

CHURCH CROOKHAM PARISH COUNCIL

Policy and Finance Committee

Minutes of the Meeting of CHURCH CROOKHAM PARISH COUNCIL FINANCE & POLICY COMMITTEE

Date and Time: 7.30 pm Tuesday 16th January 2018

Place: Church Crookham Community Centre, Boyce Road, Crookham Park, Church Crookham, GU52 8AQ

Present:

Councillors: Jeremy Silvester (JS)(Chair), Cameron Miller (CM), Gill Chatfield (GC), Richard Martin (RM), Debbie Moss (DM)

Absentees:

Also: Sally du Gay (Deputy clerk)

There were 0 members of the public present

01/18	Apologies for absence Michael Burford absent - no apologies received	
02/18	Approval of minutes To approve the minutes of the meeting held on Tuesday 17 th October 2017. The minutes of the meeting held on Tuesday 17 th October 2017 were approved and signed.	
03/18	Dispensations To receive any written requests for disclosable pecuniary interest dispensations from members. None received	
04/18	Declaration of interest relating to any item on the agenda None received	
05/18	Chairman's Announcements: The Chair had no announcements to make	
06/18	Public session This is an opportunity for members of the public to bring matters to the attention of the Finance Committee. No members of the public present.	

Sally du Gay (RFO), 1st January 2018

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07/18

Actual vs budget

To review the updated actual vs. budget figures for April to December 2017 and the likely reserves at the end of the financial year.

Circulated

Summary Totals	Annual Bud 2017 2018	Actual Year to date	Forecast	Likely out-turn
Total Income (A)	£296,922	£275,211	£14,906	£290,116
Total Costs (B)	£296,713	£174,718	£103,938	£278,656
Surplus/deficit (A-B) = S				£11,461

General reserves at 31st December 2017: £124,372

Income:

Pitch hire income forecast to be much lower than budget – due to reduced loss of a team on grass pitch, reduced bookings on grass pitches and five-a-side.

Community centre income forecast to be slightly above expectations, although income from events lower than budget as fewer events hosted than expected.

Expenditure:

Employment costs – change to recording of employment costs means that although the individual nominal codes are not directly comparable to the budget, the bottom line of employment cost is comparable. The changes mean that the costs to the PC are now clearer. Expected expenditure on employment is lower than expected as the provision for a park warden and the provision for additional staff at the community centre were not used.

Admin costs – expected to be under budget due to underspend on parish events, traffic calming and printing and stationery. Audit fees were higher than expected. Computer maintenance and hardware was over budget due to the purchase of additional backup hardware for parish office.

Allotments – over budget due to expenditure on general maintenance to detect & repair water leaks plus forecast expenditure on trial path resurfacing.

Grounds maintenance - under budget – less spent on grounds maintenance contract than expected.

Community centre running costs – expected to be under budget despite over spend on alarm which was due to expenditure on annual key monitoring service and software upgrade.

S106

Income

£285,392 received this year, a further £1,174,369 should be due before year end, leaving £378,289 due 2018/19

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	<p><u>Expenditure</u> –</p> <p>£15K employment costs as agreed in budget, £5742 from community centre construction costs spent on acoustic notice boards and air con for parish office</p> <p>Open space maintenance – expenditure on CCTV installation, tennis courts set up costs. Grounds maintenance – costs as expected.</p>	
08/18	<p>Debtors report</p> <p>To review and agree the debtors report. Circulated</p> <p>Debtors at 31st December 2017: £9,728</p> <p>It was resolved to write off the £50 owed by V Cousins if no payment had been received by the end of January, however no further bookings by her would be taken Proposed GC, seconded RM all in favour.</p>	RFO
09/18	<p>Quarterly bank reconciliations</p> <p>To receive confirmation that the previous quarters bank reconciliations have been examined by a Council member who is not a signatory on any of the Council's bank accounts.</p> <p>Checked and signed by J Silvester</p>	
10/18	<p>Draft 3-year forecast</p> <p>To review the 3-year forecast budget spreadsheet Draft circulated</p> <p>The draft 3-year forecast was discussed, and the following suggestions made:</p> <ul style="list-style-type: none"> • The path re-surfacing at the allotment site should be paid from S106 funds • The £2500 originally allocated to the path resurfacing should be added to the Community Grants budget • If there is no pre-commitment to the Basingstoke Canal Society, then that budget should be allocated to the Community Grant budget and the Basingstoke Canal Society should be asked to submit a grant application each year, detailing where the money is spent and how it benefits Church Crookham. • Any unspent money in the Community Grants budget at the year end should be moved to a new EMR for Community Services • The S106 Art budget should be added to the sheet • Church Crookham residents should be canvassed for their support regarding the proposed table tennis table. 	

