

FELSTED PARISH COUNCIL

Minutes of the Finance Committee Meeting held on 13 October 2021 at 5.00 pm by Zoom video conference.

- Present** Councillors Roy Ramm (Chair), Frances Marshall, John Moore and Graham Harvey.
- F21/44 **Apologies for absence and declarations of interest**
Apologies were received from Cllr Richard Silcock. There were no Declarations of Interest.
- F21/45 **Approval of Minutes of the meeting held on 28 July 2021**
The Minutes of the meeting were approved. They will be signed by the Chairman when the committee next meets in person.
- F21/46 **Matters arising from the previous Minutes (not covered elsewhere on this Agenda)**
The RFO noted that the Internal Auditor had been notified of their appointment (F21/35). It was agreed to postpone the discussion of Electric Vehicle charging points raised under F21/42 to the next finance committee meeting as Richard Silcock was absent.
- F21/47 **Bank Reconciliation and PAYE Records**
The bank reconciliations will be reviewed and signed by the Chair and Cllr Frances Marshall at their next meeting with the RFO.
- F21/48 **External Auditors Interim Report**
The RFO noted that the External Auditors had produced an interim report which stated that the 2020-21 Annual Governance and Accountability Return (AGAR) was in accordance with Proper Practices. However they needed to further review the queries relating to the AGAR submitted by Mr Buckley before producing their final report and certificate of compliance.
- F21/49 **Review of Financial Risk Assessment**
Members considered the draft Financial Risk Assessment which had been prepared by the RFO and unanimously agreed the proposed amendments. The RFO noted that a Risk and Audit assessment of Council owned property including bus shelters was due and would liaise with the Clerk to complete this. It was subsequently confirmed that this was a visual inspection of the structures. The document would be formally approved at the November Full Council meeting.
- F21/50 **Review of Asset Register**
Members considered the revised Asset Register compiled by the RFO. It was noted by Cllr Richard Silcock via an email submitted prior to the meeting that the Woodleys Car Park did not appear on the asset register. It was confirmed that the car park was gifted to the Council approximately 20 years ago by the Woodley family and it was agreed that it constituted a parish asset. It was unanimously agreed that given the amenity use of the land a nominal value of £1 should be noted against it in the asset register rather than incurring the expense of a professional surveyor's valuation. The RFO will update the asset register to reflect this. The document would be formally approved at the November Full Council meeting.
- F21/51 **ADDITIONAL URGENT ITEM – Consideration of Repairs to Pavilion**
Following the decision of the Full Council at the October meeting (21/226) the committee members discussed options regarding the repairs to the pavilion roof to make it safe and weather tight against further damage. It was noted that the valuation of the pavilion on the asset register was approximately £73,500 and that complete replacement would cost in the order of £80,000-100,000.
Quotes had been obtained from 2 local construction firms (for repair of roof only, being £7,800 ex VAT and £5,850 ex VAT) and it was agreed given the urgency of the repair and potential health and safety issues to proceed with the lower of the 2 quotes for the repair of the roof only rather than wait for a third quote. It was further agreed that once initial works had been completed and the pavilion was water tight, consideration would be given to renovation of the interior.

F21/52

Review of Accounts for current Year to Date

Members studied the budget comparison prepared by the RFO (appended on page 4) and noted the following items:

Income:

- Magazine advertising and donations were estimated to come in around £6,900 lower than budgeted due to the move from monthly to quarterly publication. This was an improvement from the prior comparison due to transfer of Just Giving donations.

Expenditure:

- Administration costs were likewise estimated to come in around £8,400 lower, primarily due to the move from monthly publication to quarterly publication of the parish magazine.
- Maintenance, Repairs and Upkeep were estimated to come in around £15,600 higher, primarily as a result of the rollover of the works to remove the Copper Beach tree in the church yard being expected to be completed in the previous budget year and thus not included in the current budget and pavilion repairs as authorised F21/51.
- Projects are estimated to come in around £19,775 higher, again due to the rollover of final works on the Crix Green Mission Hall project which has now been completed.

The committee agreed that given existing and potential budgetary pressures, unless spending was essential it should be deferred and that expenditure vs budget should be closely monitored during the year.

F21/53

Review of Crix Green Project following completion

The RFO confirmed that the final invoices had been received from the contractor for the project and noted that the total cost had come in at £81,162 with Crix Green Mission Trust contributing over half the cost (58%) as was agreed at the outset of the project. Councillor Graham Harvey confirmed that the Crix Green Mission Trust they could not share revenue from their rentals as it was specified that the Trust can only spend its income on educational purposes.

F21/54

Review of Schedule of Donations

The schedule of donations was reviewed and it was agreed that the outstanding donations should be put to Full Council for payment at the November meeting. It was noted that the Primary School Art competition had not run this year and no donation was therefore needed. It was suggested by Councillor Graham Harvey that the donation for the Primary School Art Competition could be something that the Crix Green Mission Hall Trust would be able to fund in future.

F21/55

Initial consideration of 2022-23 Budget

The RFO presented an initial draft budget for 2022-23 (appended on page 4) which was considered by members. It was noted that the budget contains specific major work expenses, specifically:

- £6,000 budgeted for internal repairs to the Pavilion.
- £4,000 budgeted for approved passing place in Jollyboys Lane North.

