessary	Yes Yes Yes	Assistant Clerk to be engaged in internal audit sessions Oct & April Additional help to be sought from Internal Audit to identify areas not covered by MPC Risk Management Plan Councillors Induction Manual Open conduct of inaugural meeting of council/committees at beginning of term

		No	RFO to prepare training plan for all councillors
		No	RFO to ensure that training encompasses risk management
5. Audit Planning and Reporting	Annual audit plan covers all risks facing the council and re-approved 11/7/2011 [see 11.39.02]	Yes	

**It was RESOLVED** to confirm that the council has undertaken a review of the effectiveness of the internal audit within the audit year 2011/12 in accordance with the Accounts and Audit (Amendment)(England) Regulations 2006.

**Proposed by:** Cllr Needham **Seconded by:** Cllr Martin.

**11.39.02 To confirm the appointment of Heelis and Lodge as Internal Auditors for 2012-2014**

Attached to these minutes are the following documents:

- (a) Terms of reference for the engagement of Heelis and Lodge as Internal Auditors
- (b) Audit Planning and Transport Committee
- (c) Information required to assist with the audit

**It was RESOLVED** to confirm the appointment of Heelis & Lodge as Internal Auditors for 2012-2014 subject to an annual review.

**Proposed by:** Cllr Needham **Seconded by:** Cllr Martin.

**It was further RESOLVED** that at the end of the financial year 2013/2014, for governance reasons, council will review the appointment of an internal auditor as Heelis & Lodge will then have completed eight such audits.

**Proposed by:** Cllr Needham **Seconded by:** Cllr Martin.

**11.40 TO CONSIDER AMENDMENTS TO STANDING ORDERS**

**11.40.01 To allow option for paper ballot in ADDITION to 'show of hands'**

- (a) Current Standing Order SO1 s  
Unless standing orders provide otherwise, voting on any question shall be by a show of hands. At the request of a Councillor, the voting on any question shall be recorded so as to show whether each councillor present and voting gave his vote for or against that question. Such a request shall be made before moving on to the next item of business on the agenda.
- (b) Proposed Standing Order SO1 s  
Voting on any question shall be by a show of hands, or if at least two members so request, by signed ballot.. At the request of a Councillor, the voting on any question shall be recorded so as to show whether each councillor present and voting gave his vote for or against that question. Such a request shall be made before moving on to the next item of business on the agenda.  
After much discussion, for reasons of transparency, **it was RESOLVED** not to adopt the revised standing order SO1 s as outlined in 11.40.01 (b).  
**Proposed by:** Cllr Needham **Seconded by:** Cllr Thompson.  
The Clerk was requested to obtain clarification on the meaning SO1 s - i.e. does this mean that the names and the direction of the vote of all councillors present and voting needs to be recorded or simply a summary of the numbers of votes for and against.

**11.40.02 To Propose Special Motion to Add, Vary or Revoke Standing Orders**

- (a) Current Standing Order SO32 b  
A motion to permanently add to or to vary or to revoke one or more of the Council's standing orders not mandatory by law shall not be carried unless two-thirds of the councillors at a meeting of the Council vote in favour of the same

- (b) Proposed Standing Order SO32 b  
A motion to add to or to vary or revoke one or more of the Council's Standing Orders, not mandatory by law, shall be proposed by a special motion, the written notice whereof bears the names of at least 4 councillors  
**It was RESOLVED** to recommend to full council the adoption of the revised standing order S0 32 b as outlined in 11.40.02 (b).  
**Proposed by:** Cllr Needham **Seconded by:** Cllr Thompson.

**11.40.03 To Change the number of days notice required for Substitute Committee Members**

- (a) Current Standing Order SO15 iv  
May appoint substitute councillors to a committee whose role is to replace ordinary councillors at a meeting of a committee if ordinary councillors of the committee have confirmed to the Proper Officer ten days before the meeting that they are unable to attend
- (b) Proposed Standing Order SO15 iv  
May appoint substitute councillors to a committee whose role is to replace ordinary councillors at a meeting of a committee if ordinary members of the committee have confirmed to the Proper Officer four days before the meeting that they are unable to attend  
**It was RESOLVED** to recommend to full council the adoption of the revised standing order S0 15 iv b as outlined in 11.40.03 (b).  
**Proposed by:** Cllr Needham **Seconded by:** Cllr Thompson.