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11/18	<p>2018 2019 Budget</p> <p>To receive an updated budget for 2018/2019 and to consider whether any amendments are required to the budget for 2018/2019 now that the tax base has been agreed and to resolve to recommend the budget to Full Council</p> <p>Circulated</p> <p>The budget for 2018 2019 was discussed.</p> <p>It was resolved to amend the budget to show that the path re-surfacing at the allotments should be paid from S106 finds and the £2500 originally allocated to this project should be added to the Community Grants budget.</p> <p>Proposed JS, seconded DM 3 in favour, 2 abstentions</p> <p>It was resolved to remove the budget for the Basingstoke Canal Society £6750 and to increase the budget for Community Grants to £24,200</p> <p>Proposed RM, seconded CM all in favour</p> <p>It was resolved to recommend the 2018 2019 budget with the proposed amendments to Full Council for approval</p> <p>Proposed JS, seconded RM all in favour</p>	<p>RFO</p> <p>RFO</p> <p>RFO</p>
12/18	<p>Precept</p> <p>To receive an update on the tax base for next year and to agree a recommendation to be taken to the Parish Council meeting for the precept request for 2018/2019.</p> <p>Hart DC have confirmed that the tax base for 2018/2019 is 4201.22 which includes an extra 251 houses, and which with a band D of 53.80 will provide a precept of £226,026.</p> <p>It was resolved that the Finance & Policy committee recommend that the Parish Council request a precept of £226,026 from Hart DC and that the band D remains the same at £53.80 in 2018 2019.</p> <p>Proposed JS, seconded GC all in favour</p>	<p>RFO</p>
13/18	<p>Ear marked reserves</p> <p>To review existing ear marked reserves and general reserves to ensure that they are adequate and not excessive.</p> <p>To agree to any reserves movements and new ear marked reserves to be created at the end of the year if there are funds available.</p> <p>Circulated</p> <p>It was resolved to make the following movements at year end:</p> <ul style="list-style-type: none"> • Move any general reserve in excess of £113,000 as follows: 	

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	<p style="text-align: center;">- Remainder to EMR Peter Driver Improvement.</p> <ul style="list-style-type: none"> • Move the unspent project budgets to the following new EMRs: <ul style="list-style-type: none"> - EMR Exterior seating & patio area at community centre - £10K - EMR Parish funded highways schemes - £5K plus EMR Community bus service - £4K should be combined in a new EMR for Highways and Transport Services. - EMR Improved signage in community & gateways - £1K • The unspent project budget for picnic benches at the Memorial Orchard should be returned to general reserves and the project should be funded from S106 Community Centre Construction funds. <p>Proposed RM, seconded JS all in favour</p>	RFO
14/18	<p>Financial institution credit ratings</p> <p>To receive a report on the credit ratings of all the financial institutions currently used by the Council and if necessary to make a recommendation to Full Council.</p> <p>Circulated</p> <p>The report was reviewed – no actions required.</p>	

