



## NETTLESTONE AND SEAVIEW PARISH COUNCIL

MINUTES OF THE PARISH COUNCIL MEETING  
held at Seagrove Pavilion, Seaview on Tuesday 18<sup>th</sup> October 2022 at 7pm

**PRESENT:** Cllrs Elliott (Chair), Hadfield, Redpath, Rogers, Barry and Geernaert-Davies.

The Chair welcomed Members (6) and Residents (3).

The Chair invited comments from the public in attendance but none were forthcoming.

### **22/137**

Chair's Comments:

N/A.

### **22/138**

Apologies for Absence:

Cllrs Adams, Colledge, Marlton and Hardie sent their apologies, which were accepted.

### **22/139**

Declarations of Personal and Prejudicial Interest:

N/A

### **22/140**

To approve the Minutes of the Previous PC meeting held on the 26th September 2022.

The members voted to approve the minutes of the meeting held on the 26<sup>th</sup> September 2022.

### **22/141**

Clerk's Report:

The Clerk's report is attached to these minutes as Appendix A.

**22/142**

Planning:

22/142/01: Delegated decisions as per the list circulated were noted.

22/142/02: Planning Applications:

Application:	Address:	Description:	Resolved:
<a href="#">22/01603/HOU</a>	The Stables Barnsley Farm Bullen Road Nettlestone Isle Of Wight	Demolition of carport; Proposed formation of 2 storey rear/ side extension with dormer, single storey rear extension with living green roof, two storey rear detached garage with solar PV on roof, infilling of existing garage door and erection of bin and recycling storage, internal alterations, new boundary wall and landscaping.	The Parish Council adopted a neutral position to this application but noted concerns with piecemeal development of sites.
<a href="#">22/01612/HOU</a>	Robin Hill Seaview Lane Nettlestone Seaview Isle Of Wight PO34 5DG	Proposed decking area to front with storage underneath and spa pool	The Parish Council adopted a neutral position to this application but noted concerns about noise pollution for neighbouring properties.
<a href="#">22/01627/HOU</a>	Reedham Duver Road Seaview Isle Of Wight PO34 5AJ	Roof replacement and conversion of roof space for additional first floor, with internal configurations.	The Parish Council supported this application.
<a href="#">22/01751/FUL</a>	Oakstead Seaview Lane Nettlestone Seaview Isle Of Wight PO34 5DG	Demolition of existing dwelling; proposed replacement dwelling	The Parish Council adopted a neutral position to this application.

22/142/03:Appeals:

No new appeals to note.

**22/143**

Reports:

22/143/01: I.W.C Ward Cllr: N/A.

22/143/02: N&SCP: The Clerk read a report sent in by Cllr Hardie – attached to these minutes as Appendix B.

22/143/03: Seagrove Pavilion Trust: Cllr Elliott reported that the NaSHers had trimmed trees in the car park and several taps had been upgraded in the pavilion.

22/143/04: Nettlestone Residents Association: Nothing to report.

22/143/05: IWALC: N/A

22/143/06: Others: N/A.

**22/144**

NEIGHBOURHOOD PLAN:

There was discussion on whether to take the Neighbourhood Plan forward as a full plan, it was decided to bring the item back to a future meeting and investigate what would be involved if the Council was to start a full plan.

**22/145**

PSPO – SPRINGVALE AND SEAVIEW BEACHES:

The members discussed the 'Public Space Protection Order' (PSPO) in place on Springvale Beach and the role that this plays in protecting natural spaces for birds – it was decided that the Clerk would ask the Isle of Wight Council (IWC) Environment Officer if educational signs could be put in place to help explain the reasons for the PSPO (as can be seen in other parts of the Country). The item regarding Seaview Beach had been put on the agenda by Cllr Hardie. Cllr Hardie had submitted a written report in support of her motion and it was decided that the motion should rest and be brought back at the next meeting so that Cllr Hardie could take part in the debate.

**22/146**

ISLAND PLANNING STRATEGY

It was explained that the IWC had been due to decide whether to publish their draft Island Planning Strategy on the 5<sup>th</sup> October so the Clerk and Cllr Redpath had been investigating the possibility of engaging professional advice for responding to the draft Island Planning Strategy once approved. The IWC failed to approve the publication of the plan and it now looks likely that this will next be considered after Christmas. The Clerk will continue to investigate options for engaging professional help with analysing the plan and also make enquiries with other parish and town councils on the north-east of the Island as to whether they intend to respond to the consultation when the plan is published.

**22/147**

VODAFONE MAST CONSULTATION:

The Council had been sent a pre-planning application information pack (attached to these minutes as Appendix C) from a consultancy on behalf of Vodafone, with reference to replacing the 12.5 metre mast on Nettlestone Green with a 17.5 metre mast. The Council had been invited to respond to the proposal before it is submitted for planning approval. The Council's response was as follows:

- The members were not in favour of the existing 12.5 metre mast and are equally opposed to this proposal;
- The Council is aware that the Planning Inspector refused appeal 'APP/P2114/W/19/3194282' to allow the installation of a 15 metre mast (as opposed to 12.5 metre mast) in June 2018 due to '...the visual impact of the taller proposal and its greater effect on the character and appearance of the area...' and cannot see how anything has changed that would make an even larger mast acceptable;
- The members have grave concerns about the impact on the school of the larger mast; and
- Vodafone seeking to place an even larger mast on the green is leading the members to consider requesting the removal of the existing mast, as well as opposing a new, larger one.

The Clerk will provide the consultant with this response.

#### **22/148**

##### **POPPY APPEAL:**

##### **Resolved:**

The members resolved that a poppy wreath should be obtained from the Royal British Legion and the purchase and contribution to the Poppy Appeal should total no more than £150.

#### **22/149**

##### **UPDATED POLICIES:**

The Clerk explained that during his CiLCA training he had created an updated version of the Parish Council's Financial regulations (based on the NALC model) and a new 'Internal Controls Policy' which summarises the internal controls the Council has in place and how these are tested during the audit process. Documents attached to these minutes as Appendix D.