**11.41 TO CONSIDER PRODUCING AN EMERGENCY PLAN FOR MELTON PARISH COUNCIL**

Following the incident in the car park of the playing field council requested the Finance, Employment and Risk Management Committee to undertake an assessment of whether there is a need for an emergency plan to cover such incidents.

Finance, Employment and Risk Management Committee assessed the risk involved in not having an emergency plan and agreed that the following should form the basis of an Emergency Plan for Melton Parish Council:

- First point of contact should be the Clerk to Melton Parish Council either by telephone or email at the Parish Council Office during normal office hours
- Second point of contact should be the Assistant Clerk to Melton Parish Council either by telephone or email at the Parish Council Office during normal office hours
- Appropriate telephone answering machine messages or email out of office messages should direct the caller in an emergency to the Melton Parish Council Councillor Mobile Phone to enable the caller to either call direct or send a text message should the parish council office be closed
- The Councillor mobile phone to be held by councillors on a rota basis organised by the Chairman of Melton Parish Council
- The Councillor will be responsible for ensuring that it is always switched on, fully charged, has sufficient credit, that messages are responded to and that it is passed on to the next councillor on the rota at the due time
- The Councillor mobile phone to be programmed with the contact numbers of all the councillors, Park Warden, Maintenance Contractor, Suffolk County Council Highways, Suffolk Coastal District Council and Woodbridge Safer Neighbourhood Team
- The Councillor should decide if they can deal with the emergency or pass it to the appropriate agency and depending on the severity of the emergency to advise all other councillors.

The Clerk to obtain the appropriate mobile phone and to confirm that the Park Warden also has an operable mobile phone and if not to provide one.

**It was RESOLVED** to recommend the adoption of the Melton Parish Council Emergency Plan to the next meeting of the full council.  
**Proposed by:** Cllr Needham **Seconded by:** Cllr Thompson.

**11.42 FINANCE COMMITTEE CHAIRMAN'S URGENT BUSINESS**

There was no urgent business.

**11.43 DATE OF NEXT MEETING**

There being no further business the meeting closed at 1940

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
[Chairman]

# HEELIS & LODGE

Local Council Services • Internal Audit

[www.heelisandlodge.co.uk](http://www.heelisandlodge.co.uk)

## Scope of Internal Audit work for Parish and Town Councils

Checking on and reporting to the Council on the adequacy of systems of control. Making recommendations where required.

<b>Proper book-keeping</b>	Receipts and payments books or computer records, regular reconciliation of books and bank statements. Supporting vouchers, invoices and receipts
<b>Financial regulations</b>	Standing Orders and Financial Standing Orders Tenders Appropriate payment controls including acting within the legal framework with reference to council minutes Identifying VAT payments and reclamation Cheque books, paying in books and other relevant documents
<b>Risk Assessment</b>	Appropriate procedures in place for the activities of the council
<b>Budgetary controls</b>	Verifying the budgetary process with reference to council minutes and supporting documents
<b>Income controls</b>	Precept and other income (where applicable), including credit control mechanisms
<b>Petty Cash</b>	Associated books and established system in place
<b>Payroll controls</b>	PAYE and NIC in place where necessary. Compliance with Inland Revenue procedures Records relating to contracts of employment
<b>Asset control</b>	Inspection of asset register and checks on existence of assets Cross checking on insurance cover and deeds (where applicable)
<b>Bank Reconciliation</b>	Regularly completed and cash books reconcile with bank statements
<b>Year-end procedures</b>	Appropriate accounting procedures are used and can be followed through from working papers to final documents Verifying sample payments and income Checking creditors and debtors where appropriate.

## Independence and Competence

The Audit Commission expects the function of Internal Auditor to be undertaken by a competent person who does not have any direct involvement in the Council's financial affairs, similar to that of an Independent Examiner appointed by a charity. (see paragraph 45 of 'A new approach to Local Council Audit', produced and published by the Audit Commission).

Both of the partners are Local Authority Financial Officers and qualified to Diploma level in Local Policy with over 16 years experience, and are considered by both the Audit Commission and the Charity commission, to fulfil the criteria relating to independence and competency tests, to act as Independent Internal auditors to Town and Parish councils.

