

FOLKESTONE TOWN COUNCIL



The Town Hall
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Date of Publication: 19 January 2024

AGENDA

Meeting: **Finance and General Purposes Committee**
Date: **Thursday 25 January 2024**
Time: **7.00 p.m.**
Place: **Council Offices, Town Hall, 1-2 Guildhall Street, Folkestone.**
To: **The Finance and General Purposes Committee**

YOU ARE HEREBY SUMMONED to attend a meeting of the Finance and General Purposes Committee on the date and at the time and place shown above to transact the business shown on the agenda below. The meeting will be open to the press and public.

Any member who wishes to have information on any matter arising on the Agenda which is not fully covered in these papers is requested to contact the Town Clerk prior to the meeting.

Toni Brenchley

T Brenchley
Town Clerk & Responsible Financial Officer

1. APOLOGIES FOR ABSENCE

To receive and approve any apologies for absence.

2. DECLARATIONS OF INTERESTS

To receive any declarations of either personal or prejudicial interests that Members may wish to make.

3. MINUTES

To receive the Minutes of the meeting of the Finance and General Purposes Committee held on 14 December 2023 and to authorise the Chair of the Committee to sign them as a correct record.

4. PERSONNEL SUB-COMMITTEE MINUTES

The Committee is asked to receive and note the minutes of the Personnel Sub-Committee meeting held on the 26th October and 16th November 2023.

5. SCHEDULE OF PAYMENTS

The attached schedule details payments made between 1 December 2023 to 31 December 2023.

6. SCHEDULE OF RECEIPTS

The attached schedule details receipts received between 1 December to 31 December 2023.

7. BUDGET MONITORING STATEMENT DECEMBER 2023

The attached statement sets out details of the Town Council's provisional expenditure/income and earmarked reserves up to 31 December 2023.

8. BANK RECONCILIATION

In line with the Financial Regulations, the bank reconciliation statement at 31 December 2023 is attached for information and signed by a Member other than the Chairman or a cheque signatory.

9. INTERIM INTERNAL AUDIT REPORT F/24/353

Report F/24/353 provides the interim internal audit for the year 2023/24 and recommends the Committee to note in accordance with best practice.

10. INVESTMENT POLICY REPORT F/24/354

Report F/24/354 provides the annual investment policy to support future decision making on placement of funds in accordance with Statutory Guidance on Local Authority Investments.

11. ONLINE BANKING SECRETARY

To appoint the Town Clerk and the Finance Officer as the Secretaries on all Council online banks.

12. WARD GRANTS

The Ward Grant approval list below is recommended to be approved by the committee.

Organisation	Purpose	Amount	Councillor
United Response	Community food larder	£500.00	J Darling
Pavement Pounders Community Interest Company	Crossings Remembered	£80.00	K Leigh
Cheriton Bowls Club	New Mower for Green	£400.00	P Gane
FTC Reserve	Cheriton Christmas Lights	£200.00	P Gane
Cheriton Bowls Club	New Mower for Green	£170.00	R West
Cheriton Bowls Club	New Mower for Green	£170.00	J Renshaw

13. WARD GRANT BALANCES

For information, the attached shows ward grant balances available to each Councillor as at 31 December 2023.

14. DATE OF NEXT MEETING

15th February 2024 at 7pm.

Parking available for Councillors @ 6.00pm on the precinct area at the front of the Town Hall.

Finance & General Purposes Committee

1. Cllr Belinda Walker
2. Cllr Nicola Keen
3. Cllr Jane Darling
4. Cllr Connor McConville
5. Cllr Adrian Lockwood
6. Cllr Bridget Chapman
7. Cllr Laura Davison
8. Cllr Christine Dickinson
9. Cllr Kieran Leigh
10. Cllr Tim Prater
11. Cllr Peter Gane



FOLKESTONE TOWN COUNCIL

MINUTES of the Finance and General Purposes Committee Meeting held at Folkestone Town Council Offices, Town Hall, 1-2 Guildhall Street, Folkestone on Thursday, 14th December 2023 at 7.00 p.m.

PRESENT: Councillors Jane Darling, Christine Dickinson, Belinda Walker, Connor McConville (Chair), Adrian Lockwood, Nicola Keen, Bridget Chapman, Laura Davison, Kieran Leigh and Peter Gane.

ABSENT:

OFFICERS PRESENT: Toni Brenchley – Town Clerk,
Roland Domingo – Finance Officer.

1605. APOLOGIES FOR ABSENCE

Apologies received from Councillor Tim Prater.

RESOLVED: The Committee received and approved apologies.

Proposed: Councillor Nicola Keen

Seconded: Councillor Belinda Walker

Voting: F: 10, Ag: 0, Ab: 0

1606. DECLARATIONS OF INTERESTS

There were no declarations of interest.

1607. MINUTES

The committee received the Minutes of the meeting of the Finance and General Purposes Committee held on 30th November 2023.

RESOLVED: That the Minutes of the meeting of the Finance and General Purposes Committee held on 30th November 2023 be signed as a correct record.

Proposed: Councillor Christine Dickinson

Seconded: Councillor Adrian Lockwood

Voting: F: 10, Ag: 0, Ab: 0

1608. SCHEDULE OF PAYMENTS

The Committee considered the schedule of payments made between 1st November 2023 and 30th November 2023.

RESOLVED: That the Schedule of Payments for the period between 1st November 2023 and 30th November 2023 be approved.

Proposed: Councillor Nicola Keen

Seconded: Councillor Belinda Walker

Voting: F: 10, Ag: 0, Ab: 0

1609. SCHEDULE OF RECEIPTS

The Committee considered the schedule of receipts made between 1st November 2023 and 30th November 2023.

RESOLVED: That the Schedule of Receipts for the period 1st November 2023 and 30th November 2023 be accepted.

Proposed: Councillor Peter Gane

Seconded: Councillor Nicola Keen

Voting: F: 10, Ag: 0, Ab: 0

1610. BUDGET MONITORING STATEMENT 2023/24

The budget monitoring statement to the 30th November 2023 was received by the Committee.

RESOLVED: That the Budget Monitoring Statement to 30th November 2023 be approved.

Proposed: Councillor Laura Davison

Seconded: Councillor Peter Gane

Voting: F: 10, Ag: 0, Ab: 0

1611. BANK RECONCILIATION

The bank reconciliation statement as at 30th November 2023 was noted by the Committee.

1612. MAYORAL CAR LEASE RENEWAL

Report F/23/349 provides information regarding the mayoral car lease ending in April 2024, the Committee is asked to consider four options for the new mayoral car on a three year lease.

RESOLVED: That option C – Kia XCeed be adopted from April 2024 on a three year lease at £4,659.87 per annum.

Proposed: Councillor Peter Gane

Seconded: Councillor Nicola Keen

Voting: F: 9, Ag: 1, Ab: 0

1613. BUDGET 2024/25

Report F/23/350 sets out the draft proposals for the Town Council's budget for 2024/25, considering proposed growth items submitted by spending committees. Members were requested to make final recommendations for the budget/precept for presentation to the full Council on 11th January 2024.

RESOLVED: That the Air Show/Armed Forces Day be reduced to £25,000 for 2024/25 annual budget.

