

**MEETING OF THE FINANCE & ADMINISTRATION COMMITTEE
TO BE HELD ON THURSDAY 14TH FEBRUARY 2019 AT 7.30pm**

COMMITTEE REPORT

To be considered in conjunction with the agenda for this meeting. Numbers relate to the item numbers on the agenda.

1. Public Forum.

The Public Forum will last for a period of up to 15 minutes during which members of the public may put questions to the Council or draw attention to relevant matters relating to the business on the agenda. Each speaker is limited to 3 minutes. The business of the meeting will start immediately following the public forum or at 7.45pm whichever is the earlier.

4. 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 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.

5. Chairman's Announcements.

5.1. It has been confirmed that the Parish Council's insurance covers money held by the Parish Council up to £500,000.

5.2 There has been no response from NALC regarding the Parish Council's request to re-write their Legal briefing LO9-18 The Public Sector Bodies (Websites and Mobile Applications) (No.2) Accessibility Regulations 2018 more concisely and in more easily accessible language. This is being pursued through the Sussex Association of Local Councils.

5.3 Age UK Horsham District has written a letter of thanks and enclosed

copies of the receipts associated with the grant funding of £1,000 towards a 'Full of Life' event held on 1st October 2018 at Roffey Millennium Hall.

6. Financial Review to 31st January 2019

Budget Monitoring Report to 31st January 2019 including reserve balances attached. The bank reconciliation and cash book to 31st January 2019 will be available at the meeting.

8. Financial Regulations

Regulations 9.2 and 9.3 states that the council will agree charges on an annual basis. The recommendation is to change the "council" to the "Finance and Administration Committee".

11 Aviva Pension.

At the Parish Council Meeting on 10th January 2019 it was agreed to offer new caretakers a pension with AVIVA. It had been suggested that the Parish Council offers an employers' contribution of up to 6% if this were matched by the employee.

From 1st April 2019 the minimum contribution from the employer is 3% of employees' salary. The minimum joint contribution is 8%, which means that the minimum the employee can contribute is 5% of their salary.

In the unlikely event of a new caretaker being required to start work, an agreed employers' contribution is required as new employees must be enrolled into a pension scheme from the start of their employment, unless they are not eligible or they opt out.

West Sussex County Council has advised that they are unable to process the AVIVA pension using the payroll system they use. The advice they have given about how to administer the scheme and how paying the salary would work is ambiguous and clarification is being sought.

12. Grant applications

North Horsham Friendship Group's application is to support a regular opportunity for those over 60 to meet to combat social isolation and encourage companionship and friendship. Having attended this group, some members have gained confidence to join other classes held at Roffey Millennium Hall which improve health and wellbeing.

The request for £225 is to supplement subscriptions collected at every meeting.

The Friendship Group doesn't hold any reserves and relies on the grant to operate. North Horsham Parish Council supports the group by providing staff and a meeting room. Previous donations are as follows:-

October 2014	£500	Set Up costs
October 2015	£300	Ongoing work
December 2016	£150	Christmas entertainer and small gifts.
February 2018	£200	Entertainer and transport costs.

Earles Meadow Conservation Group's application is to continue work on Parish Council owned public open space at Earles Meadow. The work that is undertaken is agreed on an annual basis by the Property Committee. The group's work is appreciated by local residents who contributed to a replacement mower during 2018. The group has launched a website promoting its work. The group relies on the grant to continue their work.

North Horsham Parish Council has supported the group in the past as follows:-

June 2011	£200	Ongoing work
October 2016	£575	Ongoing Work
December 2017	£550	Ongoing work

Horsham Green Gym undertook work to remove broken fencing on the Riverside Walk free of charge on request. They are a proactive community group who do significant work in and around Horsham. In particular they take a significant role in keeping the Motte and Bailey site clear in conjunction with Horsham District Council. Donations are put towards tools and other materials required to provide a community service.