Contact details : Hall Farm House, Loudham Lane, Pettistree, Suffolk, IP13 0NQ  
Tel: 07732 681125 Email: [heatherheelis@tiscali.co.uk](mailto:heatherheelis@tiscali.co.uk) or [Lynne.Lodge@btinternet.com](mailto:Lynne.Lodge@btinternet.com)

Heather Heelis Dip HE Local Policy PILCM

Lynne Lodge Dip HE Local Policy

**HEELIS&LODGE Audit Plan**

**Review of effectiveness of Internal Audit for (insert name of council)** \_\_\_\_\_

Expected Standard	Evidence of Achievement	Yes or No	If the answer is 'no', state the action to be taken
Scope of internal audit	Has the Council approved the Heelis & Lodge scope of audit work? Is the Council satisfied with what the internal audit work covers or do you require any additional work?		
Independence	Are Heelis & Lodge independent from the management of the council?		
Competence	Is the internal audit work carried out with integrity, objectivity and a good understanding of local council legislation and procedures?		
Relationships	Is the Clerk/RFO consulted on the internal audit plan and the scope of each audit?  Is the Clerk/RFO and the internal auditor aware of their responsibilities in relation to internal control? <i>(Refer to your councils risk management policies e.g. risk assessments, Standing Orders and Financial Regulations)</i>  Do councillors understand their responsibilities for financial management? <i>(It is the council as a whole that is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control for all the activities and services that they undertake and provide, which includes arrangements for the management of risk.- Governance and Accountability for Local Councils: A Practitioners' Guide 2008)</i>		
Audit Planning and reporting	Does this audit plan take account of all the risks facing the council? Has this audit plan been approved by the council? Have you received an internal audit report following each audit?		

**Date of approval by Council:** \_\_\_\_\_

# HEELIS&LODGE

## Local Council Services • Internal Audit

**Parish/Town Council**

\_\_\_\_\_

(please insert name of parish or town council)

Information required to assist with the audit

To assist us to carry out the audit, we would be grateful if you could supply the following information.

Confirmation of receipts/payments for the year:	Total receipts	£
	Total payments	£

Number of electors \_\_\_\_\_

**Minute references or dates of :**

Budget meeting (from previous year) \_\_\_\_\_

Setting of precept (previous year) \_\_\_\_\_

Appointment of RFO \_\_\_\_\_

Review of Risk Assessment \_\_\_\_\_

Reclamation of VAT \_\_\_\_\_

Review of internal control \_\_\_\_\_

Review of internal audit \_\_\_\_\_

Review of Standing Orders/  
Financial Regulations \_\_\_\_\_

Review of fees (if applicable) \_\_\_\_\_

Reference to Trust Fund/asset management  
as sole Trustee (if applicable) \_\_\_\_\_

Last Charity return (if applicable) \_\_\_\_\_

**Please return this form with your accounts**

Contact details : Hall Farm House, Loudham Lane, Pettistree, Suffolk IP13 0NQ

Tel: 01728 747789 or 01473 625477

Email: [heatherheelis@tiscali.co.uk](mailto:heatherheelis@tiscali.co.uk) or [lynne.lodge@btinternet.com](mailto:lynne.lodge@btinternet.com)

Heather Heelis Cert HE Local Policy  
Lynne Lodge Dip HE Local Policy



Parish/Town Council

\_\_\_\_\_  
(please insert name of parish or town council)

Documents required for Internal Audit

**Include all documents relating to the audit year**

- Receipts and payments books
- \* Petty cash book and receipts
- \* Postage book
- Minutes for the audit year **plus** relevant pages from the **previous year** for setting of precept, budget meetings etc.
- Bank statements (all accounts)
- Bank reconciliation for each account
- Cheque book(s) including current cheque book and paying in books
- Salaries/payroll details
- Insurance Cover
- Assets Register
- Risk Assessment
- End of year accounts – R&P or I&E
- Copy of Standing Orders and Financial Regulations
- Invoices/Receipts
- VAT records
- \* Tenders during the year
- Annual return sheet for the previous year
- Internal audit report for the previous year (if not Heelis & Lodge)
- Annual return sheet for the current year (if received)

\* If applicable

**Please return this form with your accounts**

Contact details : Hall Farm House, Loudham Lane, Pettistree, Suffolk IP13 0NQ

Tel: 01728 747789 or 01473 625477

Email: heatherheelis@tiscali.co.uk or lynne.lodge@btinternet.com

Heather Heelis Cert HE Local Policy  
Lynne Lodge Dip HE Local Policy



Accounts for Payment

<b>PV No.</b>	<b>Supplier</b>	<b>Payment Method</b>	<b>Reason</b>	<b>Amount</b>
<b>Transfers</b>				
01-Apr	Barclays Bank plc	Transfer	Monthly Standing Order	£ 3,000.00
01-May	Barclays Bank plc	Transfer	Monthly Standing Order	£ 3,000.00
01-Jun	Barclays Bank plc	Transfer	Monthly Standing Order	£ 3,000.00
P12/15	Barclays Bank plc	Transfer	Cash for invoices	£ 3,000.00
				<u>£ 12,000.00</u>

