

**MEETING OF THE FINANCE & ADMINISTRATION COMMITTEE
TO BE HELD ON THURSDAY 18th NOVEMBER 2014
AT 7.30pm**

COMMITTEE REPORT

1. PUBLIC FORUM

Members of the public are invited to put questions or draw relevant matters to the Council's attention, prior to the commencement of business. This is for a period of up to 15 minutes and shall be limited to 3 minutes per person.

4. CHAIRMAN'S ANNOUNCEMENTS – for information and noting only

(a) Letters of Thanks

Members are asked to note receipt of letters of thanks from (i) Central and South Sussex CAB and (ii) Kent, Surrey and Sussex Air Ambulance for grants recently awarded to those organisations

RECOMMENDATION

Members are asked to note the Chairman's Announcement

5. DECLARATIONS OF INTEREST

Members are advised to consider the agenda for the meeting and determine in advance if they may have a Personal, Prejudicial or a Disclosable Pecuniary Interest in any of the agenda items. If a Member decides they do have a declarable interest, they are reminded that the interest and the nature of the interest must be declared at the commencement of the consideration of the agenda item; or when the interest becomes apparent to them. Details of the interest will be minuted.

Where you have a Prejudicial Interest (which is not a Disclosable Pecuniary Interest), Members are reminded that they must now withdraw from the meeting chamber after making representations or asking questions.

If the interest is a Disclosable Pecuniary Interest, Members are reminded that they must take no part in the discussions of the item at all; or participate in any voting; and must withdraw from the meeting chamber; unless they have received a dispensation.

6. COUNCIL AND COMMITTEE BUDGET 2015/2016 – second draft

Members will find enclosed the second (and final) draft of the 2015/2016 Budget with supporting notes where appropriate.

Members are advised of the following –

Property Committee -

- (a) there have been one or two minor changes to various Budget Heads for the Halls and Amenities from the first draft of the Budget but these have had no impact on any of the totals at the bottom of the relevant sheets.
- (b) the Income figures have not changed

Finance and Administration Committee

- (a) there have been no changes to this Committee Budget

Personnel Committee

- (a) at 30.11.2014 the expenditure on salaries is £138,582, leaving a balance of £94,667 for the remaining four months of the financial year (or £23,666.75 per month)
- (b) In the current year the following 'events' will happen –
 - (i) overtime payments for November 2014 will be high, due to staff shortages
 - (ii) approval has been given for an increase of hours for one staff member from part to full time with effect from 1st January 2015
 - (iii) approval has been given for a slight increase in hours for three members of staff
 - (iv) from January to March 2015 there will be payments to two Premises Managers for the transitional period
 - (v) there has been an agreed pay increase covering 2014/2016 with non-consolidated payments for 2014 being made on 1.12.2014 (£629.39) with further non-consolidated payments being made in April 2015
 - (vi) the remainder of the pay increase is to be paid from 1.1.2015 and equates to 2.20% across the board

It is envisaged that a further analysis will be available at the meeting

Planning, Environment and Transport Committee

This Committee Budget has not been seen by the Committee (first or second draft) but remains the same as the previous year

Other matters

- (i) Members are advised that the provisional Tax Base and Council Tax Benefit Grant (CTBG) figures for 2015/2016. There has been an increase to the Tax Base from 8230.7 to 8,382.1. The reduction in the CTBG is more than first anticipated; at a reduction of 30% (rather than 25%).
- (ii) The Budget has been formulated with careful consideration of day to day expenditure, particularly for the Community assets; together with inclusion of previously discussed works anticipated to take place in the next financial year (e.g. refurbishment of the Parish office, acoustic panels at Holbrook Tythe Barn and North Heath Hall etc.
- (iii) The slight increase in the Precept requirement (0.91%) has been maintained as in previous years

RECOMMENDATION

- (a) **That a Recommendation to Council is formulated for Council to approve the Council and Consolidated Budget for 2015/2016**
- (b) **That the Precept requirement for 2015/2016 be £278,908**

7. SURREY AND SUSSEX ASSOCIATION OF LOCAL COUNCILS (SSALC) AND THE NATIONAL ASSOCIATION OF LOCAL COUNCILS (NALC) SUBSCRIPTIONS – 2015/2016

Members may wish to note that the figures for 2014/2015 were £1,600 for SSALC and £922.85 for NALC – a total of £2,522.85

Members are advised that whilst the subscription rates to SSALC for 2015/2016 have increased by 1.5%, the previously established 'cap' of £1,624 will still apply.

