

PADDOCKWOOD TOWN COUNCIL
The Podmore Building, St Andrews Field, St Andrews Road
Paddock Wood, Kent, TN12 6HT
Telephone: 01892 837373
www.paddockwoodtc.kentparishes.gov.uk

**NOTICE OF A MEETING OF PADDOCK WOOD TOWN COUNCIL TO BE HELD VIRTUALLY
VIA ZOOM ON Monday 15th June, AT 7.30 PM**

This meeting will be held virtually using Zoom. If any member of the public wishes to attend the meeting please contact clerk@paddockwoodtc.co.uk by Sunday 14th June 2020 and the meeting id and password will be forwarded to you. A copy of the protocol is available on the Town Council website.

QUESTIONS FROM RESIDENTS (15 minutes)

If any resident wishes to ask a question of the council, please submit it to the Clerk two working days before the meeting.

QUESTIONS/COMMENTS FOR THE BOROUGH & COUNTY COUNCILLOR (10 minutes)

APOLOGIES.

C11 DECLARATIONS OF INTEREST

C12 MINUTES OF PREVIOUS MEETINGS

- (a) To APPROVE the minutes of the meeting held 18th May 2020
- (b) To NOTE the minutes of the meeting of the Planning Committee held on 18th May & 1st June 2020.
- (c) To NOTE the minutes of the Estates Committee meeting held on 8th June 2020

C13 MATTERS ARISING FROM THE PREVIOUS MINUTES

- (a) The travellers left Green Lane after 2 weeks. Two skips were required to clear the rubbish. The Estates Committee has agreed to install a cleft post and 2 rail chestnut fence as per the attached photograph, to prevent further incursions and is seeking Council's permission to use funds from the reserves to pay for the fencing (£4,300) There is a total of £14,325 remaining in the landscaping fund for Green Lane.
- (b) The grants which had been approved at the previous meeting had been paid out and letters of thanks received.

C14 FINANCE

- (a) To note the receipts list voucher.
- (b) To APPROVE the payments list.
- (c) To APPROVE the annual accounts
- (d) To note the internal auditors report – this will be considered at the Finance Meeting on the 22nd June 2020
- (e) To APPROVE & SIGN the Annual Governance Statement – the Risk Register, for 2019/2020 which was approved at the meeting held on 20 May 2019 is attached for information.
- (f) To APPROVE & SIGN the Annual Accounting statements.
- (g) To APPROVE the Variable Direct Debit list

C15 COVID 19 RE-OPENING OF TOWN CENTRES

The government is allowing the re-opening of non-essential retailers from the 15th June 2020. The Borough Council has published re-opening packs for local shops, and they will be delivered to the Town Council offices for distribution/collection. Signage will also be installed reminding shoppers to maintain social distancing.

See the chairman's email dated 2 June, which is attached.

C16 NEIGHBOURHOOD PLAN

See attached report

C17 COMMUNITY CENTRE

The meeting scheduled to be held on 3rd June has been deferred until the 10th June. The tenders have been received back from contractors.
A verbal update will be given at the meeting.

The minutes of the meeting held on the 6th May will be forwarded once they have been approved by the board.

C18 REPORTS FROM REPRESENTATIVES

- (a) Chairman's meeting – The parish chairmen have been meeting virtually once week since the start of the crisis.
- (b) Paddock Wood Business Association
- (c) Bereko Committee
- (d) KALC
- (e) Medway Valley Line
- (f) Hop Pickers
- (g) Youth Council
- (h) Putlands Leisure Centre Liaison meeting
- (i) Persimmon Liaison Meeting
- (j) Strategic sites meeting – the minutes have been circulated to members of the town council and NP steering group by email.
- (k) Website- the new website is currently being set up by Admin Assistant. Members will be sent a link so they can view the work in in progress. The website is not yet live.

C19 DATE OF NEXT MEETING

The next meeting will take place on Monday 20th July 2020



NICHOLA REAY
Clerk to the Council

9th June 2020

TOWN COUNCIL MEETING
15TH June 2020

CLERK'S REPORT

Agenda Item

C15 RE-OPENING OF TOWN CENTRES

Chairman's email dated 2nd June 2020

As the Town Council meeting is on 15th June the day of the reopening of some shops in Paddock Wood I would like to update you on what has been going on behind the scenes in order to prepare for this.

You will already be aware that the KALC Chairman have weekly Zoom meetings and most of these have been attended by William Benson who keeps us updated on what the Borough is currently doing re COVID 19.

Guidance has been produced for premises in Tunbridge Wells and a 're-opening pack' has been put together by the BID including signage to promote social distancing, queueing guides and stickers and signs to promote contactless payment and home deliveries. The re-opening pack has been shared with parish councils with an offer to personalise them to each parish/town and print at cost if required.

I have spoken to Richard Barsley in his capacity as Chairman of the Business Association and forwarded the posters to him as the Business Association is probably best placed to know what is needed. In addition I have put him in touch with Hilary Smith at TWBC.

Nichola and I also had a phone conversation with David Candlin & Hilary Smith at the end of last week. TWBC is working with KCC to look at changes to make the town more pedestrian-friendly, and to help with social distancing. Hilary also agreed to send the guidance produced for premises in Tunbridge Wells to Paddock Wood businesses.

We are waiting to see what assistance the Town Council might be able to give and will update you as soon as we know.

Update

A letter has been sent to all Town Centre premises by the Borough Council. Re-opening packs will be delivered to the Town Council offices for distribution to those businesses who have requested them.

C16 NEIGHBOURHOOD PLAN

Recruitment of new consultant for Paddock Wood Neighbourhood Plan

Three consultants were contacted to quote for the work. One had retired and was not taking on any more work. The other two had met with the Clerk and Chairman. Following the meetings one consultant declined to quote as he did not have the capacity for the work but did recommend an alternative consultant. The third

consultant quoted, but members felt that the offer was limited in its scope, and an alternative should be sought.

A fourth consultant was approached and put forward a detailed proposal (attached for members only)

The consultant had most recently worked with Hailsham, who had similar issues to Paddock Wood.

The chairman talked through the proposal with members at their meeting held on the 20th May 2020,

The proposal detailed technical support packages which the group were not aware of previously. These could be completed by the group or the consultants for an additional fee. The proposal also discussed innovative engagement ideas, grant funding (a further £9,000 in grant funding was available), how they would meet regularly with the group and TWBC. The current draft plan would need to be re-visited, due to the proposed local plan. The timeline would need to be reviewed due to the Covid 19 situation.

Members agree that consultant should be invited to attend a meeting with steering group.

The Steering Group were very impressed and unanimously agreed that the Town Council should be asked to employ consultant D to take the NP forward.

Two verbal references have been obtained from Hailsham and Chalfont St Peter parish councils. Both spoke extremely highly of the consultants and had no hesitation in recommending them.

The NP group currently has £23,165 left for the project, and a further £9,000 of grant funding is available.

The consultant's costs will be higher than originally budgeted for and a request for additional funding will need to be made to the Council in the next financial year. This is likely to be for between £5000 and £10,000.