##### **Resolved:**

The members resolved to approve the updated Financial Regulations and the new Internal Controls Policy.

#### **22/150**

##### **Finances:**

##### **22/150/01: The following receipts were noted: -**

The Clerk circulated a report of the schedule of receipts up to 30-9-2022. There were no questions or comments. Attached to these minutes as Appendix E.

The signing of the monthly bank reconciliation and statement was completed by the Chair (the Vice-Chair was not present so will sign at the next available meeting).

22/150/02: The following payments were approved: -

The Clerk circulated a report of the schedule of payments up to 18-10-2022. The members resolved to approve these payments - attached to these minutes as Appendix E

22/150/03: Grant Applications: -

There were two grants to consider:

- The Isle of Wight Music Dance and Drama Festival organisers had submitted an application for aid in funding the 2023 festival (which many local young people take part in) – the members resolved to grant £60 to the IWMDDF
- Nettlestone Primary School submitted an application for aid in funding a new battery for the public defibrillator placed on the school wall – the members resolved to grant £170 towards the cost of replacing the battery.

22/150/04: To receive an income/expenditure report up to 30th September 2022:

The clerk circulated the above report to members – there were no further questions, and the report was noted.

**22/151**

COUNCILLOR REPORTS:

Cllr Hadfield reported that she had been in touch with the IWC team engaged with the resident who has been living in a tent on Springvale Beach. The IWC have informed Cllr Hadfield that the resident has been offered alternative accommodation but has so far been reluctant to take up the offer. Cllr Hadfield is concerned for the resident's welfare and intends to stay in communication with the IWC – she will report back any updates.

There being no further business, the meeting was declared closed at 8.45 pm.

.....  
Chair

21st November 2022

**Nettlestone and Seaview Parish Council - Clerk's Report October 2022**

- The Clerk has now completed and passed four of the five modules required to be CiLCA qualified – one module (consisting of seven assignments) remains to be submitted by the end of November.
- Attrill's fencing completed the dinghy park fence upgrade on budget and in the expected time frame. The work is of a high standard and should help provide secure storage for at least the thirteen years remaining of the Council's lease.
- A pipe has burst at Sandland's Allotment – the water has been turned off until the engineers visit later in the week.

22/134

- Shide's have confirmed that two cut trees (of the sizes required of the Parish) will be put aside but they are still confirming pricing – it is not anticipated to be much more than 2021 but we await an update. NDLE are still working on their pricing for staging the trees and associated lights around the Parish.

## Appendix B

### Christmas Lights and Decorations

Being co-ordinated with the PC via Clr Hardie and the Clerk

### Open Spaces:

During the last three weeks all saplings planted two years ago ( Sophie Watsons , Hersey Nature reserve, Ansells Copse, Sirius Close, Recreation ground have been weeded and mulched with woodchip (donated by Viki and Alan Ford More). The other trees on Sophie Watsons garden have been tended by Steve Johnson from Aspire (in-laws planted memorial trees and he mended the bench).

Fortunately most of these saplings seem to have survived the summer drought .

An oak tree planted on the recreation ground in land behind the far goal post has been removed as it was in a vulnerable position. There is just one oak left here now.

Locations for more trees need to be considered as offers of saplings have been received.

A memorial tree has been planted in Hersey and a memorial plaque is to follow.

A dilapidated notice board in Hersey has been painstakingly repaired by Patric Maude from Men in Sheds.

### Barnsley Trail leaflet

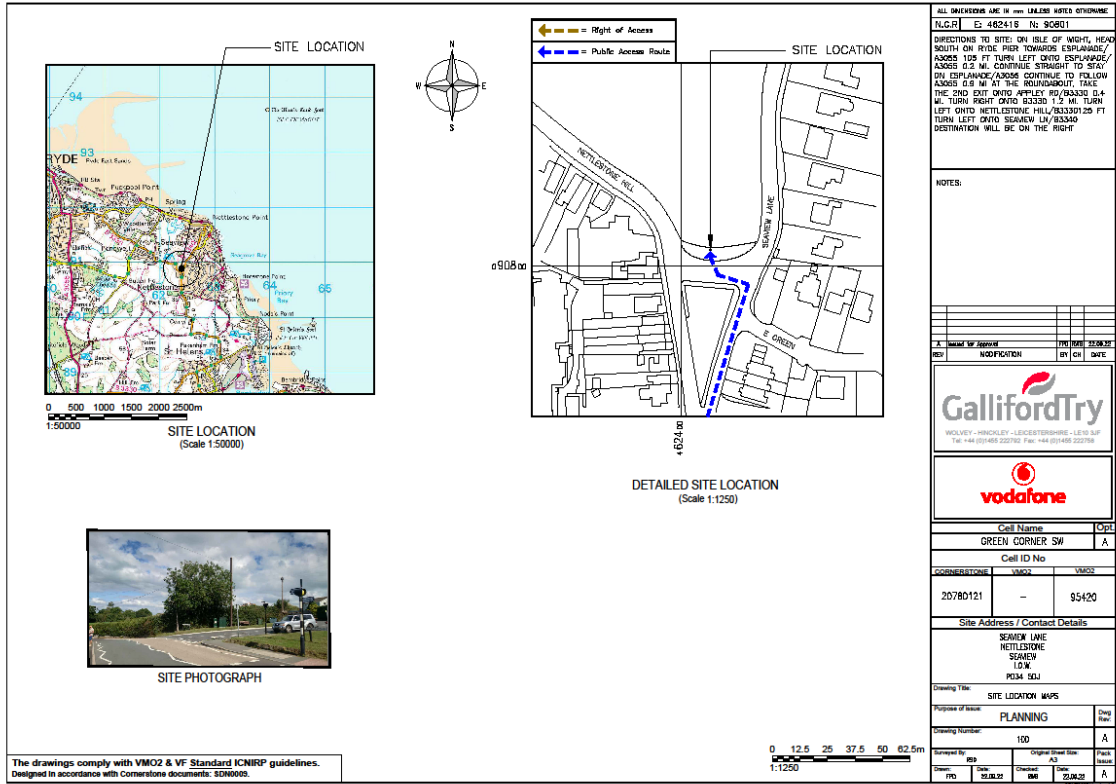
The draft leaflet for the walk was produced by Geoff (Men in Sheds) and a price of £85 has been quoted by a local company for producing 200 . The leaflet is an important addition to the trail, especially for publicity.

