

**MEETING OF THE FINANCE & ADMINISTRATION COMMITTEE
TO BE HELD ON THURSDAY 17th AUGUST 2023 AT 7.30pm**

CLERK'S 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, Disclosable Pecuniary or Other Registrable 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.

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.

Where you have an **Other Registrable 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.

5. Chairman's Announcements.

A letter of thanks has been received from Victim Support for the recent grant, a copy of which will be circulated to all Members by email.

6. Review of Finances to 31st July 2023

i. Finance Report to show income, expenditure and reserves to 31st July 2023

Funding at 31st July 2023

Precept (half year)	182,673
Environmental Grant	5,873
Climate Change Grant	2,076
Total	190,622

Income to 31st July 2023

Cost Centre	Actual income	Annual Budget	Estimated income to 31 st July 2023*
Admin	7,211	200	67
Allotments**	982	995	995
North Heath Hall	22,541	71,000	23,667
Holbrook Tythe Barn	13,295	38,000	12,667
Multi Court Lettings	6,897	26,600	8,867
Roffey Millennium Hall	22,385	45,000	15,000
Total	73,311	181,795	61,263

Expenditure to 31st July 2023

Cost Centre	Actual Expenditure	Annual Budget	Estimated expenditure to 31 st July 2023*
Admin***	23,155	54,570	27,190
Grants	2,330	10,000	3,333
Burial****	1,865	7,460	2,487
Personnel	102,988	349,650	116,550
Planning, Env, Trans	0	1,500	500
Allotments	331	1,560	520
Amenity Rec & Open Spaces	15,087	56,485	18,828
North Heath Hall	10,977	30,778	10,259
Holbrook Tythe Barn	8,100	28,095	9,365
Roffey Millennium Hall	12,500	42,840	14,280
Total	177,333	582,938	203,312

* Total cost centre budget for 2023/4 divided by 4/12th.

** Allotment invoices are sent out annually. The full income is expected by the end of April.

*** Includes in Actual Expenditure Annual Insurance Premium of £13,884 paid May 2023 and includes in Estimated Expenditure Full Year Budget for Insurance of £13,500

**** Paid quarterly in Months 2,5,8 & 11

Supporting Finance documents including the Income and Expenditure and Reserves reports as at 31st July 2023, are attached in **Appendix 1 and 1a respectively**.

Income

At the end of Month 4 of the 2023/24 year, revenue income continues to be higher than the anticipated by approx. 20% - equivalent to the position at the end of month 3.

Expenditure

Overall, expenditure remains at approx. 13% lower than would be expected at the end of the month, as it was at the end of month 3. It should be noted that the Personnel Budget is £13,562 (just under 12%) less than would be expected at this time of year. The reason for this is twofold; firstly, due to staff resignations resulting in periods of understaffing but also the annual pay award payable from 1st April 2023 has not yet been agreed and therefore not implemented.

Reserves

As at 31st July 2023 remaining funds, including the 1st half year precept payment received and General Reserves, stood at £308,132.

In addition, there are additional Earmarked Reserves of £274,333 - a reduction of £1,525 from the balance at the end of month 3, due to expenditure of £895 for works arising from the inspection of the partition wall at RMH and £630 for architect drawings for the proposed washroom works at NHH.

Summary

As mentioned above, there is £12,049 more revenue income than budgeted for at the end of month 4 together with £19,291 less revenue expenditure than anticipated.

ii. Bank Reconciliations

A copy of the bank reconciliations and statements for the Lloyds Bank Accounts and CCLA Public Sector Deposit Fund as at 30th June and 31st July 2023 have been circulated by emailed.

iii. VAT Analysis

The VAT Analysis to 31st June 2023 will be circulated by email and as Members will see, the applicable amount of £1,905.13 is below the De Minimus limit of £7,500.