Proposed: Councillor Laura Davison

Seconded: Councillor Nicola Keen

Voting: F: 10, Ag: 0, Ab: 0

RESOLVED: That the cost of renewing the Christmas lights be discussed by the Community Services Committee.

Proposed: Councillor Peter Gane

Seconded: Councillor Nicola Keen

Voting: F: 10, Ag:0, Ab: 0

RESOLVED: To keep the Flowerbeds budget at £35,000 for the 2024/25 annual budget and request the Climate & Environmental Committee to add an item for the sponsorship of Flowerbeds to the District for next year.

Proposed: Councillor Peter Gane

Seconded: Councillor Bridget Chapman

Voting: F: 9, Ag: 0, Ab: 1

RESOLVED: That the draft budget be noted and agreed but the precept be deferred to full Council in January when the new property tax base figures will be available.

Proposed: Councillor Nicola Keen

Seconded: Councillor Bridget Chapman

Voting: F: 9, Ag: 0, Ab: 1

1614. WARD GRANTS

A list of ward grants was provided for the Committee's approval.

<i>Organisation</i>	<i>Purpose</i>	<i>Amount</i>	<i>Councillor</i>	<i>Power</i>
Pavement Pounders Community Interest Company	Crossings Remembered	£150.00	J Renshaw	LGA 72, Sec 145
Community Donation Station	Lighting and Heating in the shop	£882.00	J Darling	LGA 72, Sec 133
Ensor's	Christmas Community	£200.00	C McConville	LGA 72, Sec 145
Ensor's	Christmas Community	£100.00	A Lockwood	LGA 72, Sec 145
Ensor's	Christmas Community	£100.00	B Chapman	LGA 72, Sec 145
Ensor's	Christmas Community	£100.00	J Meade	LGA 72, Sec 145
Ensor's	Christmas Community	£100.00	L McGirr	LGA 72, Sec 145
Ensor's	Christmas Community	£100.00	B Walker	LGA 72, Sec 145

RESOLVED: To approve the listed ward grants received.

Proposed: Councillor Peter Gane

Seconded: Councillor Kieran Leigh

Voting: F: 10, Ag: 0, Ab: 0

1615. WARD GRANT BALANCES

The Committee has noted the ward grant balances as at 30th November 2023.

EXCLUSION OF PRESS AND PUBLIC The remainder of the Agenda has classified item 12 (minute 1616) as disclosing exempt information under Paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended) thereby excluding the press and public from the meeting whilst this item is debated. Press and members of the public should now leave.

RESOLVED: To exclude the press and public from the meeting whilst the next item is debated.

Proposed: Councillor Peter Gane
Seconded: Councillor Bridget Chapman
Voting: F: 10, Ag: 0, Ab: 0

1616. CINEMA RENT REVIEW

The Committee is asked to consider the current status of the cinema tenancy agreement.

RESOLVED: To instruct the Town Clerk to appoint a chartered surveyor to undertake a rent review and enter into negotiations with the tenant.

Proposed: Councillor Peter Gane
Seconded: Councillor Nicola Keen
Voting: F: 10, Ag: 0, Ab: 0

1617. DATE OF NEXT MEETING:

25th January 2024 at 7.00pm

The meeting concluded at 07:54pm

Chair.....

Date.....

		Expenditure of £250 and above 01/12/2023 - 31/12/2023			
FOLKESTONE TOWN COUNCIL PAYMENTS LIST 1 DECEMBER TO 31 DECEMBER 2023					
Date	Supplier	Budget Code	Transaction Number	Total	Description
01/12/2023	Metromec Services & Maintenance Ltd	Building Repairs/Maint	723	1,036.80	Treatment of water systems to bacterial of heating system
01/12/2023	Right Guard Security UK Ltd	Remembrance Sunday	725	336.00	Security services for Remembrance Service
01/12/2023	ADM Computing Services	ICT Support	746	1,265.52	Various monthly IT services
01/12/2023	Bright Idea	Building Repairs/Maint	747	2,220.00	Fitting and installation of vehicle electrical charger at the Bunker
01/12/2023	Steve Wood Photographer	Christmas Festivities	719	400.00	Photography at Christmas Lights Switch On event
01/12/2023	MegStars Parties	Christmas Festivities	721	270.00	Children's Animated Film Characters for Festive Parade
01/12/2023	RentaDinosaur	Christmas Festivities	722	1,500.00	Dinosaur puppets for the Festive Lantern Parade
01/12/2023	E J Clough	Christmas Festivities	724	1,350.00	Christmas trees for Town Hall 1x, and Cheriton 7x
01/12/2023	Folkestoneprinting.com Limited	Christmas Festivities	726	543.78	Christmas Lights Switch On event bus stop adverts
01/12/2023	Folkestoneprinting.com Limited	Christmas Festivities	727	564.90	Christmas Lights Switch On stage backdrop banner
01/12/2023	Fred Newing	CCTV Maintenance	729	1,015.00	CCTV Control Room refurbishment interim
01/12/2023	The Folkestone Miniaturist	M/H Exhibitions	730	309.73	Additional scenic works for Romans display case & interpretation
01/12/2023	Right Guard Security UK Ltd	Christmas Festivities	731	369.60	Medical Cover Christmas Lights Switch On Event
01/12/2023	Sound Experience Disco	Christmas Festivities	742	2,450.00	Supply stage, lighting and tech for Christmas Lights Opening event
01/12/2023	Sound Experience Disco	Christmas Festivities	743	350.00	Generator + fuel, dist cables & safety RCD for Xmas lights event
01/12/2023	The Real Power of Music CIC	Ward Grants	763	281.50	Music And The Body ward grant - N Keen
08/12/2023	Total Control Services Limited	Building Repairs/Maint	813	582.00	Town Hall maintenance contract 29.04.23 - 28.04.24
08/12/2023	Harmer & Sons Grounds Maintenance Ltd	Remembrance Sunday	817	300.00	To place crosses at the Garden of Remembrance
08/12/2023	Right Guard Security UK Ltd	Christmas Festivities (Cheriton)	797	460.80	Security for Cheriton Christmas Event
08/12/2023	Sign Graphics	Parks, Gardens & Recs - Play Areas	798	423.18	Play parks sign replacement 8x
08/12/2023	Right Guard Security UK Ltd	Christmas Festivities	803	3,101.56	Traffic Management, Security & Crowd Control Xmas Event
08/12/2023	Mulberry & Co	Internal Audit Fees	804	351.90	Mid term internal audit review 2023.24
08/12/2023	Harmer & Sons Grounds Maintenance Ltd	Notice/Information/Heritage Boards	811	504.00	Remove rottenback boards and replace all locks on noticeboards
08/12/2023	Harmer & Sons Grounds Maintenance Ltd	Parks, Gardens & Recs - Play Areas	812	2,655.80	Mowing and monthly play inspections 8x
08/12/2023	Sign Graphics	Community Minibus (Reserve Use)	815	289.32	Community minibus graphic signs
08/12/2023	Martello Plastics Ltd	Hire of Facilities (inc. Garage)	816	1,500.00	Storage monthly rental and electricity usage
08/12/2023	Folkestone Festivals	Town Grants	819	2,500.00	Bands at the Bandstand Town Grant
12/12/2023	Peninsula	HR/H&S Management Fees	864	397.07	HR monthly service
14/12/2023	Walker Traffic Management	Remembrance Sunday	826	846.00	Traffic management for Remembrance Sunday
14/12/2023	Metroline Security Limited	Building Repairs/Maint	831	312.00	To provide annual service agreement for intruder alarm
14/12/2023	Metroline Security Limited	Building Repairs/Maint	832	288.00	To provide quarterly maintenance to the fire alarm
14/12/2023	ADM Computing Services	ICT Support	837	1,177.32	Various montly IT services
14/12/2023	Walker Traffic Management	Remembrance Sunday	827	708.00	Traffic management for Dedication of GoR
14/12/2023	Pitney Bowes	Postage	835	308.00	Franking machine postage prepaid
15/12/2023	Net wages	Salaries, Pensions & NI	861	22,006.20	Staff costs December 2023
15/12/2023	The Community Donation Station Shop	Ward Grants	846	882.00	Community Donation Station Shop ward grant - Cllr J Darling
18/12/2023	HMRC	Salaries, Pensions & NI	856	8,544.43	PAYE December 2023
18/12/2023	Kent Pension Fund	Salaries, Pensions & NI	857	6,349.17	Employer's superannuation December 2023
19/12/2023	Daisy Communications Limited	Telecommunication Services	858	565.84	Office broadband monthly
20/12/2023	Russell & Wheeler	CCTV Maintenance	852	942.00	CCTV Control Room electrical works
20/12/2023	Fred Newing	CCTV Maintenance	853	1,300.00	CCTV Control Room refurbishment remaining balance
20/12/2023	Lumalite	Christmas Lighting	854	345.30	Transformer cables for Christmas lights 3x
20/12/2023	Harmer & Sons Grounds Maintenance Ltd	Parks, Gardens & Recs - Play Areas	855	2,849.00	Play park monthly inspections and mowing 8x
27/12/2023	Leppard Cleaning	Cleaning	860	807.50	Town Hall office and Museum cleaning December 2023