While the budget as drafted shows a deficit of approximately £4,500 members agreed that without the major works noted above there would be a surplus on the budget of £5,500. The suggestion for the Precept value was an inflation level increase of 3% rather than a larger increase to cover the cost of one off major works. With no major works anticipated in coming years the future budget surpluses would allow the rebuilding of the councils reserve position.

The budget would be considered further at the Finance Committee meeting on 24th November in order to recommend the budget and Precept level for Full Council consideration and approval at the 1st December Full Council meeting.

F21/56

Internet Banking Update

The RFO informed members that payments were now being made by BACS from the Councils Barclays online bank account. Payments are setup by the RFO and approved by a councillor signatory. To date the RFO and Councillor Roy Ramm have access to the online bank. Councillor John Moore confirmed he would contact Barclays again to follow up his access (he confirmed post meeting that he had done this and Barclays had assured him that he was now setup). The RFO will follow up regarding the setup of Councillors Graham Harvey and Frances Marshall.

F21/57

Review of Financial Regulations

The RFO noted that following the setup of the internet banking process and with the authorisation limited to just 1 councillor signatory due to the restrictions of Barclays online banking, amendments to the Financial Regulations to improve oversight and control of payments were needed. The members studied the proposed amendment to require review of payments by at least one further authorised bank signatory and retention of this review and it was approved unanimously. The amendment will be put to Full Council for consideration and approval by resolution.

F21/58

Review of conduct of future finance committee meetings

It was agreed by majority of the committee that the coming Finance Committee meeting would be held by Zoom. This would be reviewed at each Finance Committee meeting going forward. It was also proposed that a face to face meeting be arranged for Spring 2022.

F21/59

Any urgent matters and proposals for future agenda items

None.

F21/60

Next meeting

The meeting closed at 6.15pm.

The next meeting will be held on 24th November 2021 at 5pm by Zoom.

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Chairman

Dated

F21/52 - Review of Accounts for current Year to Date

FPC - Budget Comparison to 30th September 2021

	Budget 2021-22		Actual 2021-22		Year End Estimate		YE Estimate - Budget		Notes
	£	£	£	£	£	£	£	£	
Opening Balance		99,183.00		99,183.00		99,183.00			
RECEIPTS									
Precept	85,000.00		85,000.00		85,000.00		0.00		
Allotments Rents	1,534.89		114.00		1,534.89		0.00		Due October
Playing field rent	250.00		0.00		250.00		0.00		
Grants	0.00		0.00		0.00		0.00		
Sundry other receipts	1,214.98		0.00		1,214.98		0.00		
Magazine advertising & donations	10,128.00		1,618.30		3,236.60		-6,891.40		Lower income due to move to qtrly publication
Total Receipts		98,127.87		86,732.30		91,236.47		-6,891.40	
PAYMENTS									
Salary and Expenses	31,058.26		14,627.17		32,160.16		1,101.90		
Street Lighting	4,838.48		3,199.95		4,678.65		-159.83		
Administration	18,251.68		4,869.01		9,835.20		-8,416.48		Lower expenditure due to move to qtrly publication
Maintenance, repairs and upkeep	27,892.58		21,363.91		43,499.55		15,606.97		Cost for Copper Beech removal rolled over from 2020-21, pay increase for village attendant after 5+ years plus repairs to Pavilion
Projects	9,354.31		26,013.61		29,131.95		19,777.64		Final Crix Green works rolled over from 2020-21
Sundry	3,817.45		3,007.68		3,007.68		-809.77		
Total Payments		95,212.77		73,081.33		122,313.20		27,100.43	
Closing Balance - Income and Expense		102,098.10		112,833.97		68,106.27		-33,991.83	

F21/55 - Initial consideration of 2022-23 Budget

FPC - Budget 2022-2023- DRAFT

	Actual 2020-21	Estimated 2021-22 Year End	Proposed Budget 2022-23	Notes
Opening Balance	132,358	99,183	68,106	
RECEIPTS				
Precept	77,000	85,000	87,550	3% increase in line with inflation to smooth increases
Allotments Rents	1,588	1,535	1,535	Set inline with 2020-21 year end estimate
Playing field rent	-105	250	500	Set at pre-pandemic rent level
Grants	8,178	0	0	Estimate
Sundry other receipts	915	1,215	0	21-22 included reimbursement of Clerk CiLCA - not repeated
Magazine advertising & donations	5,680	3,237	4,236	Move to Quarterly publication - Estimate of advertising and donations equal to cost
Total Receipts	93,256	91,236	93,821	
PAYMENTS				
Salary and Expenses	31,236	32,160	32,695	2.7% increase on estimated 21-22 level in line with actual 20-21
Street Lighting	4,689	4,679	4,684	increase - 21-22 actual increase still awaited
Administration	14,355	9,835	10,698	Set at average 2020-21 & estimated 2021-22
Maintenance, repairs and upkeep	40,473	43,500	38,385	Estimated cost increase for Magazine
Projects	30,518	29,132	7,467	Estimated increase over 2021-22, includes Pavilion internal repairs (£6,000)
Sundry	5,160	3,008	4,262	Jollyboys Lane North Passing Place and Parking enforcement
Total Payments	126,431	122,313	98,191	Insurance cost + donations
Closing Balance - Accrual Basis	99,183	68,106	63,736	