Citizen's Advice Bureau. A letter requesting a donation has been received. In the past significant sums have been donated to the outreach service. Now a room at Roffey Millennium Hall is given free of charge for 3 hours every Monday morning to enable local residents to access the service. This amounts to approximately £1,000 over the year. The service is well used. Previous support has been given as follows:-

March 2008	£3100	Outreach Service
February 2009	£4200	Outreach Service
March 2010	£3600	Outreach Service
June 2011	£3800	Outreach Service
December 2011	£950	Outreach Service
August 2013	£3361	Outreach Service
October 2014	£3361	Outreach Service
2015	circa £1,000	Room at RMH for outreach service.
2016	circa £1,000	Room at RMH for outreach service.
2017	circa £1,000	Room at RMH for outreach service.
2018	circa £1,000	Room at RMH for outreach service.

15. Date of next meeting

Thursday 18th April 2018 (Scheduled).

Pauline Whitehead BA(Hons) FSLCC
06.02.19

Finance Report to show expenditure to 31st January 2019

Period covering 1st April 2018 to 31st January 2019

Funding at 31st January 2019

Precept (full year)	319,943
Environmental Grant (full year).	9,836
Total	329,779

Income to 31st January 2019

Cost Centre	Actual Income	Annual Budget	Forecast income to 31.03.19	Expected income from 01.04.18 – 31.01.19 based on forecast income ¹
Admin	*-95	150	100	83
Allotments	539	765	775	**775
Bus shelter payment	150	0	0	0
North Heath Hall	53,269	61,400	63,400	52,833
Holbrook Tythe Barn	29,808	28,840	33,000	27,500
Multi Court Lettings	19,063	17,510	21,510	17,925
Roffey Millennium Hall	70,423	74,700	81,300	67,750
Total	173,157	183,365	200,085	166,866

Expenditure to 31st January 2019

Cost Centre	Actual Expenditure	Annual Budget	Forecast expenditure to 31.03.19	Expected expenditure from 01.04.18- 31.01.19 based on forecast expenditure ¹
Admin	34,499	57,715	48,488	40,406
Grants	4,800	10,000	10,000	8,333
Burial	5,048	6,500	6,750	5,625
Personnel	237,520	285,793	286,248	238,540
Planning, Env, Trans	737	2,250	2,250	1,875
Allotments	1,204	1,350	1,200	1,000
Amenity, Recs and Open Spaces	22,773	51,507	45,079	37,566
North Heath Hall	18,149	26,093	26,855	22,379
Holbrook Tythe Barn	17,447	21,882	22,513	18,760
Roffey Millennium Hall	28,413	37,731	37,586	31,321
Total	370,590	500,821	486,969	405,805

Net expenditure	(197,433)	(317,456)	(286,884)	(238,939)
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¹The expected income and expenditure has been calculated by taking the forecast figure for the whole year and dividing it by 12 and multiplying by 10.

Income

All sources of income, except the allotments have exceeded the forecast income that was expected by this stage in the year..

* At the end of 2017/18 £237.89 interest was recorded twice. This was reversed out in 2018/19. The actual interest received from 1st April 2018 to 31st January 2019 from the Lloyds business account is £108.24. There will be additional interest from the Nationwide Building Society and Co-operative Bank accounts paid as a one off payment later in the financial year. The miscellaneous income in the administration cost centre is from photocopying.

**All allotment invoices are sent on 1st April, therefore the full income is expected in one hit and has now been included for the year. There has been one extra let subsequently. The re-charge for the lease of Harwood Road Allotments to the Harwood Road Allotment Society was billed twice in the 2017/18 period, so that has reduced the potential income for this year by £252.

In conclusion, income is around £6,000 more than expected at this stage in the financial year.

Expenditure

Expenditure for the ten month period is £370,590 against a forecast of £405,805.

The reasons for the difference are in some parts due to phasing. There is a large amount of money in the Amenity, Recs and Open Spaces budget, but maintenance is scheduled for early 2019 and the Property Committee are looking at work to trees.

Professional charges are likely to be more than budgeted as there has been spending on GDPR, eviction charges, the financial package and personnel advice, this shouldn't impact on the total admin budget.

Burial charges are paid quarterly to HDC, three invoices have been received for this year so far and spending is on target. There has been a steady flow of requests for Grants so far this year.

The Personnel expenditure includes all salaries and expenses to 31st January 2019. Expenditure remains lower than expected due to careful management of cover. Spending at all halls is lower than expected, but maintenance work has been scheduled in late January/ February at all halls.