FOLKESTONE TOWN COUNCIL RECEIPTS LIST 1 DECEMBER TO 31 DECEMBER 2023

Date	Customer	Code	Transaction Number	Total	Description
01/12/2023	HSBC Deposit Account	Investment Interest	226	£509.07	Interest on investments November 2023
05/12/2023	Museum Shop	M/H Retail Sales	244	£2.00	Postcard retail
06/12/2023	Museum Shop	M/H Retail Sales	245	£1.00	Postcard retail
06/12/2023	Museum Shop	M/H Income	245	£10.00	Museum workshop talks
06/12/2023	Museum Shop	M/H Retail Sales	246	£24.25	Various museum retail
11/12/2023	Museum Shop	M/H Retail Sales	247	£1.00	Postcard retail
12/12/2023	Martello School	M/H Income	242	£100.00	Iron Age Museum Workshop 1 Hour
13/12/2023	Museum Shop	M/H Retail Sales	248	£19.49	Various museum retail
15/12/2023	Museum Shop	M/H Income	250	£28.00	Museum workshop talks
18/12/2023	Museum Shop	M/H Retail Sales	251	£1.85	Fidget toy retail
20/12/2023	Silver Screen Cinema	Rental Income	243	£1,000.00	Cinema lease monthly
20/12/2023	Museum Shop	M/H Income	252	£8.00	Workshop talks
20/12/2023	Museum Shop	M/H Retail Sales	253	£32.00	Various museum retail
20/12/2023	Museum Shop	M/H Income	253	£16.00	Museum workshop talks
21/12/2023	Museum Shop	M/H Income	254	£122.40	Workshop talks

FOLKESTONE TOWN COUNCIL - EXPENDITURE/INCOME 2023/2024

	ORIGINAL BUDGET 2023/2024 £	VIREMENTS 2023/2024 £	REVISED BUDGET 2023/2024 £
ALLOTMENTS - PFR MAINTENANCE	3,000		3,000
ALLOTMENTS - TKL MAINTENANCE	3,000		3,000
MAINTENANCE OF BEACON	300		300
LOCAL PROJECTS	4,000		4,000
NOTICE BOARDS	1,100		1,100
BUS SHELTERS	500		500
WARD GRANTS	19,800		19,800
TOWN GRANTS	34,200		34,200
PARKS, GARDENS & RECS - FLOWERBEDS	35,000		35,000
CHRISTMAS LIGHTING	17,000	32	17,032
CHRISTMAS FESTIVITIES	12,000		12,000
CHRISTMAS LIGHTS/EVENTS (CHERITON)		1,430	
YOUTH FACILITIES	6,000		6,000
PARKS, GARDENS & RECS - TREES	20,000		20,000
PARKS, GARDENS & RECS - PLAY AREAS	37,000	492	37,492
PARK BENCHES	500		500
LITTER/SALT BINS, BOLLARDS & RAILINGS	2,250		2,250
TOURIST INFORMATION	5,000		5,000
MAINTENANCE OF PUBLIC CLOCKS	500		500
MAINTENANCE OF MEMORIALS	2,500		2,500
TELEPHONE BOX	100		100
CCTV MONITORING	29,000		29,000
CCTV MAINTENANCE	20,000	4,378	24,378
GUILDHALL UMBRELLA PROJECT	0	5,030	5,030
AIR SHOW/ARMED FORCES' DAY	12,000	6,745	18,745
COMMUNITY MINIBUS (RESERVE USE)		65,562	65,562
CONTINGENCY	2,000		2,000
TOTAL SERVICES EXPENDITURE	280,050	83,669	362,289

ALLOTMENT RENTS PFR	5,900		5,900
ALLOTMENT RENTS TKL	4,600		4,600
ALLOTMENT KEY INCOME	0		0
ALLOTMENT DEPOSITS (RESERVE)	0		0
SPONSORSHIPS INCOME	0		0
COMMUNITY INFRASTRUCTURE LEVY	0		0
CHRISTMAS STALLS	0		0
TRAINING INCOME	0		0
OTHER INCOME (ARMED FORCES' DAY)	0		0
CHRISTMAS COLLECTION (RESERVE USE))	0		0
UMBRELLA PROJECT CONTRIBUTION	0		0
TOTAL SERVICES INCOME	10,500	0	10,500

NET SERVICES EXPENDITURE/INCOME 269,550 83,669 351,789

ACTUALS TO 31 DECEMBER 2023/2024 £	TOTAL BUDGET REMAINING 2023/2024 £
1,088	1,912
1,391	1,609
25	275
3,636	364
764	336
	500
6,112	13,689
35,467	-1,267
1,736	33,264
319	16,712
15,674	-3,674
1,430	-1,430
-250	6,250
15,109	4,891
33,408	4,084
	500
405	1,845
1,403	3,597
	500
1,840	660
66	34
19,035	9,965
11,758	12,620
5,030	0
33,229	-14,484
65,562	0
	2,000
263,483	98,806

4,898	1,002
4,340	260
90	-90
500	-500
150	-150
71,058	-71,058
700	-700
30	-30
3,300	-3,300
307	-307
3,113	-3,113
88,487	-77,987