Subscriptions are based on the electorate figure provided to SSALC by Horsham District Council (HDC) – in the Council's case this equates to 16,586 which multiplied by the 'per head' figure of 28.42p, gives £4,713.74 for the subscription. As said, the 'cap' will now apply.

At the same time, the subscription to NALC has increased to 5.6p per elector, giving a subscription cost of £928.82. Total subscriptions are, therefore, £2,552.85, giving an increase of £29.97.

RECOMMENDATION

Members are asked to note this section of the Report

8. GRANT PROVISION TO HORSHAM MATTERS FOR YOUTH WORK

Members will, no doubt recall, that the Parish Council, together with Denne, Forest and Trafalgar Neighbourhood Councils and HDC, entered into a Partnership Agreement in April 2013 for the provision of Community Youth Work.

The terms of the Agreement are that the Parish Council's 'funding contribution) would be £25,000 per annum.

Further, that "if the Council intends to commit to extend the Community Youth Provision at least 12 months in advance of the Contract expiry date and advise DNC, FNC, HDC, TNC and the Provider (Horsham Matters) (i.e. they are looking at 2016/2017 as part of their January 2015 discussions not their 2016 discussions)".

The Agreement period is from 1st April 2013 to 31st May 2016 with no mid or part year break point, so as 'to ensure viability of the service'. The Agreement can only be terminated on the anniversary date of the Agreement, providing at least 90 days' notice is given in writing.

The net costs for 2013/2014 were £25,000. The net costs for 2014/2015 to date are £16,543.75

RECOMMENDATION

Members' views are sought as to the continuation of the Agreement beyond May 2016

9. COUNCIL'S BANKING ARRANGEMENTS

Members are advised that the Clerk was able to arrange a personal meeting at the Parish Office with the Council's Relationship Manager, David Page, on 17th November 2014. Councillor Turner, as a signatory to the accounts, was also present. The following matters were discussed –

(a) General

It was confirmed that, whilst the Council's accounts were still classed as those of a 'Club, Charity, Non-Personal Trust or other Non-Personal Organisation (which includes Parish Councils) which would be dealt with in Taunton; with the closure of the Private Investment Account and transfer to the Business Instant Access account, the Council had now come under the 'Business Accounts team'.

RECOMMENDATION

Members are asked to note this section of the Report

(b) Bank Mandate

Members are asked to note that, as far as Councillor signatories are concerned, the Mandate is up-to-date and correct.

There then followed a discussion regarding the difficulties experienced by the Clerk in operating, on a practical level, the day to day management of the Council's accounts should the need arise. (Examples would be the viewing of the Council's Bank statements on line and dealings with the local branch). David confirmed that there was some confusion within the Bank itself as to whether or not the Clerk was a signatory.

Following a discussion with the Committee Chairman and the Chairman of Council an additional mandate form has now been submitted for the Clerk as a signatory.

Members are invited to consider whether an addition to the Council's Financial Regulations in the General Section 9s required, taking into account the Regulations are silent as to signatories, apart from at 1.13 where "the Council must determine and keep under review the bank mandate for all Council bank accounts".

The Clerk whilst being a full signatory would not wish to have 'signing rights' as to cheques; or the sole operator of internet banking (see below). Members may consider that these 'safeguards could be built into the Parish Council's Consolidated Risk Assessment.

RECOMMENDATION

- (a) That a Recommendation to Council is formulated as to the Clerk being added to the Council's Bank Mandate as a signatory**
- (b) That safeguards are incorporated into documentation to safeguard both the Parish Council and the Clerk**

(c) Overdrawn Letters

The fact was raised with David that since April 2014, the Council has received six letters stating that the Council's Treasurer's Account is overdrawn by significant amounts; together with a number of telephone calls. It was pointed out that this was particularly frustrating as there was a 'sweep' arrangement in place.

The explanation given was that the banking system operated by paying cheques etc during the day but matters such as 'sweep' arrangements operated in the early hours of the morning and the letters were simply computer generated.

RECOMMENDATION

Members are asked to note this section of the Report

(d) Transfer of funds from the Co-Operative Bank

The fact was raised with David that attempts to transfer the above funds to a High Interest Deposit account at a bespoke interest rate had still not taken place, despite having started in February 2014. Whilst David apologised he was unable to give a satisfactory explanation. He commented that the best way forward was for the Council to write to the Co-Operative Bank directly asking them to transfer some or all of the available funds elsewhere.