Decisions:

- i) **To consider the Financial Report to 31st July 2023 including reserve balances**
- ii) **To confirm, with counter signature by the Chairman, and minute to evidence the bank reconciliations (against the cashbooks) for the Lloyds Bank Accounts and CCLA Public Sector Deposit Fund as at 30th June and 31st July 2023**
- iii) **To note the VAT Analysis to 30th June 2023**

7. Internal Controls Working Party

A meeting of the Internal Control Working Party was held on Monday 12th June 2023 and the Notes of the Meeting are attached as **Appendix 2**. The focus for the meeting was item ii) of the agreed Action Plan, namely Identifying the duties of Officers and segregation of duties; authorisation of payments; hierarchical review and that a commitment over £5,000 is compliant and no issues were identified.

Decision : To receive the Notes of the Working Party meeting held 12th June 2023.

Members are asked to consider the focus for the next Working Party as this was not agreed at the meeting. It is suggested that as in previous years, the elements of the agreed Action Plan are followed in order and therefore, that the focus for the next meeting should be item iii) namely to review that risk levels are properly managed and compliance with the publication rules for the Local Government Transparency Code 2015.

Decision : To agree the focus for the next meeting of the Internal Control Working Party on 11th September 2023.

Finally, Members are asked to note that the November meeting of the Internal Control Working Party will need to be brought forward by one week to Monday 20th November 2023.

Decision : To note the change of date for the November meeting to 20th November 2023

8. Appoint an Internal Auditor

The Council's Internal Auditor, Mulberry & Co, have provided details of their pricing structure for 2023-24, and a copy of this will be circulated by email with the Agenda. As Members will read there is an increase in charges for 2023/24 but this is the first increase in 13 years. It is the Clerks opinion that Mulberry & Co continue to provide good value for money and there are no complaints or concerns about the service being provided.

In addition to agreeing whether to reappoint Mulberry & Co for the 2023/24 financial year, Members are asked to consider entering into a three year agreement for the internal Audit service with the charges remaining the same for the three year period. This three year agreement model is in line with other Internal Audit providers. This would mean that the appointment of an Internal Auditor would not be considered again by the Council until the summer of 2026.

Decision: To agree the appointment of the Internal Auditor for the 2023/24 year and furthermore, consider entering into a three year agreement.

9. Changes to VAT treatment of Local Authority leisure service provision

Until March 2023, the standard guidance from HMRC was that the letting of facilities designed or adapted for playing any sport or taking part in physical recreation was normally excluded from any exemption and therefore standard rated. However, the law exempted the letting of sports facilities (therefore reverting to being exempt) if it is either:

1. a single let for a continuous period exceeding 24 hours; or
2. let for a series of 10 or more periods and certain other conditions are met; such as
 - i. each session is for the same sport or activity and must be in the same place (the use of different pitches, courts or lanes on some occasions is acceptable provided it is at the same establishment);
 - ii. the interval between each session is at least 1 day but not more than 14 days (it is important that there is a 24 hour time lapse between the start of each session);
 - iii. the sessions is paid for in full which must be supported by the written agreement between the parties;
 - iv. the person to whom the facilities are let to has exclusive use during the sessions and
 - v. the facilities are let out to a school, club, association or an organisation representing affiliated clubs or constituent associations such as a local league.

NHPC has been operating under this guidance and charging users of the MUGAs VAT when necessary. Furthermore, any supplies for the maintenance and management of the MUGAs is included in the De Minimus calculations as it is currently treated as a “business” activity.

However, the recent HMRC Brief 03/23 “Changes To Vat Treatment Of Local Authority Leisure Services” - states that HMRC has conducted a detailed analysis of the leisure services sector and found that allowing local authorities to treat their supplies of leisure services as non-business would not significantly affect competition and therefore accepted that local authority sports services can be treated as non-business and outside the scope of VAT.

It should be noted that NHPC VAT is not straight forward due to the option to tax in relation to Roffey Millennium Hall (which as noted at the Finance and Committee Meeting held 13th October 2022 cannot be reviewed until 2029 at the earliest - Min. FA/23/22) and the partial exemption rates agreed with HMRC for the Parish Council’s “business” activities excluding RMH.

Next Steps

As a local authority that has provided in-house leisure services to members of the public and treated these supplies as business activities for VAT purposes - either charging customers VAT at the standard rate or applying the exemption (as noted above), NHPC can now revisit this position and apply the non-business treatment to their supplies of leisure services. We can also submit claims to HMRC to reclaim VAT already charged and paid over to HMRC and we have been advised that it should be possible to submit claims going back 4 years from the date of the claim.