### Men in Sheds

The shed is going from strength to strength and the new community store is pending completion – hoping for additional funding from the Parish Council in the next financial year. Its construction has used a lot of donated wood and construction time from members.

Members hope to tidy up all the Parish notice board in the spring when weather permits

# Appendix C







**FINANCIAL REGULATIONS**

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These Financial Regulations were adopted by the council at its meeting held on 18.10.2022.

## 1. General

1.1. These financial regulations govern the conduct of financial management by the council and may only be amended or varied by resolution of the council. Financial regulations are one of the council's three governing policy documents providing procedural guidance for members and officers. Financial regulations must be observed in conjunction with the council's standing orders and any individual financial regulations relating to contracts.

1.2. The council is responsible in law for ensuring that its financial management is adequate and effective and that the council has a sound system of internal control which facilitates the effective exercise of the council's functions, including arrangements for the management of risk.

1.3. The council's accounting control systems must include measures:

- for the timely production of accounts;
- that provide for the safe and efficient safeguarding of public money;
- to prevent and detect inaccuracy and fraud; and
- identifying the duties of officers.

1.4. These financial regulations demonstrate how the council meets these responsibilities and requirements.

1.5. At least once a year, prior to approving the Annual Governance Statement, the council must review the effectiveness of its system of internal control which shall be in accordance with proper practices.

1.6. Deliberate or wilful breach of these Regulations by an employee may give rise to disciplinary proceedings.

1.7. Members of council are expected to follow the instructions within these Regulations and not to entice employees to breach them. Failure to follow instructions within these Regulations brings the office of councillor into disrepute.

1.8. The Responsible Financial Officer (RFO) holds a statutory office to be appointed by the council. The Clerk has been appointed as RFO for this council and these regulations will apply accordingly.

1.9. The RFO;

- acts under the policy direction of the council;
- administers the council's financial affairs in accordance with all Acts, Regulations and proper practices;
- determines on behalf of the council its accounting records and accounting control systems;
- ensures the accounting control systems are observed;
- maintains the accounting records of the council up to date in accordance with proper practices;
- assists the council to secure economy, efficiency and effectiveness in the use of its resources; and
- produces financial management information as required by the council.

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1.10. The accounting records determined by the RFO shall be sufficient to show and explain the council's transactions and to enable the RFO to ensure that any income and expenditure account and statement of balances, or record of receipts and payments and additional information, as the case may be, or management information prepared for the council from time to time comply with the Accounts and Audit Regulations.

1.11. The accounting records determined by the RFO shall in particular contain:

- entries from day to day of all sums of money received and expended by the council and the matters to which the income and expenditure or receipts and payments account relate;
- a record of the assets and liabilities of the council; and
- wherever relevant, a record of the council's income and expenditure in relation to claims made, or to be made, for any contribution, grant or subsidy.

1.12. The accounting control systems determined by the RFO shall include:

- procedures to ensure that the financial transactions of the council are recorded as soon as reasonably practicable and as accurately and reasonably as possible;
- procedures to enable the prevention and detection of inaccuracies and fraud and the ability to reconstruct any lost records;
- identification of the duties of officers dealing with financial transactions and division of responsibilities of those officers in relation to significant transactions;
- procedures to ensure that uncollectable amounts, including any bad debts are not submitted to the council for approval to be written off except with the approval of the RFO and that the approvals are shown in the accounting records; and
- measures to ensure that risk is properly managed.

1.13. The council is not empowered by these Regulations or otherwise to delegate certain specified decisions. In particular any decision regarding:

- setting the final budget or the precept (council tax requirement);
- approving accounting statements;
- approving an annual governance statement;
- borrowing;
- writing off bad debts;
- declaring eligibility for the General Power of Competence; and
- addressing recommendations in any report from the internal or external auditors, shall be a matter for the full council only.

1.14. In addition, the council must:

- determine and keep under regular review the bank mandate for all council bank accounts;

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- approve any grant or a single commitment in excess of £5,000; and
- in respect of the annual salary for any employee have regard to recommendations about annual salaries of employees made by the relevant committee in accordance with its terms of reference.

1.15. In these financial regulations, references to the Accounts and Audit Regulations or 'the regulations' shall mean the regulations issued under the provisions of section 27 of the Audit Commission Act 1998, or any superseding legislation, and then in force unless otherwise specified. In these financial regulations the term 'proper practice' or 'proper practices' shall refer to guidance issued in *Governance and Accountability for Local Councils - a Practitioners' Guide (England)* issued by the Joint Practitioners Advisory Group (JPAG), available from the websites of NALC and the Society for Local Council Clerks (SLCC).

## 2. Accounting and audit (internal and external)

2.1. All accounting procedures and financial records of the council shall be determined by the RFO in accordance with the Accounts and Audit Regulations, appropriate guidance and proper practices.

2.2. On a regular basis, at least once in each quarter, and at each financial year end, two members shall be appointed to verify bank reconciliations produced by the RFO. The member shall sign the reconciliations and the original bank statements (or similar document) as evidence of verification. This activity shall on conclusion be reported, including any exceptions, to and noted by the council.

2.3. The RFO shall complete the annual statement of accounts, annual report, and any related documents of the council contained in the Annual Return (as specified in proper practices) as soon as practicable after the end of the financial year and having certified the accounts shall submit them and report thereon to the council within the timescales set by the Accounts and Audit Regulations.