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15/18	<p>Lloyds 12-month fixed term deposit and Santander Business Bond</p> <p>To decide how much to re-invest in the Lloyds 12-month fixed term deposit due to mature on 22nd February 2018 and the Santander 12-month business bond due to mature 1st March 2018.</p> <table style="width: 100%; margin-top: 10px;"> <thead> <tr> <th style="width: 30%;"></th> <th style="text-align: right;">Deposit</th> <th style="text-align: right;">Interest</th> <th style="text-align: right;">Balance on maturity</th> <th style="text-align: right;">Maturity date</th> <th style="text-align: right;">Interest rate for next 12 months</th> </tr> </thead> <tbody> <tr> <td style="padding-top: 10px;">Santander 12-month business bond</td> <td style="text-align: right; padding-top: 10px;">£238,802.75</td> <td style="text-align: right; padding-top: 10px;">£1,194 @ 0.5%</td> <td style="text-align: right; padding-top: 10px;">£239,996.76</td> <td style="text-align: right; padding-top: 10px;">01.03.18</td> <td style="text-align: right; padding-top: 10px;">0.5%</td> </tr> <tr> <td style="padding-top: 10px;">Lloyds Bank 12-month fixed term deposit</td> <td style="text-align: right; padding-top: 10px;">£298,762.50</td> <td style="text-align: right; padding-top: 10px;">£2,689 @ 0.9%</td> <td style="text-align: right; padding-top: 10px;">£301,451.36</td> <td style="text-align: right; padding-top: 10px;">22.02.18</td> <td style="text-align: right; padding-top: 10px;">0.85%</td> </tr> </tbody> </table> <p style="margin-top: 10px;">Expected S106 expenditure in 2018/19 = £157K S106 cash currently held in HSBC accounts = £60,535 £250,000 held in 12-month fixed term deposit account due to mature in November.</p> <p style="margin-top: 10px;">It was resolved to re-deposit £238,802 + interest received with Santander in a 12-month business bond and £298,762.50 plus interest received in 12-month fixed term deposit with Lloyds, and that if any further S106 expenditure is required before November it may be borrowed from general reserves and reimbursed when the £250K fixed term deposit becomes available in November. Proposed JS, seconded GC all in favour.</p>		Deposit	Interest	Balance on maturity	Maturity date	Interest rate for next 12 months	Santander 12-month business bond	£238,802.75	£1,194 @ 0.5%	£239,996.76	01.03.18	0.5%	Lloyds Bank 12-month fixed term deposit	£298,762.50	£2,689 @ 0.9%	£301,451.36	22.02.18	0.85%	RFO						
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16/18	<p>Direct debits and standing orders</p> <p>To review direct debits and standing orders and recommend to Full Council for approval</p> <p>The following were reviewed and recommended to Full council for approval.</p> <p>No standing orders</p> <p>Current direct debits (excluding VAT):</p> <table style="width: 100%; margin-top: 5px;"> <tbody> <tr> <td style="width: 30%;">British Gas</td> <td style="width: 40%;">Gas usage at Peter Driver</td> <td style="width: 30%;">Monthly - variable</td> </tr> <tr> <td>Grundon</td> <td>Waste collection from community centre</td> <td>£71</td> </tr> <tr> <td>Initial</td> <td>Hygiene collection from community centre</td> <td>£14.30</td> </tr> <tr> <td>Nomis</td> <td>Telephone & broadband provision at community centre</td> <td>Monthly - variable</td> </tr> <tr> <td>South East Water</td> <td>Water usage at community centre</td> <td>£16 per month</td> </tr> <tr> <td>Plusnet</td> <td>Broadband for CCTV at Crookham Park</td> <td>£32 per month</td> </tr> <tr> <td>Lloyds Credit card</td> <td>Balance of credit card + £3 fee</td> <td>Monthly variable</td> </tr> <tr> <td>Unity Trust Bank</td> <td>Bank charges</td> <td>Quarterly variable</td> </tr> </tbody> </table>	British Gas	Gas usage at Peter Driver	Monthly - variable	Grundon	Waste collection from community centre	£71	Initial	Hygiene collection from community centre	£14.30	Nomis	Telephone & broadband provision at community centre	Monthly - variable	South East Water	Water usage at community centre	£16 per month	Plusnet	Broadband for CCTV at Crookham Park	£32 per month	Lloyds Credit card	Balance of credit card + £3 fee	Monthly variable	Unity Trust Bank	Bank charges	Quarterly variable	
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	HSBC Bank Bank charges Lloyds Bank Bank charges	Monthly variable Monthly variable	
17/18	<p>Review of Internal Controls</p> <p>To conduct a review of internal controls and to decide if the processes and procedures that are in place are adequate and to recommend any changes to Full Council. Statement circulated</p> <p>It was resolved that adequate processes and procedures are in place and that no further recommendations to Full Council are required Proposed JS, seconded DM all in favour</p>		
18/18	<p>Internal audit</p> <p>To review the effectiveness of internal audit and to agree any changes.</p> <ul style="list-style-type: none"> - Scope of internal audit – covers all financial records, Parish Council and Committee minutes, - Independence of internal auditor – Totally independent no links to the Parish Council other than for internal audit - Competence of internal auditor Kevin Rose of IAC audit is very well qualified Relationships – not related to any member of the Parish Council - Audit planning and reporting – audit is carried out following advice originally set out by the audit commission. IAC have been appointed as internal auditors and have carried out an interim audit in November 2017. <p>It was resolved that the effectiveness of the internal audit is adequate and that no changes are required. Proposed JS, seconded CM all in favour</p>		
19/18	<p>Interim internal audit report</p> <p>To receive the Interim Audit summary prepared by Kevin Rose, IAC and to agree any actions and recommendations to be made to Full Council Circulated</p> <p>Actions:</p> <ul style="list-style-type: none"> • The Council should consider amending its Financial Regulations to set the Tender Limit to be consistent with the £25,000 limit set in the NALC model regulations and the Public Contract regulations – see action below • The Council should include 'valid from' date on the schedule of fees and charges - actioned • Council to review and resolve supplier accounts with debit balances – actioned, refund received from one supplier in January <p>It was resolved to approve the recommended actions Proposed JS, seconded RM all in favour</p>		RFO