RECOMMENDATION

Members' views are sought

(e) Internet Banking

Members are asked to note that this issue will be initially discussed at a meeting of the Internal Controls Working Group on Monday 15th December; and a full Report will be given at the Committee meeting

RECOMMENDATION

Members are asked to note this section of the Report

10. REPORT OF THE INTERNAL AUDITOR

Members are advised that the Internal Auditor made his final visit of the year on Wednesday 10th December 2014. It is anticipated that his Report will be available for the Committee meeting

RECOMMENDATION

Members are asked to note this section of the Report

11. BANK RECONCILIATION at 28.11.2014

The Bank Reconciliation at 28.11.2014 is the most recent that is available from the accounts system.

Members are reminded that Bank Reconciliations should 'be signed periodically at the meetings of the Finance and Administration Committee'. The Bank Reconciliation will be available at the meeting and now should also be signed, following the advice of the Internal Auditor.

RECOMMENDATION

That the Bank Reconciliation and relevant Bank Statements are signed by the Committee Chairman

12. VAT POSITION AT 30.9.2014

Members will recall that the percentages applicable to the amounts of VAT that cannot be reclaimed are as follows, subject to the £7500 *de minimis* limit -

Roffey Millennium Hall – all VAT can be reclaimed

Holbrook Tythe Barn – 70% of VAT cannot be reclaimed

Multi Courts – 85% of VAT cannot be reclaimed

North Heath Hall – 100% of VAT cannot be reclaimed

Administration expenditure – 37% of VAT cannot be reclaimed

Other expenditure – all VAT can be reclaimed

Members are advised that at 30th November 2014 the Council is £3,817.03 below the *de minimis* limit. Members are reminded that this figure is from the Clerk's own spreadsheet, which has been accepted by HMRC, and does not match the VAT figures produced by the accounts system.

RECOMMENDATION

Members are asked to note this section of the Report

13. GRANT APPLICATIONS

The Council's current Budget provision for grants (4155/103) is £15,000 and £2,000 for S.137 expenditure (4150/102). Of this, £8,039 and £1,460 respectively remains available for the current year (total £9,499).

Members are asked to consider the following application for a grant -

(a) 1st Roffey Scouts

Members will find enclosed a Grant Assessment Report in respect of this application for £1,000 towards the cost of a new Minibus

RECOMMENDATION

Members' views are sought as to the level of grant to be awarded

(b) Roffey Friendship Club

By way of an update, Members are advised of the following –

- (i) The group continues to meet fortnightly at Roffey Millennium Hall on alternate Thursday afternoons. Whilst there is no fixed membership, the number of people attending has reached 18. Everyone is beginning to relax as they get to know each other and the 'events' have been well received

- (ii) The Group had a Fish and Chip Lunch (with pudding) in mid-October with other staff joining in (but obviously paying for their own meal). At this time, dedicated cutlery and table ware were purchased for future events.
- (iii) A number of quizzes have been held, hosted by Councillor Searle and we have held a Horse Racing afternoon, invited one of our Keep Fit instructors to come along and show the Group what they can do to keep fit and Eamonn and his fellow band member came along and played Irish music.
- (iv) The Group's Christmas lunch was on 12th December and was paid for completely from the grant money; together with the cost of the arranged Minibus. We purchased from the fund small token individual table gifts and there was also be a raffle, although there will be no charges from the fund for this. A number of staff and Councillor Searle will be attending but will be funding themselves. At the time we took the food orders, we asked for a non-refundable deposit. This will be paying for drinks.
- (v) The Group next meets on 8th January where we will be serving soup and rolls (and pudding) and swapping Christmas 'horror stories'
- (vi) Future plans include more quizzes, more music, a Pub/board game afternoon, a low key visit from the Police and maybe the Fire Service and in March or April a trip to a garden centre or similar. We are also looking at a surprise theatre or concert trip.
- (vii) From 8th January those visiting the Group will be making a subscription payment towards costs.

Finally, the Group has asked that the Clerk pass on their thanks for the Parish Council's support both with the grant and allowing staff to be on hand.

RECOMMENDATION

Members are asked to note this section of the Report

14. DATE OF NEXT MEETING Thursday 26th February 2015 (scheduled)

Sue Kemp – Parish Clerk
11th December 2014