There have been significant changes since the NP was started, resulting in the increased costs

- The draft local plan has caused delays along with the master planning process which is progressing very slowly.
- Plans in the draft local plan for Paddock Wood are much more extensive than originally envisaged eg the NP was advised by TWBC there would be no development north of the railway bridge, so the NP stopped at that point. Therefore, the scope of the NP has got to be expanded.
- The Town Centre plans may need to be revised as the ownership of the derelict land in the Town Centre land has changed.

Summary

| CONSULTANT | |
|------------|---|
| A | Has now retired and not taking on any more work |
| B | Following a meeting with the Clerk & Chairman declined to quote as they did not have sufficient capacity for the work |
| C | £7500 – the offer was limited in its scope and not acceptable to the NP group |
| D | £32,912 – recommended by the NP group |

The Town Council is asked to APPROVE consultant D to complete the Neighbourhood Plan.

The Steering Group also discussed whether the Town Council should have the proposal, along with its Terms and Conditions checked, professionally. It was felt that this was a decision which should be made, and paid for, by the town council.

NICHOLA REAY
Clerk to the Council
9th June 2020



Paddock Wood Town Council

BALANCE SHEET

31/03/2020

(Last) Year Ended
31 Mar 2019(Current) Year Ended
31 Mar 2020

| £ | | £ |
|-------------------|---|-------------------|
| | CURRENT ASSETS | |
| 0.00 | Stocks and stores | 0.00 |
| 0.00 | Work in progress | 0.00 |
| 0.00 | Debtors (Net of provision for doubtful debts) | 0.00 |
| 0.00 | Payments in advance | 0.00 |
| 9,943.83 | VAT Recoverable | 17,986.61 |
| 0.00 | Temporary lendings (investments) | 0.00 |
| 358,577.18 | Cash in hand | 387,958.30 |
| 368,521.01 | TOTAL ASSETS | 405,944.91 |
| | CURRENT LIABILITIES | |
| 0.00 | Creditors | 0.00 |
| <u>368,521.01</u> | NET ASSETS | <u>405,944.91</u> |
| | Represented by: | |
| 368,521.01 | General fund Balance | 405,944.91 |
| | Reserves: | |
| 0.00 | Capital | 0.00 |
| 0.00 | Earmarked | 0.00 |
| 0.00 | Adjustments | 0.00 |
| <u>368,521.01</u> | | <u>405,944.91</u> |

The above statement represents fairly the financial position of the council as at 31 Mar 2020

Signed


 Responsible Financial Officer

Date

9 June 2020

Paddock Wood Town Council
Income & Expenditure Account
01/04/2019 to 31/03/2020

| (Last) Year Ended 31 Mar 2019 | | (Current) Year Ended 31 Mar 2020 |
|----------------------------------|----------------------------|-------------------------------------|
| | <u>Income</u> | |
| 1,280.00 | Allotments | 1,300.00 |
| 7,257.70 | Day Centre | 5,845.23 |
| 81.65 | Footway Lighting | 0.00 |
| 439,246.55 | Office/administration | 453,000.44 |
| 21,185.37 | Estates | 21,982.99 |
| 13,857.16 | Cemetery | 15,005.50 |
| 892.96 | Pavilion Cafe | 0.00 |
| <u>£483,801.39</u> | | <u>£497,134.16</u> |
| | <u>Expense</u> | |
| 6,373.70 | Day Centre | 8,598.70 |
| 1,519.01 | Footway Lighting | 1,747.96 |
| 18,649.02 | Grants and Loans | 29,778.42 |
| 51,475.82 | Community Centre | 47,762.36 |
| 1,328.28 | Allotments | 1,250.79 |
| 120,236.32 | Office/administration | 131,442.03 |
| 209,650.51 | Estates | 216,088.82 |
| 111.53 | Pavilion Cafe | 0.00 |
| 7,485.12 | Public toilets | 7,485.00 |
| 500.00 | Neighbourhood Plan | 2,585.57 |
| 18,820.26 | Cemetery | 12,282.22 |
| | Covid - 19 expenses | 688.39 |
| <u>£436,149.57</u> | | <u>£459,710.26</u> |
| | <u>General Fund</u> | |
| 320,869.19 | Balance at 01 Apr 2019 | 368,521.01 |
| 483,801.39 | ADD Total Income | 497,134.16 |
| 804,670.58 | | 865,655.17 |
| 436,149.57 | DEDUCT Total Expenditure | 459,710.26 |
| 368,521.01 | | 405,944.91 |
| 0.00 | DEDUCT Reserves Balance | 0.00 |
| <u>£368,521.01</u> | Balance at 31 Mar 2020 | <u>£405,944.91</u> |

PADDOCK WOOD TOWN COUNCIL
Accounts
For the year ending 31st March 2020
Supporting statement

Assets

The only assets the council acquired in 2020 were 3 defibrillators plus cases for a cost of £4294. These are installed at Day centre, Memorial Pavilion and Green Lane pavilion.

A detailed asset register is attached to these notes.

BORROWINGS

At the close of business on 31st March 2020 the following loans from the Public Works Loan Board to the Council were outstanding:

| Loan Number | Purpose | Date of Loan | Expiry Date | Amount o/s |
|-------------|-------------------------------|---------------|---------------|------------|
| 232763 | Purchase of allotments | February 1954 | February 2034 | £189.09 |
| 493397 | Construction of new workshops | June 2007 | June 2032 | 48,000 |

ADJUSTMENTS

There were no adjustments made for the Day Centre in respect of underpayments nor for the allotments in respect of prepayments, as these for the most part will be similar, year on year.

RESERVES

There are thirteen funds set up by the Council, which are detailed, in the accompanying schedule, showing all fund movements between 1 April 2019 and 31 March 2020, with closing balances as at year-end, totalling £397,098.09.

SECTION 137 PAYMENTS

Section 137 of the Local Government Act 1972, enables Town and Parish Councils to spend up to the product of £8.12 per head of electorate for the benefit of people in the area on activities or projects not specifically authorised by other powers.

The limit for this Council for year ended 31 March 2019 was ££47,729 and there was Section 137 payments made in the year.

Donation for poppy wreath £50


Leases

| | |
|---|-------------|
| Ricoh Photocopier (Contract commenced December 2018) | £2,520/year |
| Kubota Ride on Mower (lease commenced May 2017) | £4,776/year |
| Christmas Light (Lease commenced Dec 2019) | £5000/year |

Float holdings as of 31st March 2020 equals £100 petty cash.