BUDGET TO DATE 2023/2024 %	BUDGET NOTES
36	Grass cutting, other maintenance
46	Grass cutting, other maintenance
8	
91	Mechinagar Sister Partnership celebration
69	Maintenance of notice boards
0	No cost incurred
31	
104	Over the budget due to many approvals of town grants
5	Sponsorship of flowerbeds to Folkestone & Hythe District Council
2	Cost to start incurring in December/January
131	Cost to start incurring in November/December
	Purchase of additional Christmas lights, Christmas trees, and security service
-4	Pitch hire, Councillors Cup
76	KCC tree planting scheme
89	Play area inspections and maintenance
0	
18	
28	
0	
74	
66	Electricity costs in telephone box
66	CCTV monitoring cost in Ashford site
48	
100	No further costs to incur
177	No further cost to incur, grant is due to be received in December
100	Community minibus costs, reserve in use to cover the costs
0	
73	

83	
94	
	Allotment gate key
	Allotment tenant refundable deposits posted as earmark reserve
	Sponsorships from Christmas Lights event
	Additional CIL received, posted as earmark reserve
	Christmas stalls hire
	New income code
	Income from sponsorships and stalls for AFD
	Collections for Cheriton Christmas Lights
	One-off project income received
843	

50

FOLKESTONE TOWN COUNCIL - EXPENDITURE/INCOME 2023/2024

ORIGINAL		REVISED
BUDGET	VIREMENTS	BUDGET
2023/2024	2023/2024	2023/2024
£	£	£

ACTUALS	TOTAL
TO 31 DECEMBER	BUDGET
2023/2024	REMAINING
£	2023/2024
	£

BUDGET	BUDGET
TO DATE	NOTES
2023/2024	
%	

FEES

CONSULTANTS FEES	0		0
LEGAL/BAILIFF FEES	0		0
EXTERNAL AUDIT FEES	1,700		1,700
INTERNAL AUDIT FEES	1,050		1,050
CARD RECEIPTS FEES	940		940
TOTAL FEES	3,690	0	3,690

1,083	-1,083
350	-350
2,100	-400
1,376	-326
332	608
5,241	-1,551

	External professional service
	Road closure notices
124	External audit year ending 2022/23
131	Internal audit year ending 2022/23
35	
142	

MUSEUM/HERITAGE

M/H TRAINING	700		700
M/H SUBSCRIPTIONS	450		450
M/H EQUIPMENT/FURNITURE	400		400
M/H EXHIBIT REPAIRS	200		200
M/H HISTORIC COSTUMES	250		250
M/H NEW EXHIBITS	0	4,000	4,000
M/H MATERIALS/CONSUMABLES	1,500		1,500
M/H PUBLICITY & PROMOTION	1,000		1,000
M/H EVALUATION/PRESS COVERAGE	500		500
M/H LEAFLETS/PUBLICATIONS	1,000		1,000
M/H MERCHANDISE	2,000		2,000
M/H SERVICES	3,500		3,500
M/H EVENTS	5,000		5,000
M/H EXHIBITIONS	5,000		5,000
M/H EDUCATION RESOURCES	500		500
M/H WORKSHOPS	4,000	588	4,588
M/H VOLUNTEERS EXPENSES	0		0
M/H HOSPITALITY	500		500
M/H PROFESSIONAL FEES	3,000		3,000
CONT. TO MUSEUM/HERITAGE RESERVE	0		0
TOTAL MUSEUM/HERITAGE EXPENDITURE	29,500	4,588	34,088

295	405
	450
49	351
	200
266	-16
4,000	0
1,478	22
510	490
	500
92	908
1,374	626
1,475	2,025
1,586	3,414
423	4,577
531	-31
2,098	2,490
	0
16	484
	3,000
	0
14,192	19,896

42	
0	
12	
0	
107	
100	
99	
51	
0	
9	
69	
42	
32	
8	
106	
46	
3	
0	
42	

M/H INCOME	4,500		4,500
M/H RETAIL SALES	2,000		2,000
M/H FRIENDS OF FOLKESTONE MUSEUM	0		0
M/H DONATIONS	500		500
TOTAL MUSEUM/HERITAGE INCOME	7,000	0	7,000

4,879	-379
1,873	127
4,802	-4,802
64	436
11,619	-4,619

108	Museum workshops and talks
94	Museum shop retail
#DIV/0!	Closure of account, remaining balance given for the development of Museum services
13	Donations received
166	

NET MUSEUM/HERITAGE EXP/INCOME **22,500** **4,588** **27,088**

2,574 **24,514**

10

SUMMARY

TOTAL EXPENDITURE	1,006,670	118,857	1,124,097
TOTAL INCOME	48,300	0	48,300
NET TOTAL	958,370	118,857	1,075,797

851,334	272,763
130,817	-82,517
720,516	190,246

76
271
67

PRECEPT **952,970** **952,970**

952,970

FOLKESTONE TOWN COUNCIL - EXPENDITURE/INCOME 2023/2024

ORIGINAL		REVISED
BUDGET	VIREMENTS	BUDGET
2023/2024	2023/2024	2023/2024
£	£	£

ACTUALS	TOTAL
TO 31 DECEMBER	BUDGET
2023/2024	REMAINING
2023/2024	2023/2024
£	£

BUDGET	BUDGET
TO DATE	NOTES
2023/2024	
%	

NET (SURPLUS) / DEFICIT	5,400	118,857	122,827
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-232,454

Folkestone Town Council Earmarked Reserves as at 31 December 2023

Earmarked	Opening Balance	Transfers	Spend	Receipts	Current Balance
Tree Planting Reserve	20,000.00				20,000.00
Museum/Heritage Reserve	159,313.29		4,588.13		154,725.16
Tourism Reserve	4,735.00				4,735.00
Provision for Bus Shelters	3,500.00				3,500.00
Town Grants Reserve	4,253.00				4,253.00
FTC Elections Reserve	30,600.00		30,600.00		0.00
Armed Forces' Day Reserve	3,445.00	-6,745.00		3,300.00	0.00
Provision for Salt Bins	6,168.49				6,168.49
Provision for 'Folk Flower Power'	0.40	-0.40			0.00
Provision for Anti-Litter Campaign	2,000.00				2,000.00
Provision for Benches	100.00				100.00
Provision for Play Areas	13,394.29		491.66		12,902.63
Provision for CCTV Equip/Maint	20,202.46		4,378.32		15,824.14
Provision for Christmas Lights/Events (Cheriton)	2,668.85		1,430.43	307.33	1,545.75
Neighbourhood Fund (CIL)	68,820.17			71,058.10	139,878.27
Christmas Gifts for Children	2,216.70				2,216.70
Community Transport	71,303.00		65,562.28		5,740.72
Guildhall Umbrella Project	2,308.00	-390.91	5,030.00	3,112.91	0.00
Provision for Outstanding Invoices	4,678.55	-4,678.55			0.00
Friends of Folkestone Museum				4,801.76	4,801.76
Allotment deposits	0.00			500.00	500.00
Total	419,707.20	-11,814.86	112,080.82	83,080.10	378,891.62
GENERAL FUND					485,080.09
TOTAL FUNDS					863,971.71

Earmarked Reserve Spent Breakdown:

Earmarked Reserve	Description	Amount
Museum/Heritage Reserve	Museum model EWB Roman Villa	4,000.00
Museum/Heritage Reserve	Various workshop consumable purchases	588.13
		4,588.13
FTC Elections Reserve	Election costs 2023/24	30,600.00
Armed Forces' Day Reserve	Armed Forces' Day 2023/24 used to cover over expenditure budget	6,745.00
Provision for Play Areas	Post contract administrator surveyor services for play areas	491.66
Provision for CCTV Equip/Maint	CCTV camera at Cheriton Rec	4378.32
Guildhall Umbrella Project	Installation of umbrella artwork at Guildhall St	5000
Guildhall Umbrella Project	Investigate debris falling from umbrella artwork	30
		5030

This report will be made public on
19 January 2024

**Folkestone
Town Council**



Report Number **F/24/353**

To: Finance and General Purposes Committee
Date: 25 January 2024
Status: Non-Exempt
Responsible Officer: Responsible Financial Officer

Subject: INTERIM INTERNAL AUDITOR REPORT F/24/353

SUMMARY: This report provides the annual investment policy and recommends the Committee review in accordance with best practice.

REASONS FOR RECOMMENDATION

The Committee is asked to consider the recommendations set out below because:

- a) The Council is committed to controlling and manage its financial affairs in accordance with the Accounts and Regulations 2015.

RECOMMENDATIONS:

- 1. To receive and note Report F/24/353.

Aims and Objectives – To comply with Best Value and Quality Council legislation.
Equal Opportunities – Equal access to services for all.
Environmental Impact – The environmental impact has been considered in the preparation of all budgets.

1. INTRODUCTION

- 1.1 The internal auditor completed the interim internal audit on 23 November 2023 and provided a report below for the Council’s attention.
- 1.2 The Accounts and Audit Regulations 2015 require smaller authorities, each financial year, to conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement in accordance with proper practices in relation to accounts.

1.3 A smaller authority is required by Regulation 5(1) of the Accounts and Audit Regulations 2015 to “undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.”

2. RECOMMENDATION

2.1 The Finance and General Purposes Committee is asked to note the auditor’s report and apply the recommendations.

CONTACT OFFICER

If you have any queries about the report, please contact the Town Clerk and Responsible Financial Officer of the Council.

Telephone: 01303257946 or email toni.brenchley@folkestone-tc.gov.uk prior to the meeting.



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Our Ref: MARK/FOL002

Mr R Domingo
Folkestone Town Council
The Town Hall
1-2 Guildhall Street
Folkestone
Kent CT20 1DY

23 November 2023

Dear Roland

**Re: Folkestone Town Council
Internal Audit Year Ended 31 March 2024 – Interim Audit report**

Executive summary

Following completion of our interim internal audit on 23 November 2023 we enclose our report for your kind attention and presentation to the council. The audit was conducted in accordance with current practices and guidelines and testing was risk based. Whilst we have not tested all transactions, our samples have where appropriate covered the entire year to date.

Our report is presented in the same order as the assertions on the internal auditor report within the published AGAR. The start of each section details the nature of the assertion to be verified. Testing requirements follow those detailed in the audit plan previously sent to the council, a copy of this is available on request. The report concludes with an opinion as to whether each assertion has been met or not at the interim audit. Where appropriate **recommendations for action are shown in bold text and are summarised in the table at the end of the report.**

Our sample testing did not uncover any errors or misstatements that require reporting to the external auditor at this time, nor did we identify any significant weaknesses in the internal controls such that public money would be put at risk.

It is clear the council takes governance, policies and procedures seriously and I am pleased to report that overall, the systems and procedures you have in place are fit for purpose and whilst my report may contain recommendations to change these are not indicative of any significant failings, but rather are pointers to improving upon an already well-ordered system.

It is therefore our opinion that the systems and internal procedures at Folkestone Town Council are well established and followed.

Regulation

The Accounts and Audit Regulations 2015 require smaller authorities, each financial year, to conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement in accordance with proper practices in relation to accounts. In addition to this, a smaller authority is required by Regulation 5(1) of the Accounts and Audit Regulations 2015 to “undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.”

Internal auditing is an independent, objective assurance activity designed to improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The purpose of internal audit is to review and report to the authority on whether its systems of financial and other internal controls over its activities and operating procedures are effective.

Internal audit's function is to test and report to the authority on whether its specific system of internal control is adequate and working satisfactorily. The internal audit reports should therefore be made available to all Members to support and inform them when they considering the authority's approval of the annual governance statement.

Independence and competence

Your audit was conducted by Andy Beams of Mulberry & Co, who has over 30 years' experience in the financial sector with the last 13 years specialising in local government.

Your auditor is independent from the management of the financial controls and procedures of the council and has no conflicts of interest with the audit client, nor do they provide any management or financial assistance to the client.

Engagement Letter

An engagement letter was previously issued to the council covering the 2023/24 internal audit assignment. Copies of this document are available on request.

Planning and inherent risk assessment

The scope and plan of works including fee structure was issued to the council under separate cover. Copies of this document are available on request. In summary, our work will address each of the internal control objectives as stated on the Annual Internal Audit Report of the AGAR. As part of the inherent risk assessment, we have concluded that:

- There have been no reported instances of breaches of regulations in the past
- The client uses an industry approved financial reporting package
- The client regularly carries out reconciliations and documents these
- There is regular reporting to council
- The management team are experienced and informed
- Records are neatly maintained and referenced
- The client is aware of current regulations and practices
- There has been no instance of high staff turnover

It is our opinion that the inherent risk of error or misstatement is low, and the controls of the council can be relied upon and as such substantive testing of individual transactions is not required. Testing to be carried out will be "walk through testing" on sample data to encompass the period of the council year under review.

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A. BOOKS OF ACCOUNT

Internal audit requirement

Appropriate accounting records have been properly kept throughout the financial year.

Audit findings

This is the first internal audit conducted by Mulberry & Co, having been appointed by the council at the Finance & General Purposes Committee meeting held on 19 October 2023 (minute ref 1569). The interim audit was conducted on site with the Finance Officer and Acting Town Clerk. The information advised in advance of the visit had been prepared and was available for review and overall, I have the impression that accounting records are neatly maintained and easily accessible. Other information was reviewed through discussion with the Finance Officer and Acting Town Clerk and a review of the council website www.folkestone-tc.gov.uk

The council has switched accounting software from Rialtas Business Solutions (RBS) to Scribe for this financial year. The Finance Officer is familiar with the package and is aware of the need to carefully check the 2022/23 year-end figures have been accurately translated between systems to ensure correct completion of the 2023/24 AGAR. The accounting package is updated regularly and used to produce management information reports for review at council meetings.

B. FINANCIAL REGULATIONS, GOVERNANCE AND PAYMENTS

Internal audit requirement

This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for.

Audit findings

Check the publication and minuting of the prior year audited AGAR and notice of conclusion of audit

The External Auditor's Report was not qualified and has been published on the council website along with the Notice of Conclusion of Audit and was reported to the Finance & General Purpose Committee meeting held on 19 October 2023 (minute ref 1585).

I note the council received and noted the internal auditor's report at the meeting held on 15 June 2023 (minute ref 1960).