Pauline Whitehead 6.2.19

Month No : 10

Committee Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available
Finance & Administration					
<u>101 Administration</u>					
4007	Councillors Training	172	750	578	578
4008	Councillors Expenses	3,592	5,100	1,508	1,508
4021	Telephone/Fax/Internet	1,858	5,000	3,142	3,142
4022	Postage	934	2,000	1,067	1,067
4023	Stationery and Printing	1,166	2,000	834	834
4024	Subscriptions	3,172	3,100	-72	-72
4025	Insurance	8,567	12,205	3,638	3,638
4026	Publications/Magazines	17	50	33	33
4028	IT Costs	1,728	2,400	672	672
4029	Website Maintenance	84	160	76	76
4031	Other Advertising	0	200	200	200
4032	Publicity/Marketing	12	1,000	988	988
4033	Newsletter	681	1,200	519	519
4034	Maintenance - Electrical	115	0	-115	-115
4038	Office Equipment Maint.	437	1,500	1,063	1,063
4051	Bank Charges	64	200	136	136
4053	PWLB Loan Charges	6,656	13,700	7,044	7,044
4057	External Audit Fees	-61	1,500	1,561	1,561
4058	Professional Services	4,021	3,000	-1,021	-1,021
4059	Internal Audit Fees	108	500	392	392
4100	Chairman's Allowance	197	400	203	203
4103	Parish Plan	300	0	-300	-300
4120	Roffey Hall Equipment	209	750	541	541
4122	Office Equipment	470	1,000	530	530
	Administration :- Expenditure	34,499	57,715	23,216	0
1008	Miscellaneous Income	35	0	35	0
1176	Precept	319,943	319,943	0	0
1196	Interest Received	-130	150	-280	0
	Administration :- Income	319,848	320,093	-245	
	Net Expenditure over Income	-285,349	-262,378	22,971	
<u>103 Grants</u>					
4155	Other Grants and Donations	4,800	10,000	5,200	5,200
	Grants :- Expenditure	4,800	10,000	5,200	0
	Net Expenditure over Income	4,800	10,000	5,200	

Month No : 10

Committee Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available
<u>104</u> <u>Burial</u>					
4101 Burial Charges	5,048	6,500	1,452		1,452
Burial :- Expenditure	<u>5,048</u>	<u>6,500</u>	<u>1,452</u>	<u>0</u>	<u>1,452</u>
Net Expenditure over Income	<u>5,048</u>	<u>6,500</u>	<u>1,452</u>		
Finance & Administration :- Expenditure	<u>44,347</u>	<u>74,215</u>	<u>29,868</u>	<u>0</u>	<u>29,868</u>
Income	<u>319,848</u>	<u>320,093</u>	<u>-245</u>		
Net Expenditure over Income	<u>-275,501</u>	<u>-245,878</u>	<u>29,623</u>		
<u>Planning Environment & Transpo</u>					
<u>201</u> <u>Planning, Env & Transport</u>					
4305 Planning Consultant Fees	737	2,250	1,513		1,513
Planning, Env & Transport :- Expenditure	<u>737</u>	<u>2,250</u>	<u>1,513</u>	<u>0</u>	<u>1,513</u>
Net Expenditure over Income	<u>737</u>	<u>2,250</u>	<u>1,513</u>		
Planning Environment & Transpo :- Expenditure	<u>737</u>	<u>2,250</u>	<u>1,513</u>	<u>0</u>	<u>1,513</u>
Income	<u>0</u>	<u>0</u>	<u>0</u>		
Net Expenditure over Income	<u>737</u>	<u>2,250</u>	<u>1,513</u>		
<u>Property</u>					
<u>301</u> <u>Allotments</u>					
4012 Water Rates	148	200	52		52
4102 Allotment Rent	-13	300	313		313
4200 Grass cutting	1,068	750	-318		-318
4259 Allotment Maintenance	0	100	100		100
Allotments :- Expenditure	<u>1,204</u>	<u>1,350</u>	<u>146</u>	<u>0</u>	<u>146</u>
1050 Allotment Rents	539	765	-227		0
Allotments :- Income	<u>539</u>	<u>765</u>	<u>-227</u>		
Net Expenditure over Income	<u>665</u>	<u>585</u>	<u>-80</u>		
<u>302</u> <u>Amenity, Recs & Open Sp</u>					
4019 Window Cleaning	530	2,346	1,816		1,816
4036 Maintenance - General	84	0	-84		-84
4200 Grass cutting	10,235	19,417	9,182		9,182
4250 Bus Shelter Repairs	1,338	2,000	662		662