In view of the more unusual VAT arrangements at NHPC, the Clerk would like to use the services of Mulberry & Co should any further advice or guidance be required as to how to implement this change and apply for any refund due, noting that this would be at a cost to the Council from the Professional Services budget.

Decision : To note the changes to the VAT treatment of leisure services and agree to expenditure for advice from Mulberry & Co.

10. Grant Applications

There is £7,670 in the Grant Awarding budget. The application(s) have been circulated to the Committee by e-mail.

1st Harwood Guides - £300 requested

This is the first application from 1st Harwood Guides and is to contribute to the costs for one Guide to join an international service project to build 2 houses, sanitation and water for two families in South Africa.

Decision : To consider a Grant application from 1st Harwood Guides

13. Debtors

A confidential summary of sums owed to the Council as at 31st July 2023 will be circulated at the meeting and Members asked to agree if any sums should be written off or alternative action taken.

Decisions : To note the list of Debtors as at 31st July 2023 and agree any action (if necessary).

08/08/2023

North Horsham Parish Council

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Detailed Income & Expenditure by Budget Heading 31/07/2023

Month No: 4

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
101 Administration								
1008 Miscellaneous Income	23,072	2,076	0	(2,076)			0.0%	
1175 CIL Payment	11,805	0	0	0			0.0%	
1176 Precept	349,011	182,673	365,346	182,673			50.0%	
1196 Interest Received	1,860	7,211	200	(7,011)			3605.7%	
Administration :- Income	385,747	191,960	365,546	173,586			52.5%	0
4007 Councillors Training	65	33	1,000	967		967	3.3%	
4008 Councillors Expenses	6,347	1,705	7,000	5,295		5,295	24.4%	
4021 Telephone/Fax/Internet	3,406	927	3,200	2,273		2,273	29.0%	
4022 Postage	723	275	1,200	925		925	22.9%	
4023 Stationery and Printing	1,733	504	1,600	1,096		1,096	31.5%	
4024 Subscriptions	3,171	3,043	3,400	357		357	89.5%	
4025 Insurance	13,979	13,884	13,500	(384)		(384)	102.8%	
4028 IT Costs	2,527	1,795	2,800	1,005		1,005	64.1%	
4029 Website Maintenance	154	0	170	170		170	0.0%	
4032 Publicity/Marketing	0	0	500	500		500	0.0%	
4033 Newsletter	762	269	850	581		581	31.6%	
4038 Office Equipment Maint.	458	0	950	950		950	0.0%	
4051 Bank Charges	72	0	100	100		100	0.0%	
4053 PWLB Loan Charges	11,217	0	11,000	11,000		11,000	0.0%	
4057 External Audit Fees	1,300	(1,300)	1,400	2,700		2,700	(92.9%)	
4058 Professional Services	3,575	1,910	3,350	1,440		1,440	57.0%	
4059 Internal Audit Fees	349	(165)	450	615		615	(36.7%)	
4100 Chairman's Allowance	335	0	400	400		400	0.0%	
4120 Roffey Hall Equipment	674	275	700	425		425	39.3%	
4122 Office Equipment	493	0	1,000	1,000		1,000	0.0%	
Administration :- Indirect Expenditure	51,341	23,155	54,570	31,415	0	31,415	42.4%	0
Net Income over Expenditure	334,406	168,805	310,976	142,171				
6001 less Transfer to EMR	11,805	0						
Movement to/(from) Gen Reserve	322,601	168,805						
103 Grants								
4155 Other Grants and Donations	5,780	2,330	10,000	7,670		7,670	23.3%	
Grants :- Indirect Expenditure	5,780	2,330	10,000	7,670	0	7,670	23.3%	0
Net Expenditure	(5,780)	(2,330)	(10,000)	(7,670)				

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Detailed Income & Expenditure by Budget Heading 31/07/2023