Signed: _____
Chairman

Date: _____



Responsible Financial Officer
9/6/2020

RESERVES MARCH 2020

| Fund | | Transfer from 2018/19 year end | Transfers from 2019/2020 | Interest Jun & sept | Interest Marc | Totals |
|----------------------------------|--------------------|-----------------------------------|-----------------------------|------------------------|------------------|--------------------|
| General Reserve | £125,325.13 | £31,000.00 | | £575.03 | £306.34 | £157,206.50 |
| Gov Support grant | £20,248.68 | | | | | £20,248.68 |
| TOTAL VALUE OF FUND | £145,573.81 | £31,000.00 | | £575.03 | £306.34 | £177,455.18 |
| | | | | | | |
| Foal Hurst Wood Reserve | £3,075.00 | | | | | £3,075.00 |
| Sports Facility Fund | £95.15 | | | | | £95.15 |
| Mascalls Development shelters | £36,826.21 | | | | | £36,826.21 |
| | £223.52 | | | | | £223.52 |
| Elections | £2,146.00 | | £6,000.00 | | | £8,146.00 |
| PPV fund | £5,264.00 | | | | | £5,264.00 |
| Estates equipment fund | £8,600.00 | | | | | £8,600.00 |
| Office equipment fund | £1,719.00 | | | | | £1,719.00 |
| Building maintenance fund | £5,936.58 | | £11,000.00 | | | £16,936.58 |
| Play area maintenance | £5,185.00 | | £5,000.00 | | | £10,185.00 |
| War memorial | £1,000.00 | | | | | £1,000.00 |
| skate park improvements | £10,000.00 | | £10,000.00 | | | £20,000.00 |
| Centre | £4,500.00 | | | | | £4,500.00 |
| Cemetery car park fund | £6,000.00 | | £12,000.00 | | | £18,000.00 |
| Total held in reserve account | £236,144.27 | £31,000.00 | £44,000.00 | £575.03 | £306.34 | £312,025.64 |
| | | | | | | |
| Held in current acc | | | | | | |
| Community Facility | £106,471.00 | | | | | £106,471.00 |
| Neighbourhood Plan | £23,765.00 | | | | | £23,765.00 |
| | £130,236.00 | | | | | £130,236.00 |
| TOTAL VALUE OF FUND | £366,380.27 | | | | | £397,098.09 |

ASSET REGISTER

PADDOCK WOOD TOWN COUNCIL

Infrastructure

| | Location | Date Acquired | Proxy value | Current Insured Value |
|---------------------------------|---|---------------------|----------------------|-----------------------|
| Memorial Playing Field Pavilion | Maidstone Rd | 1952 | £71,687.00 | £126,632.39 |
| Allotment Store | Maidstone Rd | 1952 | £55,502.00 | £98,042.30 |
| War memorial | Commercial Road | 1965 | £31,845.00 | £39,036.47 |
| Podmore Building (Office) | St Andrews Rd | Renovated in 2001 | £176,935.00 | £312,553.83 |
| St Andrews Community hall | St Andrews Rd | Renovated in 1998 | £124,844.00 | £220,533.74 |
| Elm Tree Pavilion | Pearsons Green Rd | Built 1990 | £109,238.00 | £192,963.25 |
| Tennis Courts, Memorial PF | Maidstone Rd | | £1.00 | £1.00 |
| Day Centre (Leased land) | Commercial Road | Built 1978 | £129,038.00 | £227,942.33 |
| New Workshops | Maidstone Rd | built 2008 | £205,000.00 | £299,154.72 |
| Green Lane pavilion | Green Lane | Built 2000 | £158,590.00 | £237,214.00 |
| Skateboard Park | Mascalls Court Rd | 2008 | £64,700.00 | £87,396.28 |
| Street Light Columns x 8 | Nursery Road x 1 Lucknow Road x 1 St Andrews Rd x 4 St Andrews Field x 2 | | £27,162.00 | £14,333.67 |
| Log Climber, Memorial PF | Maidstone Rd | 2010 | £20,000.00 | £25,091.89 |
| Play Equipment, Memorial PF | Maidstone Rd | 2016 | £68,000.00 | £69,056.75 |
| Adult Fitness Equipment | St Andrews Rd | 2011 | £10,000.00 | £12,545.95 |
| Junior Play Equipment | St Andrews Rd | 2011 | £23,000.00 | £28,855.67 |
| Play Equipment, | St Andrews Rd | 2012 | £58,879.00 | £64,339.97 |
| Play Equipment | Clover Way | 2000 | | £15,000.00 |
| Play Equipment | Green lane | 2000 | | £15,000.00 |
| Play Equipment | The Ridings | Transferred in 2006 | | £5,000.00 |
| Bus Shelters x 2 | Maidstone Rd | 2006 | £8,212.00 | £12,545.94 |
| Bus Shelters x 2 | Maidstone Rd | 2011 | £9,770.00 | £12,545.94 |
| Defibrillators x 3 | Green Lane Podmore Day centre | 2019 | £4,294.00 | £4,635.00 |
| | | | £1,356,697.00 | £2,120,421.09 |

ASSET REGISTER

PADDOCK WOOD TOWN COUNCIL

Assets are defined as land, buildings, vehicles, plant and equipment. Land has a nominal value of £1.
As of the 31st March 2020 assets owned by Paddock Wood Town Council were as follows:

| Land | Location | Date Acquired | Purchase Price | Current Value |
|-------------------------------|---------------------|----------------------------------|--|-------------------|
| Memorial Playing Field | Maidstone Road | 1954 | Transferred from Brenchley PC | £1.00 |
| St Andrews Play Field | St Andrews road | 1954 | Transferred from Brenchley PC | £1.00 |
| Elm Tree Playing Field | Pearsons Green Rd | 1974 | | £1.00 |
| Green Lane Playing Field | Green Lane | 2002 | Transferred from Countryside as part of S106 agreement | £1.00 |
| The Ridings Play area | The Ridings | 2008 | Transferred from TWBC | £1.00 |
| Foal Hurst Wood | Badsell Road | 2001 | | £1.00 |
| Badsell Road (two meadows) | Badsell Road | 2001 | | £1.00 |
| FHW Entrance Meadow | Badsell Road | 2001 | | £1.00 |
| Badsell Allotments | Badsell Road | 1978 | | £1.00 |
| Ringden Allotments | Ringden Avenue | 1954 | Transferred from Brenchley PC | £1.00 |
| Kent Close Allotments | Kent Close | | | £1.00 |
| Mount Pleasant Corner | Maidstone Road | 1981 | | £1.00 |
| Whites Corner | Commercial Road | 2000 | | £1.00 |
| Alliance Way/Maidstone Rd POS | | | | £1.00 |
| Cobbs Close POS | Cobbs Close | | | £1.00 |
| Putlands Playing Field | Mascalls Court Road | 1986 | land transfer from J Hall | £1.00 |
| New Cemetery | Church Road | section A 1954 Section B 1986 | £1,000 £23,000 | £1,000 £23,000 |
| Closed Church Yard | Church Road | 1959 | closed in 1959 & transferred to PWTC | £1.00 |
| Fuggles Close POS | Fuggles Close | 2016 | Transfer from TWBC | £1.00 |
| The Batters | Maidstone Road | 2016 | Transfer from TWBC | £1.00 |
| Total | | | | £24,019.00 |