Month No : 10

Committee Report

		Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available
4251	Play Area & M Crts Maint	1,376	8,000	6,624		6,624
4252	Open Spaces	3,981	9,000	5,019		5,019
4253	Litter Warden/Clearance	0	650	650		650
4254	Community Services - Dog Bins	1,851	2,000	149		149
4255	Street Lighting - Maint/Supply	1,599	4,500	2,901		2,901
4258	Multicourts Maintenance	1,660	2,494	834		834
4260	Workshop	0	100	100		100
4302	Notice Board Maintenance	120	1,000	880		880
	Amenity, Recs & Open Sp :- Expenditure	22,773	51,507	28,734	0	28,734
1008	Miscellaneous Income	150	0	150		0
1100	Grants Received	9,836	9,691	145		0
	Amenity, Recs & Open Sp :- Income	9,986	9,691	295		
	Net Expenditure over Income	12,787	41,816	29,029		
	Property :- Expenditure	23,977	52,857	28,880	0	28,880
	Income	10,525	10,456	69		
	Net Expenditure over Income	13,452	42,401	28,949		

Halls

401 North Heath Hall					
4011	NNDR	6,240	6,234	-6	-6
4012	Water Rates	312	926	614	614
4014	Electricity	2,147	2,575	428	428
4015	Gas	1,408	2,000	592	592
4016	Cleaning Materials	702	1,300	598	598
4017	Refuse Bin Clearance	816	832	16	16
4018	Sanitary Waste	155	185	30	30
4019	Window Cleaning	320	370	50	50
4034	Maintenance - Electrical	954	2,000	1,046	1,046
4035	Maintenance - Elect Eqp Insp	0	1,360	1,360	1,360
4036	Maintenance - General	1,090	2,000	911	911
4037	Maintenance - Fire Alarm Syt	410	750	340	340
4039	Maint - Intruder Alarm	774	950	176	176
4041	Maintenance - Fire Extg Insp	0	150	150	150
4042	Maintenance - Gas Boiler etc	187	650	464	464
4044	Maintenance - Partition Wall	600	700	100	100
4061	Legionella Testing	115	360	245	245
4063	Maintenance - Plumbing	285	750	465	465
4065	Fire Prevention Sundries	0	75	75	75

Month No : 10

Committee Report

		Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available
4066	Keyholder Services	135	426	291		291
4500	Internal Redecorations	1,500	1,500	0		0
	North Heath Hall :- Expenditure	18,149	26,093	7,944	0	7,944
1000	Hall Lettings	53,269	61,400	-8,131		0
	North Heath Hall :- Income	53,269	61,400	-8,131		
	Net Expenditure over Income	-35,120	-35,307	-187		
<u>402</u>	<u>Holbrook Recreation Centre</u>					
4011	NNDR	3,408	3,405	-3		-3
4012	Water Rates	653	1,500	847		847
4014	Electricity	2,714	3,090	376		376
4015	Gas	561	1,286	725		725
4016	Cleaning Materials	922	1,000	78		78
4017	Refuse Bin Clearance	816	832	16		16
4018	Sanitary Waste	146	185	39		39
4019	Window Cleaning	220	312	92		92
4034	Maintenance - Electrical	1,528	2,000	472		472
4035	Maintenance - Elect Eqp Insp	0	530	530		530
4036	Maintenance - General	1,938	2,000	62		62
4037	Maintenance - Fire Alarm Syt	410	556	146		146
4039	Maint - Intruder Alarm	774	935	161		161
4041	Maintenance - Fire Extg Insp	0	150	150		150
4042	Maintenance - Gas Boiler etc	573	500	-73		-73
4061	Legionella Testing	100	350	250		250
4063	Maintenance - Plumbing	491	750	259		259
4065	Fire Prevention Sundries	0	75	75		75
4066	Keyholder Services	190	426	236		236
4500	Internal Redecorations	2,003	2,000	-3		-3
	Holbrook Recreation Centre :- Expenditure	17,447	21,882	4,435	0	4,435
1000	Hall Lettings	29,808	28,840	968		0
1010	Multi Court Lettings	19,063	17,510	1,553		0
	Holbrook Recreation Centre :- Income	48,871	46,350	2,521		
	Net Expenditure over Income	-31,424	-24,468	6,956		
<u>403</u>	<u>Roffey Millennium Hall</u>					
4011	NNDR	6,480	6,473	-7		-7
4012	Water Rates	1,140	1,235	95		95
4014	Electricity	3,659	5,000	1,341		1,341