Month No: 4

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
<u>104 Burial</u>								
4101 Burial Charges	7,461	1,865	7,460	5,595		5,595	25.0%	
Burial :- Indirect Expenditure	7,461	1,865	7,460	5,595	0	5,595	25.0%	0
Net Expenditure	(7,461)	(1,865)	(7,460)	(5,595)				
<u>106 Personnel</u>								
4001 Salaries/NI/Pensions	314,844	100,630	343,000	242,370		242,370	29.3%	
4002 Childcare Vouchers	1,282	0	0	0		0	0.0%	
4003 Payroll Admin Charge	870	0	1,400	1,400		1,400	0.0%	
4009 Staff Expenses/Mileage	3,653	2,041	3,000	959		959	68.0%	
4010 Staff Training	1,460	60	1,600	1,540		1,540	3.8%	
4030 Recruitment Advertising	291	181	250	69		69	72.4%	
4067 Protective Clothing	381	76	400	324		324	19.1%	
Personnel :- Indirect Expenditure	322,782	102,988	349,650	246,662	0	246,662	29.5%	0
Net Expenditure	(322,782)	(102,988)	(349,650)	(246,662)				
<u>201 Planning, Env & Transport</u>								
4305 Planning Consultant Fees	0	0	1,500	1,500		1,500	0.0%	
Planning, Env & Transport :- Indirect Expenditure	0	0	1,500	1,500	0	1,500	0.0%	0
Net Expenditure	0	0	(1,500)	(1,500)				
<u>301 Allotments</u>								
1050 Allotment Rents	983	982	995	13			98.7%	
Allotments :- Income	983	982	995	13			98.7%	0
4012 Water Rates	71	180	100	(80)		(80)	180.0%	
4102 Allotment Rent	275	0	275	275		275	0.0%	
4200 Grass cutting	554	151	765	615		615	19.7%	
4259 Allotment Maintenance	50	0	420	420		420	0.0%	
Allotments :- Indirect Expenditure	950	331	1,560	1,230	0	1,230	21.2%	0
Net Income over Expenditure	33	652	(565)	(1,217)				
<u>302 Amenity, Recs & Open Sp</u>								
1100 Grants Received	10,677	5,873	10,678	4,805			55.0%	
Amenity, Recs & Open Sp :- Income	10,677	5,873	10,678	4,805			55.0%	0
4019 Window Cleaning	738	340	1,000	660		660	34.0%	
4200 Grass cutting	11,293	6,870	21,250	14,380		14,380	32.3%	

Detailed Income & Expenditure by Budget Heading 31/07/2023

Month No: 4

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
4250 Bus Shelter Repairs	1,286	965	1,850	886		886	52.1%	
4251 Play Area & M Crts Maint	7,251	1,786	7,875	6,089	476	5,613	28.7%	
4252 Open Spaces	6,032	1,300	10,500	9,200		9,200	12.4%	
4253 Litter Warden/Clearance	486	214	945	731		731	22.7%	
4254 Community Services - Dog Bins	2,780	708	2,415	1,707		1,707	29.3%	
4255 Street Lighting - Maint/Supply	2,743	1,562	5,500	3,938		3,938	28.4%	
4258 Multicourts Maintenance	3,720	1,240	3,750	2,510		2,510	33.1%	
4260 Workshop	49	0	500	500		500	0.0%	
4302 Notice Board Maintenance	321	102	900	798		798	11.3%	
Amenity, Recs & Open Sp :- Indirect Expenditure	36,698	15,087	56,485	41,398	476	40,922	27.6%	0
Net Income over Expenditure	(26,020)	(9,215)	(45,807)	(36,592)				
6001 less Transfer to EMR	996	0						
Movement to/(from) Gen Reserve	(27,016)	(9,215)						
<u>401 North Heath Hall</u>								
1000 Hall Lettings	64,492	22,541	71,000	48,459			31.7%	
North Heath Hall :- Income	64,492	22,541	71,000	48,459			31.7%	0
4011 NNDR	6,487	1,951	7,350	5,399		5,399	26.5%	
4012 Water Rates	826	198	975	777		777	20.3%	
4014 Electricity	2,543	746	2,900	2,154		2,154	25.7%	
4015 Gas	5,074	1,451	2,690	1,239		1,239	53.9%	
4016 Cleaning Materials	860	464	1,470	1,006		1,006	31.6%	
4017 Refuse Bin Clearance	973	302	882	580		580	34.3%	
4018 Sanitary Waste	118	74	336	262		262	21.9%	
4019 Window Cleaning	590	272	735	463		463	37.0%	
4034 Maintenance - Electrical	2,100	483	1,575	1,092		1,092	30.7%	
4035 Maintenance - Elect Eqp Insp	600	640	580	(60)		(60)	110.3%	
4036 Maintenance - General	2,245	994	2,100	1,106	330	776	63.0%	
4037 Maintenance - Fire Alarm Syst	420	0	615	615		615	0.0%	
4039 Maint - Intruder Alarm	1,070	375	1,000	625		625	37.5%	
4041 Maintenance - Fire Extg Insp	47	0	170	170		170	0.0%	
4042 Maintenance - Gas Boiler etc	274	430	685	255		255	62.7%	
4044 Maintenance - Partition Wall	348	348	840	493		493	41.4%	
4061 Legionella Testing	525	0	385	385		385	0.0%	
4063 Maintenance - Plumbing	406	95	685	590		590	13.9%	
4065 Fire Prevention Sundries	0	0	105	105		105	0.0%	
4066 Keyholder Services	180	60	200	140		140	30.0%	
4500 Internal Redecorations	0	2,095	4,500	2,405		2,405	46.6%	
North Heath Hall :- Indirect Expenditure	25,685	10,977	30,778	19,801	330	19,471	36.7%	0
Net Income over Expenditure	38,807	11,564	40,222	28,658				
6001 less Transfer to EMR	1,550	0						