2.4. The council shall ensure that there is an adequate and effective system of internal audit of its accounting records, and of its system of internal control in accordance with proper practices. Any officer or member of the council shall make available such documents and records as appear to the council to be necessary for the purpose of the audit and shall, as directed by the council, supply the RFO, internal auditor, or external auditor with such information and explanation as the council considers necessary for that purpose.

2.5. The internal auditor shall be appointed by and shall carry out the work in relation to internal controls required by the council in accordance with proper practices.

2.6. The internal auditor shall:

- be competent and independent of the financial operations of the council;
- report to council in writing, or in person, on a regular basis with a minimum of one annual written report during each financial year;

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- to demonstrate competence, objectivity and independence, be free from any actual or perceived conflicts of interest, including those arising from family relationships; and
- has no involvement in the financial decision making, management or control of the council

2.7. Internal or external auditors may not under any circumstances:

- perform any operational duties for the council;
- initiate or approve accounting transactions; or
- direct the activities of any council employee, except to the extent that such employees have been appropriately assigned to assist the internal auditor.

2.8. For the avoidance of doubt, in relation to internal audit the terms 'independent' and 'independence' shall have the same meaning as is described in proper practices.

2.9. The RFO shall make arrangements for the exercise of electors' rights in relation to the accounts including the opportunity to inspect the accounts, books, and vouchers and display or publish any notices and statements of account required by Audit Commission Act 1998, or any superseding legislation, and the Accounts and Audit Regulations.

2.10. The RFO shall, without undue delay, bring to the attention of all councillors any correspondence or report from internal or external auditors.

### **3. Annual estimates (budget) and forward planning**

3.1. The RFO must each year, by no later than January, prepare detailed estimates of all receipts and payments including the use of reserves and all sources of funding for the following financial year in the form of a budget to be considered by the council.

3.2. The council shall fix the precept (council tax requirement), and relevant basic amount of council tax to be levied for the ensuing financial year not later than by the end of January each year. The RFO shall issue the precept to the billing authority and shall supply each member with a copy of the approved annual budget.

3.3. The approved annual budget shall form the basis of financial control for the ensuing year.

### **4. Budgetary control and authority to spend**

4.1. Expenditure on revenue items may be authorised up to the amounts included for that class of expenditure in the approved budget. This authority is to be determined by:

- the council for all items over £5,000;
- a duly delegated committee of the council for items over £2000; or
- the Clerk, in conjunction with Chair of Council or Chair of the appropriate committee, for any items below £2000.

Such authority is to be evidenced by a minute or by an authorisation slip duly signed by the Clerk, and where necessary also by the appropriate Chair. Contracts may not be disaggregated to avoid controls imposed by these regulations.

4.2. No expenditure may be authorised that will exceed the amount provided in the revenue budget for that class of expenditure other than by resolution of the council, or duly delegated committee. During the budget year and with the approval of council having considered fully the implications for public services, unspent and available amounts may be moved to other budget headings or to an earmarked reserve as appropriate ('virement').

4.3. Unspent provisions in the revenue or capital budgets for completed projects shall not be carried forward to a subsequent year.

4.4. In cases of extreme risk to the delivery of council services, the clerk may authorise revenue expenditure on behalf of the council which in the clerk's judgement it is necessary to carry out. Such expenditure includes repair, replacement or other work, whether or not there is any budgetary provision for the expenditure, subject to a limit of £1500. The Clerk shall report such action to the chair as soon as possible and to the council as soon as practicable thereafter.

4.5. No expenditure shall be authorised in relation to any capital project and no contract entered into or tender accepted involving capital expenditure unless the council is satisfied that the necessary funds are available and the requisite borrowing approval has been obtained.

4.6. All capital works shall be administered in accordance with the council's standing orders and financial regulations relating to contracts.

4.7. The RFO shall regularly provide the council with a statement of receipts and payments to date under each head of the budgets, comparing actual expenditure to the appropriate date against that planned as shown in the budget. These statements are to be prepared at least at the end of each financial quarter and shall show explanations of material variances. For this purpose "material" shall be in excess of 20% of the budget.

4.8. In the event of an emergency which falls within the Parish Council's remit to exercise due care to its employees and/or the public, the Chair, or in their absence, the Vice-Chair is empowered to authorise expenditure to a maximum of £2000.00 (Two-Thousand Pounds). This expenditure is in addition to that amount the Clerk can authorise. Any such expenditure is to be approved by the Parish at the next available meeting.

## **5. Banking arrangements and authorisation of payments**

5.1. The council's banking arrangements, including the bank mandate, shall be made by the RFO and approved by the council; banking arrangements may not be delegated to a committee. They shall be regularly reviewed for safety and efficiency.

5.2. The RFO shall prepare a schedule of payments requiring authorisation, forming part of the Agenda for the Meeting and, together with the relevant invoices, present the schedule to council. The council shall review the schedule for compliance and, having satisfied itself shall authorise payment by a resolution of the council. The approved schedule shall be ruled off and initialled by the Chair of the Meeting. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of the meeting at which

payment was authorised. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information.

5.3. All invoices for payment shall be examined, verified and certified by the RFO to confirm that the work, goods or services to which each invoice relates has been received, carried out, examined and represents expenditure previously approved by the council.

5.4. The RFO shall examine invoices for arithmetical accuracy and analyse them to the appropriate expenditure heading. The RFO shall take all steps to pay all invoices submitted, and which are in order, at the next available council meeting.

5.5. The Clerk and RFO shall have delegated authority to authorise the payment of items only in the following circumstances:

- a) If a payment is necessary to avoid a charge to interest under the Late Payment of Commercial Debts (Interest) Act 1998, and the due date for payment is before the next scheduled Meeting of council, where the Clerk and RFO certify that there is no dispute or other reason to delay payment, provided that a list of such payments shall be submitted to the next appropriate meeting of council;
- b) An expenditure item authorised under 5.6 below (continuing contracts and obligations) provided that a list of such payments shall be submitted to the next appropriate meeting of council; or
- c) fund transfers within the councils banking arrangements up to the sum of £10,000, provided that a list of such payments shall be submitted to the next appropriate meeting of council.