Confirm by sample testing that councillors sign statutory office forms

I confirmed by sample testing that councillors sign "Acceptance of Office" forms. The council website provides details of the individual councillor's Register of Members' Interests.

Confirm that the council is compliant with the relevant transparency code

As the council's income and expenditure exceeds £25,000, it is not a statutory requirement to follow the requirements of the Local Government Transparency Code, although it is recommended best practice to do so.

Confirm that the council is compliant with GDPR

The council is fully aware of GDPR and has undergone training. It was noted the council has established common email addresses for all councillors. This is recommended because it gives a natural segregation between work and personal lives, making it clear beyond doubt in what capacity a councillor is acting. In addition to this it gives control to the council, adds a degree of professionalism and in the event of a FOI request limits access to personal computers.

The Joint Panel on Accountability and Governance (JPAG) Practitioner's Guide (March 2023) contains updated guidance on the matter as below:

The importance of secure email systems and GOV.UK

5.205. All authorities except parish meetings must now have an official website. To comply with GDPR, councils should provide official email accounts for their councillors as well as for their clerk and other officers.

5.206. *When choosing a domain name for the council's website and emails, many local council websites are appropriately making use of the official GOV.UK domain (for example, ourparishcouncil.gov.uk), with email addresses being linked to that domain.*

5.207. *Using a GOV.UK domain for your council website and email accounts demonstrates the council's official local government status. Members of the public are increasingly cyber security awareness, so a GOV.UK domain can also help to build trust, and credibility and visibly demonstrates authenticity. Many people will now reasonably expect a local council to have a GOV.UK domain name.*

5.208. *For the purposes of user management, councils should ensure that the proper officer can add and remove member and staff email accounts. Commercial 'dashboard' email and web systems offer centralised searching of all data contained within the system for effective compliance with GDPR Subject Access Requests and Freedom of Information Requests.*

The council has a Privacy Notice and Accessibility Statement on the home page of its website, and it is clear the council has made every effort to comply with the website requirements.

Confirm that the council meets regularly throughout the year

In addition to full council, the council has a committee structure in place. Terms of reference for each committee are published on the council website, along with future meeting dates and historic agendas and minutes for council and committee meetings on the council website.

Check that agendas for meetings are published giving 3 clear days' notice

I was able to confirm that at least 3 clear days' notice is given on agendas. Whilst we have not tested every single committee and council meeting there was no evidence of non-compliance in giving three clear days' notice of the meeting.

I note the agendas include the non-supporting confidential documents in accordance with the requirements of the Information Commissioner's Office.

Check the draft minutes of the last meeting(s) are on the council's website

Minutes are routinely uploaded to the council website and the website contains a statement that reads 'All minutes remain as unadopted drafts until the next meeting.'

Confirm that the Parish Council's Standing Orders have been reviewed within the last 12 months

The Standing Orders are based on the current NALC model and were most recently reviewed and adopted by council on 15 June 2023 (minute ref 1965).

Confirm that the Parish Council has adopted and recently reviewed Financial Regulations

Financial Regulations are based on the current NALC model and were last reviewed and adopted by council on 16 May 2023 (minute ref 1943). The regulations contain provisions for the approval of spending, setting of budgets, reconciliation of the bank and reporting to council.

Check that the council's Financial Regulations are being routinely followed

The council has thresholds in place at which authorisations to spend must be obtained as below:

FR 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 Town Clerk.

Such authority is to be evidenced by a minute or by an authorisation slip duly signed by the Town Clerk, and where necessary also by the appropriate Chairman.

Contracts may not be disaggregated to avoid controls imposed by these regulations.

FR 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, or by the Town Clerk following confirmation of third party funding or grant. 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 ('virement') or to an earmarked reserve as appropriate.

FR 4.5 In cases of extreme risk to the delivery of council services, the Town 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 £10,000. The Town Clerk shall report such action to the chairman of Finance & General Purposes Committee and the council as soon as practicable thereafter

I tested a sample of invoices and was able to confirm these have been approved in accordance with Financial Regulations and accurately recorded in the accounting records.

The Financial Regulations include provisions for the award of contracts and contains the following clause:

FR11.1(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 Town Clerk or FO shall obtain 3 quotations (priced descriptions of the proposed supply); where the value is below [£3,000] and above [£500] the Town Clerk or FO shall strive to obtain 3 estimates. Otherwise, Regulation 10.3 above shall apply.

A breach of the procedure for tendering has occurred during the year, which the council identified and reported to Members.

Whilst the Acting Town Clerk confirmed that additional support from the Chair of the Finance Committee, along with the acknowledgement and adherence of the requirements of the Financial Regulations by current staff members has significantly reduced the likelihood of any reoccurrence, I must conclude that the council has not complied with the Financial Regulations during the year under review and therefore has failed to meet the requirements of this internal control objective.

There is comprehensive financial information presented to the Finance & General Purposes Committee meetings, including schedules of payments, budget monitoring statements and bank reconciliations.

Invoice and payment records are neatly filed and evidence of review of the information is recorded within the minutes of Finance & General Purposes Committee meetings

I note the council has published a 'Value For Money' Statement on its website, and a Statement of Internal Control which was approved by council at the meeting held on 15 June 2023 (minute ref 1961). It is clear from my internal audit and discussions with the Acting Town Clerk and Finance Officer that a culture exists within the office to ensure that proper procedures are followed and adopted council policies are adhered to.

Confirm all section 137 expenditure meets the guidelines and does not exceed the annual per elector limit of £9.93 per elector
The council confirmed its eligibility and adopted the General Power of Competence (GPC) at council meeting on 15 June 2023 (minute ref 1966) and the section 137 threshold does not apply.

Check receipt of VAT refund matches last submitted VAT return

The council submits its VAT return on a quarterly basis. I reviewed the submission for the period ending 30 June 2023 which showed a refund amount due of £29,102.56. The VAT claim was fully supported with the information extracted from the accounting package. I was able to confirm receipt of this amount to the council's bank account on 10 November 2023. The council is up to date with its VAT submissions.

C. RISK MANAGEMENT AND INSURANCE

Internal audit requirement

This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.

Audit findings

I confirmed that the council has a valid insurance policy in place with Zurich Insurance covering the period 29 July 2023 to 28 July 2024 inclusive, in a long-term agreement expiring on 29 July 2026. The policy includes Public Liability cover of £15 million, Employers Liability cover of £10 million and a Fidelity Guarantee level of £2 million which is sufficient for a council of this size.

Listed asset cover appears consistent with the details held on the council's asset register, and I note the council also holds Motor Insurance arranged through Zurich covering the same insurance period.

A review of the council's risk management policy and risk assessment will be carried out at the final internal audit.

D. BUDGET, PRECEPT AND RESERVES

Internal audit requirement

The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.

Audit findings

The council set a precept of £952,970 for 2023/24. With a tax base of 14,566.6, this equates to a band D equivalent of £65.42 (compared to the average in England of £79.35).

The 2024/25 budget setting process is underway, and I was presented with a detailed draft budget proposal at the interim audit. This will be reviewed at the Finance Committee meeting in December, before a recommendation to Council with the aim to confirm the final sign-off at the January 2024 council meeting.