Detailed Income & Expenditure by Budget Heading 31/07/2023

Month No: 4

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
Movement to/(from) Gen Reserve	37,257	11,564						
<u>402 Holbrook Recreation Centre</u>								
1000 Hall Lettings	36,771	13,295	38,000	24,705			35.0%	
1010 Multi Court Lettings	21,991	6,897	26,600	19,703			25.9%	
Holbrook Recreation Centre :- Income	58,761	20,192	64,600	44,408			31.3%	0
4011 NNDR	3,543	1,165	4,200	3,035		3,035	27.7%	
4012 Water Rates	838	555	1,315	760		760	42.2%	
4014 Electricity	3,792	980	3,415	2,435		2,435	28.7%	
4015 Gas	1,289	311	1,575	1,264		1,264	19.7%	
4016 Cleaning Materials	1,303	363	1,470	1,107		1,107	24.7%	
4017 Refuse Bin Clearance	825	302	885	583		583	34.1%	
4018 Sanitary Waste	118	74	255	181		181	28.8%	
4019 Window Cleaning	258	119	475	356		356	25.1%	
4034 Maintenance - Electrical	339	331	5,155	4,824	2,076	2,748	46.7%	
4035 Maintenance - Elect Eqp Insp	600	1,882	2,065	183		183	91.1%	
4036 Maintenance - General	2,101	305	1,995	1,690	330	1,360	31.8%	
4037 Maintenance - Fire Alarm Syst	747	0	630	630		630	0.0%	
4039 Maint - Intruder Alarm	932	375	1,000	625		625	37.5%	
4041 Maintenance - Fire Extg Insp	64	0	170	170		170	0.0%	
4042 Maintenance - Gas Boiler etc	751	199	525	326		326	37.8%	
4061 Legionella Testing	480	0	370	370		370	0.0%	
4063 Maintenance - Plumbing	455	80	765	685		685	10.5%	
4065 Fire Prevention Sundries	665	0	630	630		630	0.0%	
4066 Keyholder Services	180	60	200	140		140	30.0%	
4500 Internal Redecorations	166	1,000	1,000	0		0	100.0%	
Holbrook Recreation Centre :- Indirect Expenditure	19,445	8,100	28,095	19,995	2,406	17,589	37.4%	0
Net Income over Expenditure	39,316	12,092	36,505	24,413				
6001 less Transfer to EMR	0	2,076						
Movement to/(from) Gen Reserve	39,316	10,016						
<u>403 Roffey Millennium Hall</u>								
1000 Hall Lettings	52,770	21,635	45,000	23,365			48.1%	
1004 Equipment Sale/Sundry Income	660	364	0	(364)			0.0%	
1006 Refreshment Sale Income	1,408	385	0	(385)			0.0%	
1008 Miscellaneous Income	256	0	0	0			0.0%	
Roffey Millennium Hall :- Income	55,093	22,385	45,000	22,615			49.7%	0
4011 NNDR	6,737	2,361	7,700	5,339		5,339	30.7%	