ASSET REGISTER
PADDOCK WOOD TOWN COUNCIL

| Equipment | Location | Date Acquired | Purchase Price | Current Value |
|---------------------------------|-----------------|----------------------------------|-----------------------|----------------------|
| Dell computer (Admin Assistant) | Podmore | 2010 | £786.00 | £150.00 |
| Dell Computer(Estates Manager) | Podmore | 2005 | £738.00 | £150.00 |
| HP Computer (Town Clerk) | Podmore | 2018 | £563.00 | £563.00 |
| HP Computer (Deputy Clerk) | Podmore | 2018 | £563.00 | £563.00 |
| HP Lap Top | Podmore | 2018 | £597.00 | £597.00 |
| QNAP Nas Device | Podmore | 2018 | £435.00 | £435.00 |
| Miscellaneous Office Equipment | Podmore | 2018 | | £1,000.00 |
| Water Bowser | Workshops | | £1,000.00 | £1,000.00 |
| BCS Bank Commander Mower | Workshops | 2003 | £4,484.00 | £1,121.00 |
| Case Tractor | Workshops | | £2,000.00 | £1,000.00 |
| Cricket Roller | workshops | 2006 | £2,200.00 | £1,000.00 |
| Ransome Certes Mower | workshops | 2016 | £3,500.00 | £3,500.00 |
| Miscellaneous Estates Equipment | Workshops | | £22,635.00 | £46,310.00 |
| Christmas Lights | Workshops | 2019 | £5,000.00 | £5,000.00 |
| Street Furniture | Various | | £4,244.00 | £4,000.00 |
| Speedwatch indicator board | Podmore | 2010 | £2,000.00 | £2,229.00 |
| Toyota Drop side Van | Workshops | 2011 | £7,200.00 | £6,000.00 |
| Peugeot partner Van 2009 | workshops | 2013 | £3,200.00 | £3,200.00 |
| Trailer | Workshops | 2013 | £2,861.00 | £1,500.00 |
| Kubota Ride on Mower | Workshops | 2017 | LEASED | £23,000.00 |
| | | | £64,006.00 | £79,318.00 |
| | | Total value of all assets | £1,444,722.00 | £2,174,973.39 |

| Risk Assessment <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="background-color: red; color: white; padding: 2px 5px; text-align: center;">HIGH 0</div> <div style="background-color: yellow; color: black; padding: 2px 5px; text-align: center;">MEDIUM 1</div> <div style="background-color: green; color: white; padding: 2px 5px; text-align: center;">LOW 15</div> </div> | <div style="text-align: center;"> Paddock Wood Town Council INTERNAL AUDIT 2019-2020 AUDIT PLAN WITH COMMENTS / FINDINGS </div> <p>I am pleased to report to Members of the Paddock Wood Town Council (the "Council"), that I have completed my annual internal audit of the Council's records for the twelve month period to 31 March 2020, following my audit visit and subsequent conversations on 13 May 2020.</p> <p>Councillors should be aware that my work cannot be relied upon to identify the occasional omission or insignificant error, nor do I actively seek evidence of breaches of trust or statute, neglect or fraud, which may have taken place. It is the responsibility of the Councillors of the Council to guard against such events, but if during my audit testing such events are discovered I am duty bound to disclose such events to the Council.</p> <p>I would like to take this opportunity to thank the Town Clerk, Ms Nichola Reay for her assistance given to me during my audit visit.</p> | | |
|---|---|--|--|
| Area | Item | Comments / Findings Annual Audit 13 May 2020 | |
| Previous Audits | <ul style="list-style-type: none"> • Date of last External Audit Certificate or Exemption Certificate • Comments if any • Publication on website. • Date of last Internal Audit Comments if any • Review of any items outstanding from previous internal / external audit reports. | <p>PKF Littlejohn signed off the AGAR 2018-19 on 24 Sept 2019. Received by Council 21 Oct 2019 (Min C83c).</p> <p>There were no comments.</p> <p>Posted on the website</p> <p>29 May 2020 Circulated to Council 17 June 2019 (Min C27) referred to the Finance Committee 24 June 2019 (F3)</p> <p>Outstanding matters included tweaks to the Asset Register, the application for a Lloyds Bank credit card facility to replace the defunct debit card, update of the bank mandate and spread of cash investments to take advantage of the FSCS protection.</p> | |

| | | |
|--|---|--|
| Minutes | <ul style="list-style-type: none"> • Scan of the minutes of the Council's meetings and the Finance Committee. • Localism Act 2011 • General Power of Competence ? • Dispensations • S.40 LA&A Act 2014 filming/recording | <p>Scan of published Minutes on website for 2019-20 and reference4d throughout this Report. The Council has commenced "Virtual Meetings" since April 2020, Estates Comm 11 May 2020 included reference to safe working for the Estates Staff.</p> <p>n/a</p> <p>The recording of Meetings was agreed Council 19 Aug 2019 Min C54 The recordings are used by the staff to write up the Minutes and then deleted. The Town Clerk advised that the current website does not have the capacity to upload recordings of Meetings.</p> <p>10 of the 13 seats available were filled at the May 2019 Elections. 3 vacancies for East Ward, Council 20 May 2019 (Min C10) discussed the "co-option" process of the 3 vacant seats.</p> <p>Co-option Meeting 24 July 2019 to discuss the 4 applications Min C46 Cllrs Ridger and Barrett appointed, the 3rd seat was deferred pending further advice. Cllr Kent appointed Council 19 Aug 2019 Min 51</p> <p>DPI's for Cllrs are available via a weblink to the TWBC website</p> <p>May 2023</p> |
| Code of Conduct/ Acceptance of Office | <ul style="list-style-type: none"> • Date adopted • Any changes in elected/co-opted members since last Audit ? • DPI's complete • DPI's on website or weblink • New Governance Compliance • NEXT ELECTION ? | <p>The Policy, Procedures and Protocol Committee (PPP) take the lead on reviewing all the Council's policies and procedures.</p> <p>Council 27 May 2019 Min C7a & c</p> <p>SO amendments discussed by PPP Comm 18 Aug 2019</p> <p>Finance Comm 18 Feb 2020 Min F29 - discussed and agreed several amendments to the Fin Regs including various financial limits.</p> <p>Covid-19 delegations to Town Clerk approved by Council 16 March 2020 Min C139</p> |
| Standing Orders and Financial Regulations | <ul style="list-style-type: none"> • Have they been formally adopted and applied? • Have any changes been made since they were adopted or the last audit? • Have any changes been formally adopted by the Council? • Updated re New NALC Models SO's 2018, Fin Regs 2019 ? • Two signature rule still in place? | <p>Two signature rule in place</p> |

| | | |
|-----------------|---|---|
| Risk Management | <ul style="list-style-type: none"> ● Risk Assessments – Are they: <ul style="list-style-type: none"> ○ Carried out regularly? ○ Adequate? ○ Reported in the minutes? ○ ANNUAL REVIEW ? ● Insurance cover – is it: <ul style="list-style-type: none"> ○ Appropriate/Adequate? ○ LTA in place? ○ Reviewed regularly? ○ Fidelity Guarantee Cover £ (Balances + ½ Precept) ● Internal controls – are they: <ul style="list-style-type: none"> ○ Documented? ○ Adequate? ○ Reviewed regularly? ○ Statement of Internal Control (SIC)? ● Systems and Procedures – are they: <ul style="list-style-type: none"> ○ Documented? ○ Adequate? ○ Followed? ○ Reviewed regularly? | <p>The Risk Assessment Register was reviewed by Council 20 May 2019 (Min C7i) Finance Comm (24 June 2019 Min F8) Health Safety Audit issues to be addressed by Estates Comm and Action Plan be monitored monthly by a full Council agenda item.</p> <p>Estates Comm receive reports on the Safety Inspections</p> <p>Mr Farnes of the Estates Team has renewed his "Routine Inspection Certificate" (for play equipt etc) (Min ES54 – 14 Oct 2019</p> <p>The ANNUAL REVIEW of the Risk Management would have been done by the PPP Committee and any comments or proposed changes passed onto Council for consideration. as part of the Council to approve the AGAR 2019-20. The Town Clerk will endeavour to get the review done as soon as possible amongst the many other things to catch up with!</p> <p>The Council has a 5-year Long-term Agreement with Zurich Municipal which expires on 31 March 2023. The policy includes motor insurance for the Council's fleet.</p> <p>The current level of Fidelity Guarantee is £500,000</p> <p>The Council has an extensive range of policies and procedures in place which are listed on the website at the Annual Meeting 20 May 2019 (Min C7) approved the recommendations from the PPP Comm (23 April 2019) including Standing Orders, Financial Regulations, Terms of Reference, a new H&S Policy, Data Protection, Complaints Procedure, Freedom of Information. Min C8) similarly approved the PPP recommendations of the Employment Policies (4) and Procedures (2)</p> |
|-----------------|---|---|