5.6. For each financial year the Clerk and RFO shall draw up a list of due payments which arise on a regular basis as the result of a continuing contract, statutory duty, or obligation (such as but not exclusively) Salaries, PAYE and NI, Superannuation Fund and regular maintenance contracts and the like for which council may authorise payment for the year provided that the requirements of regulation 4.1 (Budgetary Controls) are adhered to, provided also that a list of such payments shall be submitted to the next appropriate meeting of council.

5.7. In respect of grants a duly authorised committee shall approve expenditure within any limits set by council and in accordance with any policy statement approved by council. Any Revenue or Capital Grant in excess of £5,000 shall before payment, be subject to ratification by resolution of the council.

5.8. Members are subject to the Code of Conduct that has been adopted by the council and shall comply with the Code and Standing Orders when a decision to authorise or instruct payment is made in respect of a matter in which they have a disclosable pecuniary or other interest, unless a dispensation has been granted.

## **6. Instructions for the making of payments**

6.1. The council will make safe and efficient arrangements for the making of its payments.



6.2. Following authorisation under Financial Regulation 5 above, the council, a duly delegated committee or, if so delegated, the Clerk or RFO shall give instruction that a payment shall be made.

6.3. All payments shall be effected by electronic payment, cheque or other instructions to the council's bankers.

6.4. The main source of payment is through electronic payments. Cheques or orders for payment drawn on the bank account in accordance with the schedule as presented to council or committee shall be signed by two members of council in accordance with a resolution instructing that payment. If a member who is also a bank signatory has declared a disclosable pecuniary interest, or has any other interest, in the matter in respect of which the payment is being, that Councillor shall be required to consider standing orders, and thereby determine whether it is appropriate and/or permissible to be a signatory to the transaction in question.

6.5. To indicate agreement of the details shown on the cheque or order for payment with the counterfoil and the invoice or similar documentation, the signatories shall each also initial the cheque counterfoil.

6.6. Cheques or orders for payment shall not normally be presented for signature other than at a council or committee meeting (including immediately before or after such a meeting). Any signatures obtained away from such meetings shall be reported to the council at the next convenient meeting.

6.7. If thought appropriate by the council, payment for utility supplies (energy, telephone and water) and any National Non-Domestic Rates may be made by variable direct debit provided that the instructions are signed by two members and any payments are reported to council as made. The approval of the use of a variable direct debit shall be renewed by resolution of the council at least every two years.

6.8. If thought appropriate by the council, payment for certain items (principally salaries) may be made by banker's standing order provided that the instructions are signed, or otherwise evidenced by two members are retained and any payments are reported to council as made. The approval of the use of a banker's standing order shall be renewed by resolution of the council at least every two years.

6.9. If thought appropriate by the council, payment for certain items may be made by BACS or CHAPS methods provided that the instructions for each payment are signed, or otherwise evidenced, by two authorised bank signatories, are retained and any payments are reported to council as made. The approval of the use of BACS or CHAPS shall be renewed by resolution of the council at least every two years.

6.10. The council will not maintain any form of cash float. All cash received must be banked intact. Any payments made in cash by the Clerk (for example for postage or minor stationery items) shall be refunded on a regular basis, at least quarterly.

## **7. Payment of salaries**

7.1. As an employer, the council shall make arrangements to meet fully the statutory requirements placed on all employers by PAYE and National Insurance legislation. The payment of all salaries shall be made in accordance with payroll records and the rules of PAYE and National

Insurance currently operating, and salary rates shall be as agreed by council, or duly delegated committee.

7.2. Payment of salaries and payment of deductions from salary such as may be required to be made for tax, national insurance and pension contributions, or similar statutory or discretionary deductions must be made in accordance with the payroll records and on the appropriate dates stipulated in employment contracts, provided that each payment is reported to the next available council meeting, as set out in these regulations above.

7.3. No changes shall be made to any employee's pay, emoluments, or terms and conditions of employment without the prior consent of the Staffing Committee.

7.4. Each and every payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a separate confidential record (confidential cash book). This confidential record is not open to inspection or review (under the Freedom of Information Act 2000 or otherwise) other than:

- a) by any councillor who can demonstrate a need to know;
- b) by the internal auditor;
- c) by the external auditor; or
- d) by any person authorised under Audit Commission Act 1998, or any superseding legislation.

7.5. The total of such payments in each calendar month shall be reported with all other payments as made as may be required under these Financial Regulations, to ensure that only payments due for the period have actually been paid.

7.6. An effective system of personal performance management should be maintained for the senior officers.

7.7. Any termination payments shall be supported by a clear business case and reported to the council. Termination payments shall only be authorised by council.

7.8. Before employing interim staff, the council must consider a full business case.

## **8. Loans and investments**

8.1. All borrowings shall be affected in the name of the council, after obtaining any necessary borrowing approval. Any application for borrowing approval shall be approved by Council as to terms and purpose. The application for borrowing approval, and subsequent arrangements for the loan shall only be approved by full council.

8.2. Any financial arrangement which does not require formal borrowing approval from the Secretary of State/Welsh Assembly Government (such as Hire Purchase or Leasing of tangible assets) shall be subject to approval by the full council. In each case a report in writing shall be provided to council in respect of value for money for the proposed transaction.

8.3. All loans and investments shall be negotiated in the name of the council and shall be for a set period in accordance with council policy.

8.4. All investments of money under the control of the council shall be in the name of the council.

8.5. All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.

8.6. Payments in respect of short term or long-term investments, including transfers between bank accounts held in the same bank, or branch, shall be made in accordance with Regulation 5 (Authorisation of payments) and Regulation 6 (Instructions for payments).