Detailed Income & Expenditure by Budget Heading 31/07/2023

Month No: 4

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
4012 Water Rates	1,573	579	1,260	681		681	45.9%	
4014 Electricity	6,128	1,832	5,385	3,553		3,553	34.0%	
4015 Gas	3,859	969	6,300	5,331		5,331	15.4%	
4016 Cleaning Materials	1,344	463	1,445	982		982	32.1%	
4017 Refuse Bin Clearance	1,699	599	1,750	1,151		1,151	34.3%	
4018 Sanitary Waste	118	74	245	171		171	30.0%	
4019 Window Cleaning	812	374	1,040	666		666	36.0%	
4020 Refreshment Sale Cost/Sundries	446	205	315	110		110	65.0%	
4034 Maintenance - Electrical	1,197	603	2,100	1,497		1,497	28.7%	
4035 Maintenance - Elect Eqp Insp	610	290	2,730	2,440		2,440	10.6%	
4036 Maintenance - General	3,330	447	3,460	3,013	330	2,683	22.5%	
4037 Maintenance - Fire Alarm Syt	420	0	580	580		580	0.0%	
4039 Maint - Intruder Alarm	925	375	1,000	625		625	37.5%	
4040 Maintenance - Elevator	774	653	790	137		137	82.6%	
4041 Maintenance - Fire Extg Insp	86	128	170	42		42	75.2%	
4042 Maintenance - Gas Boiler etc	545	433	945	512		512	45.8%	
4044 Maintenance - Partition Wall	688	0	630	630		630	0.0%	
4061 Legionella Testing	578	0	395	395		395	0.0%	
4062 Air Conditionaig Maintenance	277	0	315	315		315	0.0%	
4063 Maintenance - Plumbing	353	105	1,365	1,260		1,260	7.7%	
4064 Lightning Conductor Works	195	0	315	315		315	0.0%	
4065 Fire Prevention Sundries	153	0	105	105		105	0.0%	
4066 Keyholder Services	180	60	200	140		140	30.0%	
4500 Internal Redecorations	1,000	1,950	2,300	350		350	84.8%	
Roffey Millennium Hall :- Indirect Expenditure	34,025	12,500	42,840	30,340	330	30,010	29.9%	0
Net Income over Expenditure	21,068	9,884	2,160	(7,724)				
<u>901 Earmarked Reserves</u>								
4900 Repairs & Renewals Reserve	54,130	9,046	0	(9,046)		(9,046)	0.0%	9,046
Earmarked Reserves :- Indirect Expenditure	54,130	9,046	0	(9,046)	0	(9,046)		9,046
Net Expenditure	(54,130)	(9,046)	0	9,046				
6000 plus Transfer from EMR	54,150	9,046						
6001 less Transfer to EMR	20	0						
Movement to/(from) Gen Reserve	0	0						
Grand Totals:- Income	575,755	263,933	557,819	293,886			47.3%	
Expenditure	558,298	186,380	582,938	396,558	3,542	393,016	32.6%	
Net Income over Expenditure	17,457	77,553	(25,119)	(102,672)				
plus Transfer from EMR	54,150	9,046						
less Transfer to EMR	14,371	2,076						
Movement to/(from) Gen Reserve	57,236	84,523						