| | | |
|--|---|---|
| Budgetary Controls | <ul style="list-style-type: none"> Is the annual budgeting process reported and approved by the Council? <ul style="list-style-type: none"> Budget/Precept amounts minuted? Is the actual performance against the budgets reported to the Council during the year <ul style="list-style-type: none"> Compare with Fin Regs? Are significant variances explained in sufficient detail? | <p>Budget monitoring is provided by reports from the Scribe Accounts package, detailed reports to the Finance Comm, and Estates Comm as the biggest budget holder. The Council receives Qtrly Monitoring Reports.</p> <p>The Draft Budget bids for 2020-21 was reviewed by the Finance Comm 13 Jan 2020 Min F24 recommended a Budget of £461,342 allowing for a 2019-20 residue of £15,904, an overall increase of 2.3% equivalent to £3.47pa for a Band D property. Min F25 a recommended Precept of £461,642</p> <p>Council approved the Budget and Precept 2020-21 20 Jan 2020 Min C114c & d</p> |
| Section 137 expenditure £8.12 FOR 2019-20 (£7.86 FOR 2018-19) | <ul style="list-style-type: none"> What is the cash limit for the year? Is a separate account/analysis kept? Has the cash limit been exceeded? Have the spending powers been properly used and Minuted? | <p>Only used for the Poppy Wreath £50</p> |
| Book-keeping | <ul style="list-style-type: none"> Cashbook - is it: <ul style="list-style-type: none"> Fit for purpose? Up to date? Arithmetically correct? Balanced regularly? | <p>Scribe Accounts – managed by the Town Clerk.</p> <p>Yes Yes Yes Yes</p> <p>The Town Clerk advised me that the Admin Asst will be looking after the finances for the new community centre build as and when it gets built.</p> |

| | | |
|------------|--|---|
| Petty Cash | <ul style="list-style-type: none"> Has the amount of petty cash float been agreed? Are all petty cash entries recorded? Are payments made from petty cash fully supported by receipts / VAT invoices? Are petty cash reimbursements signed for? Is petty cash reimbursement carried out regularly? Is petty cash balance independently checked regularly | £100 float held in the Office |
| Payroll | <ul style="list-style-type: none"> Who is on the payroll and are contracts of employment in place? Who is the RFO? Have there been any changes to the establishment during the year? Have there been any changes to individual contracts during the year? Have new appointments and changes to contracts been approved and minuted? Do salaries paid agree with those approved by the Council? Have any ad-hoc payments or benefits been appropriately approved? Have PAYE/NIC requirements been properly applied and accounted for? Payroll outsourced? WORKPLACE PENSION IN PLACE | <p>The Personnel Committee 4 Nov Min PER10, reviewed staff salaries for 2020-21, incremental points and 2.5% increase approved.</p> <p>There has been no change in personnel from 2019-20 with 8 staff on the payroll.</p> <p>The Estates Committee had discussed an additional Groundsman during 2019-20, an appointment was planned for March 2020, but has not been possible. The Town Clerk and Estates Manager will look at this again when interviews can be done properly.</p> <p>Pay records were inspected and found to be in order with appropriate accounting of the Tax, NI and Pensions</p> <p>In-house Sage 50 payroll software</p> <p>Aviva Pension in place 6 staff are contributors.</p> |

| | | |
|-----------------|--|---|
| Payments | <ul style="list-style-type: none"> Are all payments recorded and supported by appropriate documentation? Are payments minuted? Review of DD's and SO's ? STAFF costs definition for inclusion in Box 4 for 2019-20, check parity for 2018-19 ? Currently includes salary, tax, NIC & Pension (employee & ers) + taxable benefits (home working allowance, broadband & phone allowance etc NOT incl. Has VAT been identified, recorded and reclaimed? Are items above a de minimus amount purchased competitively? Have internal control procedures been adhered to? Contracts: <ul style="list-style-type: none"> What contracts exist? Compliance with SO's Have any new contracts or contract variations/extensions been awarded in the year? Procedures adopted for letting of contracts Have contract payments been made in accordance with the contract document? | <p>Payments listing provided to every Council Meeting available on the Council's website under Finances tab. All invoices are checked by the Clerk and by the Estates Manager as required.</p> <p>The variable DD list was approved by Council 20 May 2019 (Min C11g)</p> <p>Staff definition used within Scribe complies with the AGAR definition.</p> <p>VAT claims: 1 April to 30 June 2019 - £11,918 1 July to 30 Sept 2019 - £5,181 1 Oct to 31 Dec 2019 - £6,943 1 Jan to 31 Mar 2020 - £17,983 – to be claimed in 2020-21</p> <p>Most of the large contracts are overseen by the Estates Comm. Eg Min ES 73 - Play Areas replacement of fencing St Andrews Play Area Min ES 91 – Play equip- new Rocking Horse Min ES 92 – Mowing Contract for 2020-21 Commercial Services – Grds Mtce Contract Kidmans Ltd – Estate machinery mtce etc. Gen 2 - Technical Project Manager for the Community Centre Project (Mr Dan Deed)</p> <p>Finance Comm 25 Nov 2019 Min F19a) as part of the early Budget consideration for 2020-21 noted the existing contracts in place.</p> |
|-----------------|--|---|