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Committee Report

		Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available
4015	Gas	2,918	6,000	3,082		3,082
4016	Cleaning Materials	1,097	1,390	293		293
4017	Refuse Bin Clearance	1,622	1,621	-1		-1
4018	Sanitary Waste	350	185	-165		-165
4019	Window Cleaning	585	700	115		115
4020	Refreshment Sale Cost/Sundries	516	500	-16		-16
4034	Maintenance - Electrical	1,301	2,000	699		699
4035	Maintenance - Elect Eqp Insp	0	750	750		750
4036	Maintenance - General	2,432	3,000	568		568
4037	Maintenance - Fire Alarm Syt	410	515	105		105
4039	Maint - Intruder Alarm	1,014	1,500	486		486
4040	Maintenance - Elevator	514	750	236		236
4041	Maintenance - Fire Extg Insp	115	150	35		35
4042	Maintenance - Gas Boiler etc	990	1,000	10		10
4044	Maintenance - Partition Wall	250	500	250		250
4061	Legionella Testing	120	400	280		280
4062	Air Conditionaig Maintenance	270	309	39		39
4063	Maintenance - Plumbing	774	1,500	726		726
4064	Lightning Conductor Works	220	227	7		7
4065	Fire Prevention Sundries	0	100	100		100
4066	Keyholder Services	135	426	291		291
4500	Internal Redecorations	1,500	1,500	0		0
	Roffey Millennium Hall :- Expenditure	28,413	37,731	9,318	0	9,318
1000	Hall Lettings	67,039	72,100	-5,061		0
1004	Equipment Sale/Sundry Income	1,325	600	725		0
1006	Refreshment Sale Income	1,346	2,000	-654		0
1008	Miscellaneous Income	713	0	713		0
	Roffey Millennium Hall :- Income	70,423	74,700	-4,277		
	Net Expenditure over Income	-42,010	-36,969	5,041		
	Halls :- Expenditure	64,009	85,706	21,697	0	21,697
	Income	172,563	182,450	-9,887		
	Net Expenditure over Income	-108,554	-96,744	11,810		

Personnel

106	Personnel				
4001	Salaries/NI/Pensions	232,871	280,533	47,662	47,662
4002	Childcare Vouchers	1,270	0	-1,270	-1,270
4003	Payroll Admin Charge	535	360	-175	-175

Month No : 10

Committee Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available
4009 Staff Expenses/Mileage	2,542	2,750	208		208
4010 Staff Training	288	1,500	1,212		1,212
4030 Recruitment Advertising	15	250	236		236
4067 Protective Clothing	0	400	400		400
Personnel :- Expenditure	237,520	285,793	48,273	0	48,273
Net Expenditure over Income	237,520	285,793	48,273		

Personnel :- Expenditure	237,520	285,793	48,273	0	48,273
Income	0	0	0		
Net Expenditure over Income	237,520	285,793	48,273		

Earmarked Reserves

901 Earmarked Reserves					
4900 Repairs & Renewals Reserve	9,041	0	-9,041		-9,041
Earmarked Reserves :- Expenditure	9,041	0	-9,041	0	-9,041
Net Expenditure over Income	9,041	0	-9,041		

Earmarked Reserves :- Expenditure	9,041	0	-9,041	0	-9,041
Income	0	0	0		
Net Expenditure over Income	9,041	0	-9,041		