Budget information is shared with councillors at every meeting throughout the year, accompanied by a report from the Finance Officer detailing any significant variances. A review of the monthly report shows that councillors are provided with sufficient financial information to make informed decisions.

I reviewed the information contained within the payments and receipts lists. This shows data entry contains sufficient detail to identify the reason for each transaction and includes VAT amounts where applicable. There was no evidence of offsetting of income and expenditure in the sample tested at the interim audit.

At the end of October 2023, the council held circa £313,000 in earmarked reserves (EMR), spread across a range of clearly identifiable projects, including an amount identified as Community Infrastructure Levy (CIL) receipts. I checked the purpose of these EMRs with the Acting Town Clerk and Finance Officer and am content they are all for legitimate future planned projects of the council.

I remind council that the Joint Panel on Accountability and Governance (JPAG) Practitioner's guide states '*the generally accepted recommendation with regard to the appropriate minimum level of a smaller authority's general reserve is that this should be maintained at between three and twelve months of net revenue expenditure*' (para 5.33).

A check of the year-end general reserve balance will be conducted as part of the year-end internal audit.

E. INCOME**Internal audit requirement**

Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.

Audit findings

I was able to verify receipt of both parts of the precept and that the amount received matches that held on the government precept database. Community Infrastructure Levy (CIL) receipts received during the year are supported by an appropriate remittance advice.

Apart from the precept, the council has limited other sources of income for a council of this size. A review of the accounting records shows that income appears to be recorded with sufficient narrative detail to identify the source and allocated to the most appropriate nominal code.

F. PETTY CASH**Internal audit requirement**

Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for.

Audit findings

The council maintains a small petty cash float used for incidental expenditure which held a balance of £47.53 at the end of October 2023. The Finance Officer confirmed that this is no longer used, and I recommend that the petty cash balance is cleared. There is a pre-paid debit card in existence which negates the need for petty cash.

G. PAYROLL**Internal audit requirement**

Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.

Audit findings

The council uses a third party provider to process the payroll, with data based on the calculations submitted by the Finance Officer. I reviewed the payroll summary presented for the internal audit and the payroll deductions appear correct. The council has correctly not claimed the employment allowance which is not applicable to local authorities.

I remind the council that only salary, HMRC and pension payments should be included in box 4 on the Annual Governance and Accountability Return (AGAR) and any other staff costs should be recorded in box 6.

There are no councillor allowances.

H. ASSETS AND INVESTMENTS**Internal audit requirement**

Asset and investments registers were complete and accurate and properly maintained.

Audit findings

The council has a fixed asset register in place which is maintained within the Scribe accounting package. This splits assets into different categories, and includes the ability to list dates of acquisition, purchase and current values, location, estimated life, usage/capacity and any applicable charges.

Supporting this document is an additional asset list used to assess insurance values. The lists are consistent with each other, and for the purpose of inclusion on the Annual Governance and Accountability Return (AGAR), assets are correctly listed at original cost/proxy cost, or where gifted/donated, given a nominal £1 value for the purpose of the asset register.

The council has a Public Works Loan Board (PWLB) loan which was taken out for the purchase of the council office. A check of the year-end balance and in year repayments will be conducted at the final audit.

The council has no long-term investments. A short-term sum is held with the District Council which is accessible on demand. The council does not currently have an Investment Policy, and the Finance Officer confirmed that he is working on a policy for adoption by council.

I recommend the council adopts an Investment Policy to support its future decision making on placement of funds in accordance with the [Statutory Guidance on Local Authority Investments](#) and in accordance with the JPAG guidance on investments.

I. BANK AND CASH

Internal audit requirement

Periodic and year-end bank account reconciliations were properly carried out.

Audit findings

Financial Regulation 2.2 states 'On a regular basis, at the end of each quarter, and at each financial year end, a member other than the Chairman or a cheque signatory shall verify bank reconciliations produced by the Town Clerk. The member shall sign the reconciliations as evidence of verification. This activity shall on conclusion be reported and noted by the Finance & General Purposes Committee.'

Bank reconciliations are completed monthly and presented to council as part of the monthly budget report. I reviewed the reconciliations presented for the interim audit and was able to confirm the balances to the bank statements and found no errors. There is evidence within the minutes of Finance & General Purposes Committee meetings of bank reconciliations being received, but **the bank reconciliations have not been signed in accordance with the Financial Regulations and this will need to be evidenced to me by the year-end to achieve a positive sign-off for this internal control objective.**

Due to the size of the council's budget, it is not covered by the Financial Services Compensation Scheme (FSCS). The council has accounts with HSBC and has just opened an account with Unity Trust.

J. YEAR END ACCOUNTS

Internal audit requirement

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.

Audit findings

Testing to be conducted at final audit.

K. LIMITED ASSURANCE REVIEW

Internal audit requirement

IF the authority certified itself as exempt from a limited assurance review in 2022/23, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2022/23 AGAR tick "not covered")

Audit findings

The council did not certify itself exempt in 2022/23 due to exceeding the income and expenditure limits and this test does not apply.

L: PUBLICATION OF INFORMATION**Internal audit requirement**

The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation

Audit findings

Testing to be conducted at final audit.

M: EXERCISE OF PUBLIC RIGHTS - INSPECTION OF ACCOUNTS**Internal audit requirement**

The authority has demonstrated that during summer 2022 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.

Audit findings

Inspection – key dates	2022/23 Actual
Date AGAR signed by council	15 June 2023
Date inspection notice issued	16 June 2023
Inspection period begins	19 June 2023
Inspection period ends	28 July 2023
Correct length (30 working days)	Yes
Common period included (first 10 working days of July)	Yes

I am satisfied the requirements of this control objective were met for 2022/23, and assertion 4 on the Annual Governance Statement can therefore be signed off by the council.

N: PUBLICATION REQUIREMENTS**Internal audit requirement**

The authority has complied with the publication requirements for 2022/23. Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website / webpage.

Before 1 July 2023 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 2022/23, approved and signed, page 4*
- *Section 2 - Accounting Statements 2022/23, approved and signed, page 5*

Not later than 30 September 2023 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.

Audit findings

I was able to confirm that the Notice of Public Rights is published on the council website along with the Notice of Conclusion of audit and External Auditor Report and I was able to confirm that the publication requirements for 2022/23 have been met.

O. TRUSTEESHIP**Internal audit requirement**

Trust funds (including charitable) – The council met its responsibilities as a trustee.

Audit findings

The council has no trusts.

Achievement of control assertions at interim audit date

Based on the tests conducted during the interim audit, our conclusions on the achievement of the internal control objectives are summarised in the table below. A further review and update of this opinion will be conducted at the final audit.

	INTERNAL CONTROL OBJECTIVE	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 assesses 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 bank account reconciliations were properly carried out during the year.		√	
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.	To be tested at final audit		
K	If the authority certified itself as exempt from a limited assurance review in 2022/23, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2022/23 AGAR tick "not covered")</i>			√
L	The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation	To be tested at final audit		
M	The authority, during the previous year (2022-23) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations <i>(evidenced by the notice published on the website and/or authority approved minutes confirming the dates set)</i> .	√		
N	The authority has complied with the publication requirements for 2022/23 AGAR.	√		
O	Trust funds (including charitable) – The council met its responsibilities as a trustee.			√

Should you have any queries please do not hesitate to contact me.