| | | | | | | | | | | | | | | |
|----------------------------------|---|--|--------------------|-----------|--------------------------|----------|----------------------|------------|--------------|-------------------|----------------------------|----------|-------------------------|-------------------|
| Receipts | <ul style="list-style-type: none">Are all receipts recorded correctly?Are all receipts promptly banked?Precept, CTSG and Sect 136 paymentsAre internal controls of cash adequate?Are invoicing arrangements adequate? | <p>Council 20 May 2019 Min C13 – accepted an offer of £30,000 from Persimmons for land at their Green Lane development. I gather the Council has not received the money yet, Finance Comm 25 Nov 2019 Min F16 - approved fee & tariff increases for 2020-21 Cemetery fees 3% and all other fees by 3% except Allotments, which were subject to a separate arrangement. Income received in 2019-20 included Allotments - £1,300, Day Centre £5,845, Estates £21,983, Cemetery - £15,005</p> <p>Potential future S106 funding (£300k +) re additional housing at Mascalls Farm, Badsell Road – Council 20 Jan 2020 Min C119</p> <p>I viewed copies of invoices raised showing VAT where applicable eg Hire of St Andrews Hall and the abbreviated dockets used for the cemetery fees paid via Funeral Companies</p> | | | | | | | | | | | | |
| Bank reconciliation & PWLB Loans | <ul style="list-style-type: none">What current/deposit accounts exist?FSCS aware and compliant?Are bank reconciliations regularly carried out for each account?Level of Balances to Precept ratioAre the cheque counterfoils, paying-in books and bank statements adequately referenced?When was the last review of the banking arrangements?Internet Banking/Corporate Card ?Signature review (Two signatures required?)Any PWLB loans ? | <p>The Finance Comm (24 June 2019 – Min F7) discussed my Report and the recommendation for an Investment Policy – Chairman and Town Clerk to seek advice and cost of professional advice. Investment Policy – adopted Finance Comm 18 Feb 2020 Min F30</p> <p>An Investment Policy was due to go to Council in March 2020 for adoption before the Country “locked down”, but nothing else has changed. The Clerk has provided me with a copy and as expected the primary concern is security of funds. Only £85,000 is secure currently, which is why I have raised this issue in previous years! There is an emphasis on “credit ratings” within the Policy, which is not really relevant as the Council should be seeking the FSCS protection by having no more than £85,000 per financial institution.</p> <p>Three accounts are held with Unity Trust Bank.</p> <table><tr><td>Current a/c (6394)</td><td>- £80,925</td></tr><tr><td>Wages Imprest a/c (6404)</td><td>- £1,056</td></tr><tr><td>Liquidity a/c (6417)</td><td>- £312,025</td></tr><tr><td>TOTAL</td><td>- £394,006</td></tr><tr><td>Less unrepresented cheques</td><td>- £6,048</td></tr><tr><td>AGAR net balance</td><td>- £387,958</td></tr></table> <p>This is £29,000 higher than 31 March 2019, all invested with the same bank.</p> <p>Council 21 Oct 2019 (Min C83d) – did have 6 signatories only 4 remain as Cllrs following May 2019 Elections, Cllrs M Flashman, Hamilton, Moon and Williams, Cllrs Turk and Boyle added. Cllr Thomas and Ex-Cllr John Flashman removed.</p> <p>2 PWLB Loans in existence the balances outstanding as at 31 March 2020 = £48,189</p> | Current a/c (6394) | - £80,925 | Wages Imprest a/c (6404) | - £1,056 | Liquidity a/c (6417) | - £312,025 | TOTAL | - £394,006 | Less unrepresented cheques | - £6,048 | AGAR net balance | - £387,958 |
| Current a/c (6394) | - £80,925 | | | | | | | | | | | | | |
| Wages Imprest a/c (6404) | - £1,056 | | | | | | | | | | | | | |
| Liquidity a/c (6417) | - £312,025 | | | | | | | | | | | | | |
| TOTAL | - £394,006 | | | | | | | | | | | | | |
| Less unrepresented cheques | - £6,048 | | | | | | | | | | | | | |
| AGAR net balance | - £387,958 | | | | | | | | | | | | | |

| | | |
|----------------------------------|---|--|
| Assets and Asset Register (AR) | <ul style="list-style-type: none"> Are all the material assets owned by the Council recorded in an AR ? Is the AR up to date? Basis of Asset Values? Are investments recorded? Are the valuations regularly reviewed? Does the AR show the insurance values ? Digital Photographic evidence? Is there a separate Inventory List of low value items (e.g. below the insurance excess levels) ? | <p>Paddock wood Community Centre – Approved the Frankham RiBA Stage 3 report subject to conditions as listed in the Council 9 Dec 2019 Minute C100</p> <p>Extraordinary Council 24 Feb 2020 Min C136 approved the RiBA Stage 3 proposals and the Community Centre Board given permission to tender, procure and recommend a Pre-Construction Services Agreement with the winning contractor to the Council.</p> <p>In a recent Community Centre Update from the Town Clerk (12 May 2020) Gen 2 had been appointed to provide a Technical Project Manager (Mr Dan Deed). 4 contractors had submitted expressions of interest to the Kent Framework and credit checks done. Invicta Law had advised on appropriate amendments to the JCT contracts including Covid-19 issues.</p> <p>An anticipated timeline indicated that the PCSA contract award would be made on 17 July 2020.</p> <p>Asset Register as at March 2020 shows a net increase year on year = £1,149 having taken into account the removal of the old assets such as the Christmas lights listed at £8,145, the new ones £5,000.</p> |
| Year-end procedures Inc. AGAR | <ul style="list-style-type: none"> Does the AGAR Statement of Accounts agree with the cashbook? Is there an audit trail from the financial records to the accounts? Have debtors and creditors been properly recorded? Date of approval of AGAR & Certificate of Exemption if applied PROOF of public rights provision during summer 2019 & website- AIAR ICO L New governance compliance regime - refer to new Practitioners' Guide 2019 | <p>Accounting records were checked against the figures to be used in the AGAR Statement of Accounts for 2019-20, including the Bank Reconciliation.</p> <p>The 2018-19 AGAR was approved by Council 20 May 2019 (Min C11 e & f)</p> <p>Date of Announcement – 25 June 2019 Public Inspection period – 26 June to 6 August Evidence – Evidence provided from the website activity.</p> <p>NB the Clerk needs to make sure the new website can provide the same information.</p> |

| | | |
|---|--|---|
| <p>Additional tests – (as necessary)</p> | <ul style="list-style-type: none"> • Computer systems: <ul style="list-style-type: none"> ○ The procedures for the backing up of computerised records ○ Council owned PC/laptop ? ○ Email security ○ Encryption of data? • Record keeping and the arrangements in place to store previous year's accounts etc. • Annual review of the effectiveness of Internal Audit inc. Appointment of IIA • Annual Statement of Internal Control • Website host and Webmaster • Website functionality & accessibility NALC L09-18 • TRANSPARENCY CODE compliant ? • Post GDPR (25 May 2018) <ul style="list-style-type: none"> ○ Privacy Notice ○ Cllr email addresses? ○ Email disclaimer ○ Other matters | <p>There have been no changes to the IT support, back-up and security arrangements. The Council uses Affin IT for support including Cloud back-up services.</p> <p>I was re-appointed your IIA for 2019-20 Finance Comm 25 Nov 2019 Min F18.</p> <p>The Town Clerk and Admin Asst are the webmasters. The Council used the free EiS website provided by KCC during 2019-20, but the Council is transferring its website data to a new web platform provided by NetWise UK following extensive research by the Admin Asst (Council 15 July 2019 Min C39) who identified 3 possible providers. Council 18 Nov 2019 Min C94 selected Netwise UK</p> <p>The Admin Asst is using the lockdown period to build the new website and having attended the KALC Accessibility training will be making sure the website complies with the 2018 Accessibility Regs. Quite a few of the Councils I have audited so far have an "App" usually called an "accessibility menu", which provides various aids to be able to view the websites. Suggest the Council consider adding it to your website. view www.brenchleyandmatfield.co.uk and www.wrothampc.org</p> <p>GDPR -info Ltd were retained as the Council's DPO for 20019-20</p> <p>Council 16 Dec 2019 Min C104b the Clerk had set up dedicated email addresses for all Cllrs, which would be implemented in the New Year 2020. Council 20 Jan 2020 Min C133a All Cllrs issued with their email addresses and passwords hoped to start using in February 2020 with recommendations for 2-stage authentications for improved security. PPP Comm 27 Jan 2020 Min PPP18e Email Policy amended to confirm ONLY official email addresses for Cllrs would be used. EG joebloggs@paddockwoodtc.co.uk</p> <p>The Clerk advised that during 2019-20 there had been discussion about the use of tablets/laptops by Cllrs to reduce the use of paper, which would have facilitated the "virtual meetings" taking place at the moment!</p> |
|---|--|---|