NORTH HORSHAM PARISH COUNCIL
RESERVE BALANCES - 31st January 2019

	BALANCE	RESERVES		EXPENDITURE	INCOME			EXPENDITURE	INCOME		EXPENDITURE	INCOME		NOTE
	31.3.2016	31.3.2016	1.4.2016	01.04.2017	31.03.2017	31.03.2017	01.04.2017	31.03.2018	31.03.2018	31.03.18	31.01.19	31.01.19	31.01.19	
GENERAL RESERVES	101744	-24100	77644	470391	478024	85277	-10000	468953	500189	106513	370591	502936	238858	
EARMARKED RESERVES														
REVENUE - VAT Contingency	7955	0	7955	0	0	7955		0	0	7955			7955	
REPAIRS & RENEWALS	140666	20100	160766	23736	0	137030	8000	5144	0	139886	9041		130845	
ELECTION	19950	0	19950	0	0	19950		0	0	19950			19950	
DAMAGE	4000	0	4000	0	0	4000	-4000	0	0	0			0	3
YOUTH PROVISION	0	0	0	0	0	0		0	0	0			0	
ROFFEY YOUTH CLUB	5621	0	5621	0	0	5621		0	0	5621			5621	1
PLANNING	8000	4000	12000	3750	0	8250		215	0	8035			8035	
CAPITAL PROJECTS	4000	0	4000	0	0	4000	-4000	0	0	0			0	3
NEIGHBOURHOOD PLAN	0	0	0	0	0	0	10000	0	0	10000			10000	4
CAPITAL RECEIPT	25000	0	25000	0	0	25000		0	0	25000			25000	2
	316936	0	316936	497877	478024	297083	0	474312	500189	322960	379632	502936	446264	

Roffey Youth Club

Monies held following the closure of Roffey Youth Club

Capital Receipt

Capital Receipt from sale of land at North Heath Hall for Capital projects identified in the Business Plan only.

Damage/ Capital projects

Reserves moved to 321 Repairs and Renewals agreed by F&A.

Neighbourhood Plan

Fund created for the NP

Balance Sheet as at - 31st January 2019

31st March 2018

31st March 2019

Current Assets		
21,554	Debtors	18,974
1,095	Vat Refunds	-449
3,018	Prepayments	0
161,487	Lloyds Bank Accounts	286,417
85,000	Co-op Community Directplus A/c	85,000
84,038	Nationwide	84,038
150	Petty Cash	150
<u>356,341</u>		<u>474,130</u>
356,341	Total Assets	474,130
Current Liabilities		
30,095	Creditors	27,866
3,286	Accruals	0
<u>33,381</u>		<u>27,866</u>
322,960	Total Assets Less Current Liabilities	446,263
Represented By		
106,513	General Reserve	238,858 ✓
7,955	Earmarked Reserves - VAT Con	7,955 ✓
139,886	Earmarked Reserves - R&R Fund	130,845 ✓
19,950	Earmarked Reserves - Election	19,950 ✓
5,621	Ear Marked Res-Yth Charity Bal	5,621 ✓
8,035	Ear marked Reserve Planning	8,035 ✓
10,000	Earmarked Reserve - NP	10,000 ✓
25,000	Ear Marked Res Capital Receipt	25,000 ✓
<u>322,960</u>		<u>446,263</u> ✓

The above statement represents fairly the financial position of the authority as at 31st January 2019 and reflects its Income and Expenditure during the year.

