

Minutes of Extraordinary Parish Council Meeting held on Monday 4th June 2018 at 7:30pm

Present: Coun P Ridley (Chair), Coun A Moore, Coun O Poulter, Coun Sanderson, R Dale (Clerk – part of meeting)

This extraordinary meeting was called to deal solely with three urgent items of business held over from the full Parish Council 30th May. These items were from the section of the meeting from which members of the public had been excluded by vote under item 18 of that agenda, since they deal with matters which are sensitive and confidential. It was therefore not considered appropriate or necessary to publish an official notice of this meeting on the noticeboards or on the website as the entirety of this meeting falls into that category.

1. To receive apologies for absence

Coun. Gouldthorpe sent his apologies.

2. To receive the report of the Internal Audit inspection carried out on 31st May 2018.

The Clerk had identified an independent Internal Auditor (a retired chartered accountant who had previously worked with Veritau) and who carried out an Internal Audit on 31st May, the day after the last full Council meeting. It was noted that, in the AGAR for 2016/2017 the former Clerk had signed the Internal Audit section of the report as having been conducted by herself. He indicated that it was unacceptable for an audit to be conducted by a person who is not independent of the procedures and controls being investigated.

The Internal Audit investigation involves spot-checking individual transactions, and the Auditor had only discovered one, from May 2017, where there was a minor discrepancy in the amount of VAT reclaimed from HMCR. However, he did not consider the amount involved to be significant.

He also drew attention to two omissions from the Council's current accounting controls and procedures, specifically that :

- (a) there had been no recent Risk Assessment (the last was carried out in 2012) and that a new Assessment should be conducted as a matter of priority which will need to take into account the development of the new Play Park, which was significantly different from the one that had existed in 2012.
- (b) There was no Asset Register in existence. This would be required before the annual insurance policy was renewed, which is due on 1st July.

He further commented that the Council should tighten up on its approval procedures for payments made by internet bank transfer, which is less rigorous than where payment is made by cheque, where two signatories from the mandate are required. He noted the absence of a formal Financial Regulations document which should define, for example, the approval levels required for different types of payment, and what discretion the Clerk may exercise in the purchasing of, for example, office supplies and other consumables.

3. To review and approve the Annual Governance Statement included within the Annual Governance and Accountability Return (AGAR) for 2017/2018.

Council has already approved the Accounting Statements which are included in the AGAR. This was done as part of the Annual General Meeting of the Council which was incorporated into the last full Council Meeting on 30th May (minute ref. 3.3).

Council now further approved the Annual Governance Statement which is a self-declaration regarding our systems of internal control. Two areas of weakness were acknowledged, and these are broadly the same as the two identified by the Internal Auditor. The Chair was authorised to sign the AGAR subject to these qualifications so that this could be sent to the External Auditors within the next week.

4. To review and approve annual Clerk payment

In recognition of the significant increases in the Clerk's workload as a consequence of recent changes in Government legislation, including – but not limited to – the introduction of the new General Data Protection Regulations (GDPR), it was unanimously agreed to increase the Clerk's salary by 50% per annum, backdated to the start of 2018/2019. In addition, a retrospective one-time bonus of £250 was also approved with respect to the exceptional workload during and following the handover from the previous Clerk, and in resolving the issues surrounding the completion of the Play Park project.

It was noted that current HMRC guidelines require Clerk salaries to be paid under PAYE (as advised by the Internal Auditor), and not treated as self-employed income. It would not be feasible to start up an internal payroll system for processing the salary of the one sole member of staff. The Clerk was therefore instructed to investigate how other smaller Councils dealt with this situation. It was understood that there are agencies who will handle this on behalf of the Council for a fee.

5. Any Other Business

Couns. Poulter and Sanderson agreed to become the Council's delegated representatives to the YLCA. All Council members, as well as the Clerk, are entitled to attend YLCA regional meetings (of which there are normally three each year), but only Couns. Poulter and Jameson when attending those meetings will be permitted to vote on any resolutions.

The meeting closed at 8.05pm

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