## 9. Income

9.1. The collection of all sums due to the council shall be the responsibility of and under the supervision of the RFO.

9.2. Particulars of all charges to be made for work done, services rendered or goods supplied shall be agreed annually by the council, notified to the RFO and the RFO shall be responsible for the collection of all accounts due to the council.

9.3. The council will review all fees and charges at least annually, following a report of the Clerk.

9.4. Any sums found to be irrecoverable and any bad debts shall be reported to the council and shall be written off in the year.

9.5. All sums received on behalf of the council shall be banked intact as directed by the RFO. In all cases, all receipts shall be deposited with the council's bankers with such frequency as the RFO considers necessary.

9.6. The origin of each receipt shall be entered on the paying-in slip.

9.7. Personal cheques shall not be cashed out of money held on behalf of the council.

9.8. The RFO shall promptly complete any VAT Return that is required. Any repayment claim due in accordance with VAT Act 1994 section 33 shall be made at least annually coinciding with the financial year end.

9.9. Where any significant sums of cash are regularly received by the council, the RFO shall take such steps as are agreed by the council to ensure that more than one person is present when the cash is counted in the first instance, that there is a reconciliation to some form of control such as ticket issues, and that appropriate care is taken in the security and safety of individuals banking such cash.

## 10. Orders for work, goods and services

10.1. An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained.

10.2. All members and officers are responsible for obtaining value for money at all times. An officer issuing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by obtaining three or more quotations or estimates from appropriate suppliers, subject to any de minimis provisions in Regulation 11.1 below.

10.3. A member may not issue an official order or make any contract on behalf of the council.

10.4. The RFO shall verify the lawful nature of any proposed purchase before the issue of any order, and in the case of new or infrequent purchases or payments, the RFO shall ensure that the statutory authority shall be reported to the meeting at which the order is approved so that the minutes can record the power being used.

## 11. Contracts

### 11.1. Procedures as to contracts are laid down as follows:

- a) Every contract shall comply with these financial regulations, and no exceptions shall be made otherwise than in an emergency provided that this regulation need not apply to contracts which relate to items (i) to (vi) below:
  - i. for the supply of gas, electricity, water, sewerage and telephone services;
  - ii. for specialist services such as are provided by legal professionals acting in disputes;
  - iii. for work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant;
  - iv. for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the council;
  - v. for additional audit work of the external auditor up to an estimated value of £500 (in excess of this sum the Clerk and RFO shall act after consultation with the Chair and Vice Chair of council); and
  - vi. for goods or materials proposed to be purchased which are proprietary articles and / or are only sold at a fixed price.
- b) Where the council intends to procure or award a public supply contract, public service contract or public works contract as defined by The Public Contracts Regulations 2015 (“the Regulations”) which is valued at £25,000 or more, the council shall comply with the relevant requirements of the Regulations<sup>1</sup>.
- c) The full requirements of The Regulations, as applicable, shall be followed in respect of the tendering and award of a public supply contract, public service contract or public works contract which exceed thresholds in The Regulations set by the Public Contracts Directive 2014/24/EU (which may change from time to time)<sup>2</sup>.
- d) When applications are made to waive financial regulations relating to contracts to enable a price to be negotiated without competition the reason shall be embodied in a recommendation to the council.
- e) Such invitation to tender shall state the general nature of the intended contract and the Clerk shall obtain the necessary technical assistance to prepare a specification in appropriate cases. The invitation shall in addition state that tenders must be addressed to the Clerk in the ordinary course of post. Each tendering firm shall be supplied with a specifically marked envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract.

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<sup>1</sup> The Regulations require councils to use the Contracts Finder website to advertise contract opportunities, set out the procedures to be followed in awarding new contracts and to publicise the award of new contracts

<sup>2</sup> Thresholds currently applicable are:

- a) For public supply and public service contracts 209,000 Euros (£181,302)
- b) For public works contracts 5,225,000 Euros (£4,551,413)

- f) All sealed tenders shall be opened at the same time on the prescribed date by the Clerk in the presence of at least one member of council.
- g) Any invitation to tender issued under this regulation shall be subject to Standing Orders 18.d, and shall refer to the terms of the Bribery Act 2010.
- h) When it is to enter into a contract of less than £25,000 in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are excepted as set out in paragraph (a) the Clerk or RFO shall obtain 3 quotations (priced descriptions of the proposed supply); where the value is below £5,000 and above £2000 the Clerk or RFO shall strive to obtain 3 estimates. Otherwise, Regulation 10.2 above shall apply.
- i) The council shall not be obliged to accept the lowest or any tender, quote or estimate.
- j) Should it occur that the council, or duly delegated committee, does not accept any tender, quote or estimate, the work is not allocated and the council requires further pricing, provided that the specification does not change, no person shall be permitted to submit a later tender, estimate or quote who was present when the original decision-making process was being undertaken.

## 12. Assets, properties and estates

12.1. The Clerk shall make appropriate arrangements for the custody of all title deeds and Land Registry Certificates of properties held by the council. The RFO shall ensure a record is maintained of all properties held by the council, recording the location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held in accordance with Accounts and Audit Regulations.

12.2. No tangible moveable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of the council, together with any other consents required by law, save where the estimated value of any one item of tangible movable property does not exceed £250.

12.3. No real property (interests in land) shall be sold, leased or otherwise disposed of without the authority of the council, together with any other consents required by law. In each case a report in writing shall be provided to council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).

12.4. No real property (interests in land) shall be purchased or acquired without the authority of the full council. In each case a report in writing shall be provided to council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).

12.5. Subject only to the limit set in Regulation 12.2 above, no tangible moveable property shall be purchased or acquired without the authority of the full council. In each case a report in writing shall be provided to council with a full business case.

12.6. The RFO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date. The continued existence of tangible assets shown in the Register shall be verified at least annually, possibly in conjunction with a health and safety inspection of assets.

### **13. Insurance**

13.1. Following the annual risk assessment (per Regulation 14), the RFO shall effect all insurances and negotiate all claims on the council's insurers.

13.2. The RFO shall keep a record of all insurances effected by the council and the property and risks covered thereby and annually review it.