Annual Governance and Accountability Return 2019/20 Part 3

To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities*:

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but that:
 - are unable to certify themselves as exempt (fee payable); or
 - have requested a limited assurance review (fee payable)

Guidance notes on completing Part 3 of the Annual Governance and Accountability Return 2019/20

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Part 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with *Proper Practices*.
2. The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:
 - The **Annual Internal Audit Report** is completed by the authority's internal auditor.
 - **Sections 1 and 2** are to be completed and approved by the authority.
 - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published **before 1 July 2020**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both) **no later than 30 June 2020**. Reminder letters will incur a charge of £40 +VAT:
 - the Annual Governance and Accountability Return Sections 1 and 2, together with
 - a bank reconciliation as at 31 March 2020
 - an explanation of any significant year on year variances in the accounting statements
 - notification of the commencement date of the period for the exercise of public rights
 - Annual Internal Audit Report 2019/20

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the limited assurance review and is able to give an opinion, the Annual Governance and Accountability **Section 1, Section 2 and Section 3 – External Auditor Report and Certificate** will be returned to the authority by email or post.

Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on a publicly accessible website:

Before 1 July 2020 authorities **must** publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2019/20**, approved and signed, page 4
- **Section 2 - Accounting Statements 2019/20**, approved and signed, page 5

Not later than 30 September 2020 authorities **must** publish:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 and 2 of AGAR** including any amendments as a result of the limited assurance review.

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

*for a complete list of bodies that may be smaller authorities refer to schedule 2 to the Local Audit and Accountability Act 2014.

Guidance notes on completing Part 3 of the Annual Governance and Accountability Return 2019/20

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this Annual Governance and Accountability Return. *Proper Practices* are found in the *Practitioners' Guide** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the Annual Governance and Accountability Return is complete (no highlighted boxes left empty), and is properly signed and dated. Where amendments are made by the authority to the AGAR after it has been approved by the authority and before it has been reviewed by the external auditor, the Chairman and RFO should initial the amendments and if necessary republish the amended AGAR and recommence the period for the exercise of public rights. If the AGAR contains unapproved or unexplained amendments, it may be returned and additional costs will be incurred.
- The authority **should** receive and note the annual internal audit report if possible before approving the annual governance statement and the accounts.
- Use the checklist provided below to review the Annual Governance and Accountability Return for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2020.
- Do not send the external auditor any information not specifically requested. However, **you must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chairman, and provide relevant email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the Annual Governance and Accountability Return covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (**Section 2, page 5**). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide**.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or variances are not fully explained, additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2019) equals the balance brought forward in the current year (Box 1 of 2020).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the period for the exercise of public rights. From the commencement date for a single period of 30 consecutive working days, the approved accounts and accounting records can be inspected. Whatever period the RFO sets it **must** include a common inspection period – during which the accounts and accounting records of all smaller authorities must be available for public inspection – of the first ten working days of July.
- The authority **must** publish the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2020**.

| Completion checklist – 'No' answers mean you may not have met requirements | | Yes | No |
|--|--|-----|----|
| All sections | Have all highlighted boxes have been completed? | | |
| | Has all additional information requested, including the dates set for the period for the exercise of public rights , been provided for the external auditor? | | |
| Internal Audit Report | Have all highlighted boxes been completed by the internal auditor and explanations provided? | | |
| Section 1 | For any statement to which the response is 'no', has an explanation been published? | | |
| Section 2 | Has the authority's approval of the accounting statements been confirmed by the signature of the Chairman of the approval meeting? | | |
| | Has an explanation of significant variations from last year to this year been published? | | |
| | Has the bank reconciliation as at 31 March 2020 been reconciled to Box 8? | | |
| | Has an explanation of any difference between Box 7 and Box 8 been provided? | | |
| Sections 1 and 2 | Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? NB: do not send trust accounting statements unless requested. | | |

**Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices*, can be downloaded from www.nalc.gov.uk or from www.ada.org.uk

Annual Internal Audit Report 2019/20

PADDOCK WOOD TOWN COUNCIL

This authority's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation **during** the financial year ended 31 March 2020.

The internal audit for 2019/20 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

| Internal control objective | Agreed? Please choose one of the following | | |
|--|--|-----|----------------|
| | Yes | No* | Not covered** |
| A. Appropriate accounting records have been properly kept throughout the financial year. | ✓ | | |
| B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for. | ✓ | | |
| C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these. | ✓ | | |
| D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate. | ✓ | | |
| E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for. | ✓ | | |
| F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for. | ✓ | | |
| G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied. | ✓ | | |
| H. Asset and investments registers were complete and accurate and properly maintained. | ✓ | | |
| I. Periodic and year-end bank account reconciliations were properly carried out. | ✓ | | |
| J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded. | ✓ | | |
| K. IF the authority certified itself as exempt from a limited assurance review in 2018/19, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2018/19 AGAR tick "not covered") | | | ✓ |
| L. The authority has demonstrated that during summer 2019 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations. | ✓ | | |
| M. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee. | Yes | No | Not applicable |
| | | | ✓ |

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

13/05/2020

DD/MM/YY

DD/MM/YY

Name of person who carried out the internal audit

David J Buckett OF INTERNAL AUDITOR

Signature of person who carried out the internal audit

D. J. Buckett

Date

13/05/2020

*If the response is 'no' you must include a note to state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned, or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Section 1 – Annual Governance Statement 2019/20

We acknowledge as the members of:

PADDOCK WOOD TOWN COUNCIL
ENTER NAME OF AUTHORITY

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2020, that:

| | Agreed | | |
|---|--------|-----|--|
| | Yes | No* | |
| 1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements. | | | <i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i> |
| 2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness. | | | <i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i> |
| 3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances. | | | <i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i> |
| 4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations. | | | <i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i> |
| 5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required. | | | <i>considered and documented the financial and other risks it faces and dealt with them properly.</i> |
| 6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems. | | | <i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i> |
| 7. We took appropriate action on all matters raised in reports from internal and external audit. | | | <i>responded to matters brought to its attention by internal and external audit.</i> |
| 8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements. | | | <i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i> |
| 9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit. | Yes | No | N/A |
| | | | |

*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

DD/MM/YY

and recorded as minute reference:

MINUTE REFERENCE

Signed by the Chairman and Clerk of the meeting where approval was given:

Chairman

SIGNATURE REQUIRED

Clerk

SIGNATURE REQUIRED

Other information required by the Transparency Codes (not part of Annual Governance Statement)

Authority web address

www.paddockwoodtc.kentparishes.gov.uk WEBSITE ADDRESS

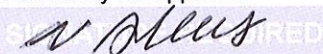
Section 2 – Accounting Statements 2019/20 for