Your final audit date has been booked for Tuesday 15 May 2024 at 9am at the Town Hall.

Yours sincerely



Andy Beams
For Mulberry & Co

This report will be made public on
19 January 2024

**Folkestone
Town Council**



Report Number **F/24/354**

To: Finance and General Purposes Committee
Date: 25 January 2024
Status: Non-Exempt
Responsible Officer: Responsible Financial Officer

Subject: INVESTMENT POLICY REPORT F/24/354

SUMMARY: This report provides the annual investment policy and recommends the Committee review in accordance with best practice.

REASONS FOR RECOMMENDATION

The Committee is asked to consider the recommendations set out below because:

- a) The Council is committed to work in compliance with the Governance and Accountability for smaller authorities in England.
- b) Arrangements need to be in place to ensure that the authority's funds are managed properly and that any amounts surplus to requirements are invested appropriately.

RECOMMENDATIONS:

1. To receive and note Report F/24/354.
2. To adopt the Investment Policy for 2023/24.

Aims and Objectives – To comply with Best Value and Quality Council legislation.
Equal Opportunities – Equal access to services for all.
Environmental Impact – The environmental impact has been considered in the preparation of all budgets.

1. INTRODUCTION

1.1 As part of the council's strategic planning, the attached Investment Policy has been updated for the financial year 2023/24.

1.2 Following the internal auditor's interim review of the Council, he has also recommended the Council adopt an Investment Policy for the 2023/24 year to support future decision making on placement of funds in accordance with the Statutory Guidance on Local Authority Investments and in accordance with JPAG guidance on investments.

2. RECOMMENDATION

2.1 The Finance and General Purposes Committee is asked to review and adopt the council's investment policy on an annual basis.

CONTACT OFFICER

If you have any queries about the report, please contact the Town Clerk and Responsible Financial Officer of the Council.

Telephone: 01303257946 or email toni.brenchley@folkestone-tc.gov.uk prior to the meeting.



Investment Policy

Adopted on ??? 2024 – Full Council – Minute ???

1.0 POLICY STATEMENT

- 1.1 Folkestone Town Council acknowledges its responsibility on behalf of the community and the importance of prudently investing any reserves held by the council.
- 1.2 This strategy complies with the revised requirements set out in the Guidance on Local Government Investments issued by the Department of Housing, Communities and Local Government.
- 1.3 The council defines its treasury management objective as “the management of the council’s cash flows, its banking and money market transactions, the effective control of the risks associated with those activities, and the pursuit of best value performance consistent with those risks.”
- 1.4 The Local Government Act 2003 states that a local authority may invest: - for any purpose relevant to its functions under any enactment - for the purpose of management of its financial affairs.
- 1.5 Where a council builds up balances these must be safeguarded by investing in an appropriate account. Investing balances must be done prudently.

2.0 OBJECTIVES

2.1 The general policy establishes formal objectives, practices and reporting arrangements for the effective management and control of the Council’s treasury management activities and the associated risks.

The council’s investment priorities are:

1. Security – Protecting the capital and reserves invested from loss.
3. Liquidity – Ensuring the funds invested are available for expenditure when needed.
4. Optimum return on investment.

The council’s investment duties are:

1. All investments to be made in sterling.
2. Investments to be spread over different providers where appropriate to minimise risk.
4. The council to monitor the risk of loss on investments reviewed on a regular basis.

2.2 The procedure for undertaking investments, considering the need for timely and speedy placing of deals shall be documented by the Responsible Financial Officer and approved by the Finance and General Purposes Committee or Council before any investments are placed.

2.3 The Council shall diversify its reserves between multiple relatively highly rated UK banks and building societies.

2.4 A significant percentage of the Council's bulked reserves shall be placed on interest bearing term/notice deposits.

2.5 The Town Council may also invest in the CCLA Public Sector Deposit Fund.

3.0 REPORTS

3.1 Investment forecasts for the coming financial year are considered when the budget is prepared.

3.2 During each financial year, the Finance and General Purposes Committee or Council and Town Clerk shall report to the full Council any investments made in line with this Strategy.

4.0 REVIEW OF THIS STRATEGY

4.1 Any revisions to this policy shall be approved by the Finance and General Purposes Committee or Full Council.

4.2 The Finance and General Purposes Committee shall review this policy annually and recommend any proposed changes prior to the commencement of the new financial year.

———— **POLICY ENDS HERE** ————

WARD GRANT SUMMARY AS AT 31 DECEMBER 2023

NAME	WARD	BALANCE AT START (INC. B/F FROM PREV. YEAR)	AMOUNT GRANTED	AMOUNT LEFT TO GRANT
ABENA AKUFFO-KELLY	Folkestone Central	£1,175.00	£0.00	£1,175.00
LAURA DAVISON	Folkestone Broadmead	£890.00	£295.50	£594.50
JOHN RENSHAW	Cheriton West	£1,185.00	£550.00	£635.00
CHARLIE BAIN SMITH	Folkestone Central	£1,175.00	£0.00	£1,175.00
ADRIAN LOCKWOOD	East Folkestone	£1,181.00	£250.00	£931.00
CHRISTINE DICKINSON	Folkestone Harbour	£934.00	£400.00	£534.00
PETER GANE	Cheriton West	£1,185.00	£200.00	£985.00
JANE DARLING	Cheriton East	£1,823.00	£1,082.00	£741.00
LIZ McSHANE	Folkestone Central	£1,175.00	£250.00	£925.00
LUCY McGIRR	East Folkestone	£1,181.00	£550.00	£631.00
NICOLA KEEN	Folkestone Harbour	£934.00	£934.00	£0.00
BRIDGET CHAPMAN	Folkestone Harbour	£934.00	£100.00	£834.00
CONNOR McCONVILLE	East Folkestone	£1,181.00	£425.00	£756.00
JACKIE MEADE	East Folkestone	£1,181.00	£325.00	£856.00
TIM PRATER	Folkestone Harvey West	£416.00	£100.00	£316.00
BELINDA WALKER	Folkestone Central	£1,175.00	£450.00	£725.00
KIERAN LEIGH	Folkestone Broadmead	£890.00	£0.00	£890.00
ROGER WEST	Cheriton West	£1,185.00	£200.00	£985.00
TOTAL		£19,800.00	£6,111.50	£13,688.50

Ward Grants Budget 2023/24		£19,800				
Ward Grants based on the following:						
Ward	Electorate	Per Ward	No. of Cllrs	Amount Per Cllr	Say	Total Per Ward
Broadmead	3,116	£1,780.06	2	£890.03	£890	£1,780
Central	8,228	£4,700.36	4	£1,175.09	£1,175	£4,700
Cheriton East	3,192	£1,823.47	1	£1,823.47	£1,823	£1,823
Cheriton West	6,225	£3,556.12	3	£1,185.37	£1,185	£3,555
East Folkestone	8,267	£4,722.64	4	£1,180.66	£1,181	£4,724
Harbour	4,904	£2,801.48	3	£933.83	£934	£2,802
Harvey West	728	£415.88	1	£415.88	£416	£416
Total	34,660	£19,800.00	18			£19,800