**Monthly Costs**

P12/04	Lindos P C Ltd	102203	Room Hire	£ 30.00
P12/09	Timico	DirDebit	Broadband	£ 45.94
P12/11	Clerk	102208	Month 1	£ 770.78
P12/12	Assistant Clerk	102209	Month 1	£ 222.17
P12/13	Park Warden	STO	Month 1	£ 189.94
P12/14	HMRC	102210	Month 1	£ 316.64
P12/23	Timico	DirDebit	Broadband	£ 45.94
P12/25	SCL	102214	Woodland Maintenance	£ 796.46
P12/27	SCL	102214	Building Maintenance	£ 191.76
P12/28	Clerk	102215	Month 2	£ 770.58
P12/29	Assistant Clerk	102216	Month 2	£ 222.17
P12/31	Park Warden	STO	Month 2	£ 89.94
P12/30	HMRC	102217	Month 2	£ 316.84
P12/35	Timico	DirDebit	Broadband	£ 32.33
P12/43	HMRC	102228	Month 3	£ 316.84
P12/44	Clerk	102229	Month 3	£ 770.58
P12/45	Assistant Clerk	102230	Month 3	£ 222.17
P12/46	Park Warden	STO	Month 3	£ 89.94

£ 5,441.02

**Quarterly Charges**

P12/16	BT	DirDebit	Quarterly Office Telephone Account	£ 51.62
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£ 51.62

**Six monthly Charges**

**Accounts for Payment**

<b>PV No.</b>	<b>Supplier</b>	<b>Payment Method</b>	<b>Reason</b>	<b>Amount</b>
P12/10	PWLB	DirDebit	Loan Interest Charges	£ 1,077.65
P12/31	Pest Control Services Ltd	102218	1/2 Year Pest Control Contract	£ 186.00
				£ 1,263.65
<b>Annual/One Off Charges</b>				
P12/01	SCDC	102201	Licence for The Street Sign	£ 25.00
P12/02	SCDC	102201	Licence for the Bredfield Road Bus Shelter	£ 1.00
P12/03	Linn Barringer Ltd	102202	Domain Hosting Fee	£ 62.00
P12/05	SCL Ltd	102204	Ditch Clearance/footpath clearance/graffiti clearance	£ 1,024.15
P12/06	SALC	102205	Annual Subscription	£ 801.00
P12/07	Viking	102206	Stationery	£ 187.16
P12/08	BTS	102207	Councillor Training	£ 150.00
P12/20	SACRE	DirDebit	Annual Subscription	£ 25.00
P12/21	Cllr Martin	102211	Parish Meeting Expenses	£ 26.29
P12/22	BTS	102212	Assistant Clerk Training	£ 150.00
P12/24	Broker Network Ltd	102213	Insurance	£ 2,012.03
P12/27	SCL Ltd	102214	Graffiti Removal	£ 90.00
P12/33	Viking	102219	Stationery	£ 294.36
P12/34	Heelis & Lodge	102220	Internal Audit Fee	£ 235.00
P12/36	SALC	102221	Power of Well Being Training	£ 90.00
P12/37	Lindos Psychotherapy Centre	102222	Hire of meeting room for POWB Training & key for Vice Chair	£ 32.50
P12/38	Viking	102223	Stationery	£ 55.74
P12/39	Essex Shoe Repairs	102224	Office Keys/Pavilion Keys for Vice Chairman	£ 26.10
P12/40	CPW	102225	Pavilion Keys for Vice Chairman	£ 20.00
P12/41	SLCC	102226	Annual Subscription	£ 72.00
P12/47	Viking	102231	Postage Stamps	£ 136.55
				£ 5,515.88
<b>Grand Total</b>				£ 24,272.17

The Lindos Centre Saddlemakers Lane Melton Woodbridge IP12 1PP  
 Tel: 01394 382224 Fax 01394 382224 Website: www.melton-suffolk-pc.gov.uk