13.3. The RFO shall be notified of any loss liability or damage or of any event likely to lead to a claim, and shall report these to council at the next available meeting.

13.4. All appropriate members and employees of the council shall be included in a suitable form of security or fidelity guarantee insurance which shall cover the maximum risk exposure as determined by the council, or duly delegated committee.

### **14. Risk management**

14.1. The council is responsible for putting in place arrangements for the management of risk. The Clerk shall prepare, for approval by the council, risk management policy statements in respect of all activities of the council. Risk policy statements and consequential risk management arrangements shall be reviewed by the council at least annually.

14.2. When considering any new activity, the Clerk shall prepare a draft risk assessment including risk management proposals for consideration and adoption by the council.

### **15. Suspension and revision of Financial Regulations**

15.1. It shall be the duty of the council to review the Financial Regulations of the council from time to time. The Clerk shall make arrangements to monitor changes in legislation or proper practices and shall advise the council of any requirement for a consequential amendment to these Financial Regulations.

15.2. The council may, by resolution of the council duly notified prior to the relevant meeting of council, suspend any part of these Financial Regulations provided that reasons for the suspension are recorded and that an assessment of the risks arising has been drawn up and presented in advance to all members of council.



## **NETTLESTONE AND SEAVIEW PARISH COUNCIL**

### **Internal Control Policy**

#### **Statement on Internal Control**

##### **1. Scope of Responsibility**

Nettlestone and Seaview Parish Council is a local council funded largely by public money and is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. In discharging this overall responsibility, the Council is also responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk.

##### **2. The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to:

- a) Identify and prioritise the risks to the achievement of the Council's policies, aims and objectives
- b) Evaluate the likelihood of those risks being realised and the impact should they be realised
- c) Manage them efficiently, effectively and economically.

The annual report and accounts accords with proper practice as set out in the Practitioners' Guide Governance and Accountability in Local Councils latest edition.

### 3. The Council's Internal Controls

#### i) The Council

The Council has elected a Chair who is responsible for the smooth running of meetings. The Council reviews its obligations and objectives and approves a budget for each financial year which enables the Precept calculation to be completed.

The Council monitors progress against objectives, financial systems and procedures, budgetary control and carries out regular reviews of financial matters. The full Council meets on a monthly basis (third Monday/Tuesday, save for August when a meeting will not be held unless agreed by full Council) and it receives the Minutes of the previous meetings. The council also monitors progress by receiving relevant reports from the County Councillor. No expenditure may be incurred unless by way of authorised delegated authority of the Clerk or by agreement of full Council. The council carries out regular reviews of its internal controls, systems and procedures.

#### ii) Clerk to the Council/Responsible Finance officer

The Council has appointed a Clerk to the Council who acts as the Council's advisor and administrator. The current Clerk/RFO commenced Employment 1<sup>st</sup> September 2019. The Clerk is the Council's Responsible Financial Officer and is responsible for the management and administration of the Council's finances. The Clerk is responsible for advising on the day to day compliance with laws and regulations that the Council is subject to and for managing risks. The Clerk also provides advice to help the Council ensure that its procedures, control systems and policies are adhered to.

#### iii) Payments

**Authorisation:** All expenditure must be authorised by the Council (or by a Committee having delegated authority), or by the Clerk by way of delegated authority.

**Recording/reporting:** All payments and receipts are entered into the Council's accounting system. All receipts are reported to the Council. A copy of all payments is kept with the invoices on a month by month basis. The bank balance is reconciled monthly.



**Method:** All payments are made by cheque, direct debit and from 2021 by on-line bank transfer. After the meeting the signatories check each online payment request against the list of payments as detailed in the agenda and the original relevant invoice is signed at the meeting. If a cheque is issued then the cheque and cheque book stub are initialled.

**Mandate:** Two members of the Council must authorise every payment in addition to the RFO.

**Reconciliation:** The Council checks the bank reconciliation against the Council's bank account statement monthly.

#### **iv) Contracts**

Procedures as to contracts are laid down in the Council's Standing Orders and Financial Regulations. The Council oversees all contract procedures.

#### **v) Internal Audit**

The Council has appointed an independent internal auditor who will report to the Council on the adequacy of its records, procedures, systems, internal controls and risk management. The internal auditor tests the effectiveness of the Council's Internal Controls against the criteria defined in the 'Key Control document' – tests illustrated in section 5 of this policy. The effectiveness of the internal audit is reviewed.

#### **vi) External Audit**

The Council has been appointed External Auditors Littlejohns of Canary Wharf, London until further notice.

### **4. Review of effectiveness**

Nettlestone and Seaview Parish Council has responsibility for conducting an annual review of the effectiveness of its systems of internal control. The review of the effectiveness of the system of internal controls is monitored and informed by:

- The Clerk to the Council
- The work of the Independent Internal Auditor
- The External Auditors through the annual return
- The number of significant issues that are raised during the year

### **5. Key Control Tests**

<b>Key Controls</b>	<b>Tested Y/N</b>
1. Is cash book maintained and up to date?	