Signed :
Chairman

Date : _____

Signed :
Responsible
Financial
Officer

Date : _____

North Horsham Parish Council

Income and Expenditure Account for Year Ended 31st January 2019

31st March 2018		31st January 2019
	Income Summary	
293,551	Precept	319,943
520	Interest Received	-130
<u>294,071</u>	Sub Total	<u>319,813</u> ✓
	Operating Income	
1,762	Administration	35
1,015	Allotments	539
9,691	Amenity, Recs & Open Sp	9,986
62,013	North Heath Hall	53,269
57,416	Holbrook Recreation Centre	48,871
74,222	Roffey Millennium Hall	70,423
<u>500,189</u>	Total Income	<u>502,936</u> ✓
	Running Costs	
52,327	Administration	34,499
0	Section 137	0
8,800	Grants	4,800
9,183	Burial	5,048
275,643	Personnel	237,520
2,000	Planning, Env & Transport	737
1,009	Allotments	1,204
42,712	Amenity, Recs & Open Sp	22,773
23,303	North Heath Hall	18,149
20,777	Holbrook Recreation Centre	17,447
33,200	Roffey Millennium Hall	28,413
5,359	Earmarked Reserves	9,041
<u>474,312</u>	Total Expenditure	<u>379,632</u> ✓
	General Fund Analysis	
85,277	Opening Balance	106,513
500,189	Plus : Income for Year	502,936
<u>585,466</u>		<u>609,449</u>
474,312	Less : Expenditure for Year	379,632
<u>111,154</u>		<u>229,817</u>
-3,386	Transfers TO / FROM Reserves	-9,041
<u>114,540</u>	Closing Balance	<u>238,858</u> ✓

**NORTH HORSHAM PARISH COUNCIL
NOTES FROM THE INTERNAL CONTROLS WORKING PARTY
MONDAY 4th FEBRUARY 2019 AT 7.30pm**

Members of the Working Party:- Cllr J Smithurst, Cllr S Torn and Cllr S Wilton.

*Denotes absence

The Clerk/ Responsible Financial Officer was also in attendance.

1. Apologies.

There were no apologies.

2. Notes.

The notes of the meeting held on 1st October 2018 had been received by the Finance and Administration Committee and the recommendations actioned.

3. Testing

The following tests were undertaken:-

1. Salaries for 2019/20

The working party received copies of the NALC Employment briefing E02-18 2018/19 National Salary Award issued on 7th December 2019 which indicated the new pay scales for 2019/20 to be implemented from 1st April 2019. A list of the salaries for all staff for 2019/20 was circulated and the salaries of the Clerk and one of the caretakers was checked against the contracts. No discrepancies were found.

The list would be presented at the next Finance Meeting for agreement and a recommendation to write to all employees explaining a change in the pay spines would be put forward. This would be reported at the next Personnel Meeting.

2. Financial Records

The financial electronic records were checked to make sure that there were no obvious omissions. There were anomalies in the numbering of cash book 2 used for recording petty cash payments. The sheet numbers were inconsistent and the total in the cash book did not reflect the £150 in the trial balance. The transfer of the petty cash money from cash book 1 to cash book 2 was checked and verified, but it was felt that further explanation was required. The clerk would take advice from RBS and inform the working party or the Finance Committee of her findings.

Later in the meeting it was suggested that it was not obvious why it was necessary to print out all of the financial records. The clerk would enquire with the Internal Auditor and report back.

Recommendation:- The Clerk to clarify Cash book 2 and inform the Finance Committee of her findings.

The Clerk to clarify if all of the Financial records need to be printed out. It may be appropriate to just print selected month end items in the future. If there is a change it would be advantageous to start from 1st April 2019.

3. Petty Cash

The Petty cash was counted by a member of the working group and it was confirmed that was £128.58 in cash and the vouchers added up to £21.42 making a total of £150.

4. Asset Management and Replacement

Work was continuing on a template for asset management and replacement. The rationale for this piece of work was to have a mechanism to predict what level of Ear Marked Reserves were required year on year to ensure that Parish Council assets are managed effectively. The information will help the Council to better understand the assets it has and allow them to plan for when pieces of equipment need replacing.

The working group recommended that the replacement cost of assets was based on the purchase value plus compounded inflation based on the Consumer Price Index (CPI) and that the life expectancy was an educated guess. It was noted that in the case of play areas, equipment may be replaced in one go. It was also noted that in general this was a high level exercise at this stage. More detail could be included as the documents developed. A template would be taken to the next Finance Meeting for wider comment.

Recommendation:- the Finance Committee to agree that replacement cost was based on purchase value plus compounded inflation based on CPI and that life expectancy was based on an educated guess.

5. Other comments

It was suggested that a definition of capital and revenue be set by the Council for clarity when interpreting Financial regulations and Ear marked reserves. This would be developed further in due course.

**Date of next meeting
Monday 8th April 2019 (scheduled)**

The meeting closed at 8.10 p.m.