PADDOCK WOOD TOWN COUNCIL
ENTER NAME OF AUTHORITY

| | Year ending | | Notes and guidance |
|---|--------------------|--------------------|---|
| | 31 March 2019 £ | 31 March 2020 £ | |
| 1. Balances brought forward | 320869 | 368521 | Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year. |
| 2. (+) Precept or Rates and Levies | 438301 | 451366 | Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received. |
| 3. (+) Total other receipts | 45251 | 45767 | Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received. |
| 4. (-) Staff costs | 170055 | 175116 | Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments. |
| 5. (-) Loan interest/capital repayments | 7097 | 6873 | Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any). |
| 6. (-) All other payments | 258746 | 277719 | Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5). |
| 7. (=) Balances carried forward | 368521 | 405944 | Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6). |
| 8. Total value of cash and short term investments | 358577 | 387958 | The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation. |
| 9. Total fixed assets plus long term investments and assets | 1443573 | 1444722 | The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March. |
| 10. Total borrowings | 52198 | 48189 | The outstanding capital balance as at 31 March of all loans from third parties (including PWLB). |
| 11. (For Local Councils Only) Disclosure note re Trust funds (including charitable) | Yes | No | The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets. |
| | | ✓ | N.B. The figures in the accounting statements above do not include any Trust transactions. |

I certify that for the year ended 31 March 2020 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

 SIGNED

Date

08/06/20

I confirm that these Accounting Statements were approved by this authority on this date:

DD/MM/YY

as recorded in minute reference:

MINUTE REFERENCE

Signed by Chairman of the meeting where the Accounting Statements were approved

SIGNATURE REQUIRED

Section 3 – External Auditor Report and Certificate 2019/20

In respect of

PADDOCK WOOD TOWN COUNCIL
ENTER NAME OF AUTHORITY

1 Respective responsibilities of the body and the auditor

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2020; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with guidance issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (see note below). Our work **does not** constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and **does not** provide the same level of assurance that such an audit would do.

2 External auditor report 2019/20

(Except for the matters reported below)* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the authority:

(continue on a separate sheet if required)

3 External auditor certificate 2019/20

We certify/do not certify* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2020.

*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YY

*Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)

PADDOCK WOOD TOWN COUNCIL

RISK ASSESSMENT AND MANAGEMENT 2019

| Area | Risk | Level | Control (<i>and agreed improvements</i>) |
|--------------------------|---|-------|--|
| Assets | Protection of physical assets | L | Buildings insured. Value increased annually by RPI. |
| | Security of buildings, equipment etc | L | Alarms on all buildings. Serviced annually. Estates and Office Equipment marked with SMART WATER or infrared markers. Warning stickers attached |
| | Maintenance of buildings etc | L | Buildings currently maintained on an ad hoc basis. PAT testing carried out annually. Fixed appliance testing carried out every 5 years. Fire Extinguishers serviced annually. A planned maintenance programme is being developed by the Estates Committee |
| Community Centre Project | See separate risk register | | |
| Finance | Banking | L | All funds held at Unity Trust Bank. Alternative institutions to hold reserve funds to be investigated. |
| | Business interruption | L | Insurance cover. Sum insured £20,000 for all premises (to cover relocating office). Loss of revenue £59,000. Computers backed-up to cloud-based system |
| | See separate Finance Risk assessment | | |
| Health and Safety | Risk to staff, volunteers & public | m | The Town Council has commissioned a full H & S audit of all council buildings, procedures & processes. Action plan to be produced as a result of the report. New H & S handbook to be approved. |
| Liability | Risk to third party, property or individuals | M | Insurance in place. £10 m public liability Open spaces checked regularly. All damage investigated when reported/discovered outside of routine inspections Professional contractors used when required |
| | Legal liability as consequence of asset ownership (especially burial ground, playgrounds and skateboard park) | M | Insurance in place. Twice Weekly checks of playgrounds and skate park. Written records kept. Fields walked by staff weekly, ponds checked twice weekly. Annual checks by independent auditor of playgrounds and skateboard park. Annual safety check of memorial stones carried out by Estates Manager. Professional stone mason contacted if any stones are cause for alarm. 2-year |

| | | | |
|----------------------|---|---|--|
| | | | safety check on trees by qualified arboriculturalist. |
| Employer Liability | Comply with Employment Law | M | Membership of SLCC & NALC. Clerk & Deputy Clerk attend training courses. Annual review of all policy documents. |
| | Comply with HMRC requirements | L | Regular advice from HMRC and Sage. Internal and external auditors carry out annual checks. |
| | Safety of Staff and visitors | L | Access phone / camera fitted to restrict access to Podmore building. Risk assessments in place for regular routine work. To be reviewed in light of the H & S Audit |
| Legal Liability | Ensuring activities are within legal powers | L | Clerk clarifies legal position on any new proposal. Legal advice to be sought where necessary. |
| | Proper and timely reporting via the Minutes | L | Council meets once a month and receives and approves Minutes. Minutes made available to press and public at the Council Office and via the web site. |
| | Proper document control | L | Leases and legal documents held by the council's solicitors Warners, copies of documents in Clerk's office. Other data storage to comply with General Data Protection Regulations Retention of Documents and Data Protection Policy in place. |
| Councillor propriety | Registers of Interests and gifts and hospitality in place | L | Register of interest forms completed, by all councillors and sent to TWBC. Members asked to review form annually. |
| Council Vehicles | Ensuring vehicles used in safe legal manner. | L | All vehicles fully comprehensively insured for all purposes, and for all staff and councillors. Estates Manager assesses driving standards for vans, mowers and tractors when a new member of staff joins the council. Driving licences checked when a new member of staff joins the council. Tax and MOT up to date. Vans serviced when required. Driving licences checked annually |

| | | | |
|---------------------|---|---|---|
| IT Security | Loss of data, abuse of systems | L | Council has computer usage policy which is signed by members of staff with access to the computers. Email usage policy also in place. Data backed to Cloud based Storage |
| Data Protection | Failure to comply with GDPR which came into force 25 th May 2018 | L | Council has appointed a Data Protection Officer to ensure compliance. |
| Traveller Incursion | Incursion of travellers on council land | H | Council contributes to TWBC fund which accesses support from the Community Safety Unit in the event of an incursion. Notices served on travellers by clerks/councillors as early as possible to speed up the removal process. Additional security measures are being explored |

This risk management to be approved by the Council on 21st May 2019 and will be reviewed again in 12 months.

Paddock Wood Town Council
Direct Debit Schedule
9th June 2020

| PAYEE | Goods/Services | Frequency | Amount/Variable |
|-----------------|-----------------------|-----------|-----------------|
| BNP Paribas | Mower lease | Monthly | £398.00 |
| SSE | Electricity all sites | Monthly | Variable |
| Wex Europe | Fuel (Esso Station) | Monthly | Variable |
| Insight Systems | Copier lease | Quarterly | Variable |
| O2 | Mobile phones | Monthly | Variable |
| British Telecom | All Sites | Quarterly | Variable |
| Aviva | Pension contributions | Monthly | Variable |
| Sage Software | Licence fee | Monthly | £40.80 |
| Lilli Waste | Refuse Collection | Monthly | Variable |