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20/18	<p>Standing Orders</p> <p>To review the standing orders and recommend any amendments to be considered by Full Council Circulated</p> <p>The standing orders were reviewed.</p> <p>It was resolved that no amendments were required. Proposed JS, seconded GC all in favour</p>	
21/18	<p>Financial Regulations</p> <p>To review the Financial Regulations and recommend any amendments to be considered by Full Council Circulated</p> <p>The following amendments were proposed:</p> <p>Changes made January 2018: Addition of:</p> <p>5.5 The Clerk and RFO shall have delegated authority to authorise the payment of items only in the following circumstances.</p> <p>Removal of:</p> <p>5.5 (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;</p> <p>(b) fund transfers within the councils banking arrangements up to the sum of £30,000, provided that a list of such payments shall be submitted to the next appropriate meeting of council. An exception to this limit will be internal bank funds transfers on the Community Centre accounts where the limit will be £50,000, a list of such payments shall be submitted to the next appropriate meeting of council</p> <p>6.15 Where internet banking arrangements are made with any bank, the Clerk shall be appointed as the Service Administrator. The Bank Mandate approved by the council shall identify a number of councillors who will be authorised to approve transactions on those accounts. The bank mandate will state clearly the amounts of payments that can be instructed by the use of the Service Administrator alone, or by the Service Administrator with a stated number of approvals. The Bookings Officer and Facilities Officer may be added to the mandate with “view only” access to the Council’s accounts.</p> <p>6.19 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/ RFO or officers (for example for postage or minor stationery items) shall be refunded on a regular basis, at least quarterly. The exception to this will be the provision of a £50 float for use at parish council hosted events. The float may be used for the sale of tickets or refreshments. The takings of the float will be counted in accordance</p>	

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	<p>with clause 9.</p> <p>11.1 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 Regulations¹.</p> <p>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 £3,000 and above £500 the Clerk or RFO shall strive to obtain 3 estimates. Otherwise, Regulation 10.3 above shall apply</p> <p>11.2 In accordance with the Transparency Code 2015 the following information should be published as soon as it becomes available:</p> <ul style="list-style-type: none"> • Details of every invitation to tender or invitation to quote for contracts to provide goods and/or services with a value that exceeds £500 to include: <ul style="list-style-type: none"> – Reference number – Title – Description of goods and or services sought – Start, end and review dates ○ Place on Contracts Finder, as well as any other local portal, every invitation to tender or invitation to quote for contracts to provide goods and/or services with a value that exceeds £25,000. ○ Details of invitations to tender or quote that are likely to be issued in the next 12 months. <p>It was resolved to recommend the proposed changes to Full Council for approval Proposed JS, seconded DM all in favour</p>	RFO
22/18	<p>Treasury & Investment Policy</p> <p>To review the policy and recommend any amendments to be considered by Full Council Circulated</p> <p>Suggested addition:</p> <p>In a Policy Statement (PS9/15) issued in May 2015 the Prudential Regulation Authority of the Bank of England announced that the Financial Services Compensation Scheme now covers “Small Local Authorities” i.e. those authorities with an annual budget of up to 500,000 Euros. The policy statement does not state whether the term budget refers to income or expenditure, so it is therefore prudent to assume that both income and expenditure need to be under the 500,000 Euros threshold to qualify¹.</p>	

¹ NALC Financial Topic Note F08-15 4 Sept 2015

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	<p>Those councils not qualifying as Small Local Authorities are not eligible for protection under the scheme²</p> <p>¹ NALC Financial Topic Note F08-15 4 Sept 2015 ² NALC Financial Briefing F07-14 3 June 2014</p> <p>It was resolved to recommend the proposed changes to Full Council for approval Proposed RM, seconded CM all in favour</p>	RFO
23/18	<p>Code of Conduct</p> <p>To review the policy and recommend any amendments to be considered by Full Council Circulated</p> <p>It was resolved that no amendments are required Proposed JS, seconded RM all in favour</p>	
24/18	<p>Agenda items for next meeting</p> <ul style="list-style-type: none"> - Actuals vs budget to year end - Debtors 	
25/18	<p>Date of next meeting – 17th April 2018</p> <p>Meeting closed at 21.07</p>	

Signed:

Date:

² NALC Financial Briefing F07-14 3 June 2014