Asset Management and Replacement

Governance and Accountability for Smaller Authorities in England (March 2018) advises that the starting point for any system of financial control over assets is the asset register as it

- facilitates the effective physical control over assets,
- provides the information that enables the authority to make the most cost effective use of its capital resources,
- ensures that no asset is overlooked or underutilised and is therefore used most efficiently,
- pools all the information available about each asset from across the authority and makes it available to every part of the authority,
- provides a record of the sources of evidence used to support the existence and valuation of assets to be covered by insurance,
- supports the Annual Governance and Accountability Return entry for capital assets by collecting the information on the cost or value of assets held and
- forms a record of assets held for insurance purposes.

The key information needed in the asset register is:

- Dates of acquisition, upgrade or disposal
- Costs of acquisition and any expenditure which increases the life of the asset
- If proxy cost is used for the first valuation, a note of the method used for valuation and details of any professional advice received
- Useful life estimate
- Location
- Responsibility
- Present use and capacity
- Corresponding periodic measures of usage or occupation
- Any available indications of asset value and condition
- Any regular charges for usage or occupancy.

North Horsham Parish Council has the following documents:-

- Asset Register which records the dates of acquisition, upgrade or disposal, costs, replacement cost, location and insured value.
- Inventory which records when the asset was checked.
- In the case of play areas a Royal Society for the Prevention of Accidents report showing the condition of the asset.

The Parish Council is looking to develop a document to complement the Asset Register, inventory and condition reports which gives pertinent information to give a mechanism to predict what level of Ear Marked Reserves are required year on year to ensure that Parish Council assets are managed effectively. The information will help the Council to better understand the assets it has and allow them to plan for when pieces of equipment need replacing.

BIRCHES ROAD PLAY AREA - REPLACEMENT COSTS AND TIMEFRAMES
YEAR ENDING 31st MARCH 2019

	DESCRIPTION	AMOUNT	DATE ACQUIRED	PURCHASE VALUE	REPLACEMENT COST	INSURED VALUE***	LIFE EXPECTANCY	STAGE IN LIFECYCLE	POTENTIAL REPLACEMENT YEAR	PHASED AMOUNT REQUIRED FOR REPLACEMENT AT 31.3.19	AMOUNT IN EMR****
1	Junior Multi Play Unit	1	June 2004	11,325	15,827	0	20	14	2024	11,079.00	0
2	Toddler Multi Play Unit	1	June 2004	3,230	4,514	0	20	14	2024	3,160.00	0
3	Roundabout	1	June 2004	1,900	2,655	0	20	14	2024	1,330.00	0
4	Adventure Trail	1	June 2004	3,080	4,304	0	20	14	2024	3,013.00	0
5	Ancillary Costs*		June 2004	1,000	1,397	0				1,397.00	
6	Delivery/Installation*		June 2004	4,294	6,001	0				6,001.00	
7	Safety Surfacing	Yes	June 2004	12,900	18,028	0	20	14	2024	12,619.00	0
8	Fencing/Gates	Fence and 2 gates	June 2004	**1	**8000	0	20	14	2024	5,600.00	0
9	Litter Bin (x 1)	2	June 2004	300	419	0	20	14	2024	293.00	0
10	Signage (x 2)	2	June 2004	154	215	0	20	14	2024	150.00	0
11	Seats (x 2)	3	Sept 2005	498	680	0	20	13	2025	442.00	0
12	Mixed Swing Set	1	Sept 2013	3,723	4,038	0	20	5	2033	1,009.00	0
	TOTALS			42,404	58,078					46,093.00	

Notes

* The Ancillary costs and delivery /installation costs will always be applicable.

** The fence and gates were re-used from the previous playground, therefore they are shown as £1 in the Asset Register. A guesstimate has been made of the replacement cost

*** The Insured value forms part of the Asset Register, therefore this hasn't been filled in at this stage. As the piece of work progresses this can be reviewed.

**** Ultimately a figure could be inserted in this column to indicate the provision of funding, but this will be reviewed as the piece of work develops.

The replacement cost has been calculated in the main using compind Consumer Price Index inflation - the method to be agreed by the Finance and Administration Committee at their meeting on 14th February 2019

The life expectancy has been calculated using an educated guess but there are many factors that will influence this and some pieces of equipment will inevitably last longer than others.

As this piece of work progresses further refinements can be made as necessary.