## Appendix D

<ol style="list-style-type: none"><li>2. Is cash book arithmetically correct?</li><li>3. Is the account book regularly balanced?</li><li>4. Is petty cash book maintained and up to date?</li><li>5. Is petty cash book arithmetically correct?</li><li>6. Is petty cash book regularly balanced?</li><li>7. Does the Council have formally adopted standing orders and financial regulations in place?</li><li>8. Has a Responsible Financial Officer been appointed, and are the duties clearly defined?</li><li>9. Have items above a "de-minimis" amount been competitively purchased?</li><li>10. Are payments supported by invoices/receipts, authorised and minuted as appropriate?</li><li>11. Is there evidence of VAT being recorded separately, and reclaimed?</li><li>12. Are S137 payments recorded separately, and within Parish limits?</li><li>13. Do the minutes show any unusual financial activity?</li><li>14. Does a scan of the minutes identify any other unusual activity?</li><li>15. Is insurance cover adequate and appropriate?</li><li>16. Is there evidence of the Council carrying out an annual risk assessment?</li><li>17. Are internal financial controls documented and regularly reviewed?</li></ol>	
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Appendix D

<p>18. Is there evidence of the precept being supported by a budget?</p> <p>19. Is actual expenditure against the budget regularly reported to the Council?</p> <p>20. Are there any significant unexplained variances from budget?</p> <p>21. Is income properly recorded and promptly banked?</p> <p>22. Does the precept recorded in the cashbook agree with the IW Council's notification?</p> <p>23. Are security controls over cash adequate and effective?</p> <p>24. Are all petty cash transactions recorded and supported by VAT receipts/invoices?</p> <p>25. Is Petty cash expenditure reported to each Council meeting?</p> <p>26. Is petty cash expenditure consistent and reasonable?</p> <p>27. Are the salaries paid in accordance with agreed figures?</p> <p>28. Is there evidence that all the Council's PAYE &amp; NI obligations are being met?</p> <p>29. Are any other payments made to the Clerk reasonable and approved by the Council?</p> <p>30. Does the Council keep a record of all its assets?</p> <p>31. Is the asset record up to date?</p>	
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Appendix D

<p>32. Do asset insurance valuations agree with those in the asset register?</p> <p>33. Is there evidence of regular bank reconciliation for the each cash account?</p> <p>34. Is there evidence of any unusual or unexplained balancing entries on the cash accounts?</p> <p>35. Are year-end accounts prepared on the correct accounting basis?</p> <p>36. Do figures in annual accounts (annual return) agree with the main cash book?</p> <p>37. Do main account book entries tally with petty cash account book?</p> <p>38. If appropriate, have debtors and creditors been recorded properly?</p> <p>39. Can an audit trail be followed from source to accounts?</p>	
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Last updated and agreed \_\_\_\_\_ 2022 (Minute No \_\_\_\_\_)

14 October 2022 (2022-2023)

**Nettlestone and Seaview Parish Council**  
**RECEIPTS LIST**

Voucher Code	Date	Minute	Bank	Receipt No	Description	Supplier	VAT Type	Net	VAT	Total
57 Allotments	01/09/2022		Current Account	fpi	Allotment Rents	Allotments	E	12.00		12.00
58 Allotments	05/09/2022		Current Account	fpi	Allotment Rents	Allotments	E	20.00		20.00
59 Allotments	05/09/2022		Current Account	fpi	Allotment Rents	Allotments	E	20.00		20.00
60 Allotments	05/09/2022		Current Account	fpi	Allotment Rents	Allotments	E	20.00		20.00
61 Allotments	05/09/2022		Current Account	fpi	Allotment Rents	Allotments	E	16.00		16.00
62 Allotments	06/09/2022		Current Account	fpi	Allotment Rents	Allotments	E	16.00		16.00
63 Allotments	06/09/2022		Current Account	fpi	Allotment Rents	Allotments	E	48.00		48.00
64 Allotments	07/09/2022		Current Account	fpi	Allotment Rents	Allotments	E	16.00		16.00
65 Allotments	09/09/2022		Current Account	fpi	Allotment Rents	Allotments	E	20.00		20.00
66 Allotments	20/09/2022		Current Account	fpi	Allotment Rents	Allotments	E	20.00		20.00
67 Allotments	22/09/2022		Current Account	fpi	Allotment Rents	Allotments	E	20.00		20.00
68 Allotments	22/09/2022		Current Account	500188	Allotment Rents	Allotments	E	374.00		374.00
69 Allotments	26/09/2022		Current Account	fpi	Allotment Rents	Allotments	E	24.00		24.00
70 Dinghy Park	29/09/2022		Current Account	fpi	Dinghy Park Permits	Dinghy Park	E	30.00		30.00
71 Interest	30/09/2022		Nationwide Business	Sep-Oct Statement	Interest	Nationwide Building Society	X	9.26		9.26
<b>Total</b>								<b>665.26</b>		<b>665.26</b>

**Nettlestone and Seaview Parish Council  
PAYMENTS (AWAITING AUTHORISATION) LIST**

<b>Voucher Code</b>	<b>Date</b>	<b>Minute</b>	<b>Bank</b>	<b>Cheque No</b>	<b>Description</b>	<b>Supplier</b>	<b>VAT Type</b>	<b>Net</b>	<b>VAT</b>	<b>Total</b>
85	27/09/2022		Current Account	BACS	Puckpool Park Flower Bed	Care In The Garden	S	160.00	32.00	192.00
86	27/09/2022		Current Account	BACS	Public	Focus	S	143.00	28.60	171.60
88	30/09/2022		Current Account	BACS	Cleaning Contract	Clean Wight Cleaning	S	923.79	184.76	1,108.55
89	30/09/2022		Current Account	BACS	Allotment Maintenance	Clean Wight Cleaning	S	106.28	21.26	127.54
90	30/09/2022		Current Account	BACS	Dinghy Park Maintenance	Clean Wight Cleaning	S	12,314.02	2,462.80	14,776.82
87	30/09/2022	22/133	Current Account	BACS	Grant	The Footprint Trust	X	300.00		300.00
91	05/10/2022		Current Account	BACS	Ground Maintenance	Care In The Garden	S	300.00	60.00	360.00
95	19/10/2022		Current Account	BACS	Ground Maintenance	Brightstone Landscaping	S	1,368.76	273.75	1,642.51
92	19/10/2022		Current Account	BACS	Clerk's Salary	B.Jennings	X	1,682.80		1,682.80
93	19/10/2022		Current Account	BACS	Clerk's Expenses	B.Jennings	X	43.33	5.58	48.91
94	19/10/2022		Current Account	BACS	Document Storage	InnerSpaces	X	60.88	9.18	70.06
							<b>Total</b>	<b>17,402.86</b>	<b>3,077.93</b>	<b>20,480.79</b>