NORTH HORSHAM PARISH COUNCIL
 RESERVE BALANCES - 31st July 2023

		FROM Reserve				TO Reserve				BALANCE	TRANSFER	EXPENDITURE	INCOME	BALANCE	NOTE
		BALANCE	TRANSFER	EXPENDITURE	INCOME	BALANCE	TRANSFER	EXPENDITURE	INCOME						
		31.03.2021	01.04.2021	31.03.2022	31.03.2022	31.03.2022	01.04.2022	31.03.2023	31.03.2023						
310/0	GENERAL RESERVES	216901	-8500	461137	503109	250373	-37546	504167	563950	272610	-49000	177334	261856	308132	
	EARMARKED RESERVES					0				0				0	
320/0	REVENUE - VAT CONTINGENCY	7955				7955				7955				7955	
321/0	REPAIRS & RENEWALS (R&R)	100693	3500	8059		96134		27546		68589		4449		64140	3
322/0	ELECTION	19950				19950				19950				19950	
323/0	TREE MANAGEMENT WORK	3825				3825	5000	7860		965	4000	860		4105	6
327/0	ROFFEY YOUTH CLUB	5621				5621				5621				5621	1
328/0	PLANNING	8035				8035				8035				8035	
329/0	EMR - GRANT FOR LED LIGHTS	0				0				0			2076	2076	
330/0	EMR - MARCH 2023	0				0	2546			2546		2525		21	
331/0	RMH BOILER	20000	5000			25000	5000			30000	5000			35000	
332/0	PLAYGROUND UPGRADE	25000				25000	25000			50000	25000			75000	
333/0	NHH WASHROOM REFURBISHMENT	0				0				0	15000	1212		13788	
335/0	CAPITAL RECEIPT	25000				25000				25000				25000	2
337/0	NORTH HORSHAM COMMUNITY LAND TRUST	3				3				3				3	
336/0	COMMUNITY INFRASTRUCTURE LEVY - 2019/2020	8551		8551		0				0				0	
338/0	COMMUNITY INFRASTRUCTURE LEVY 2020/2021	2395		2394.55		0				0				0	
339/0	COMMUNITY INFRASTRUCTURE LEVY 2021/2022	0		5603.76	26163	20559		18725		1835				1835	4
340/0	COMMUNITY INFRASTRUCTURE LEVY 2022/2023	0				0			11805	11805				11805	5
		443928	0	485745	529272	487455	0	558297	575755	504913	0	186380	263932	582465	

1 Roffey Youth Club - money left from when the Youth Club Committee folded but agreed at Council Meeting 13th Jan 2022 (Min. FC/662/22) for £5,000 to go to HDC Youth work - request for payment of funds still awaited.

2 Capital Receipt - money from the sale of land.

3 R & R - ongoing repairs agreed by the Property Committee	Servcom - Boiler Repairs	£562.96
	Servcom - Boiler Repairs	£1,248.75
	EMBH - Water Jogs	£49.99
	H New - MC Floodlights	£957.23
	MAC - Building Work	£735.00
	Pro Servicing Pation Wall	£895.00
		<u>£4,448.93</u>

4 CIL 2021/2022

£0.00

5 NHH - Washroom Referbishment	Surveys	£582.00
	Architect Drawings	£630.00
		<u>£1,212.00</u>

6 Tree Management Works

Forest View - Tree Management	£860.00
	<u>£860.00</u>

7 EMR - March 2023

TCM - Build. Maintenance	£1,550.00
TCM - Playground Maintenance	£160.00
FVTS - Tree Sergeant	£560.00
TCM - Playground Repairs	£115.00
TCM - Playground Repairs	£140.00
	<u>£2,525.00</u>

8 EMR - HDC Grant

HDC - LED Lights	£2,076.10
	<u>£2,076.10</u>

**NORTH HORSHAM PARISH COUNCIL
NOTES FROM THE INTERNAL CONTROLS WORKING PARTY
MONDAY 12th JUNE 2023 AT 11am**

Members of the Working Party:- All Members of the Finance & Administration Committee

Sarah Norman (Clerk/Responsible Financial Officer) was also in attendance.

1. Election of Chairman

Cllr. Torn was appointed as the Chairman for the Meeting.

2. Apologies.

There were no apologies.

3. Notes.

The Notes from the meeting held on 27th February 2023, presented to the Finance and Administration Committee at the meeting held 20th April 2023 (Min. FA/69/23 refers), were **NOTED**.

4. Tests agreed in the Action Plan agreed by the Finance and Administration Committee on 8th October 2020 (Min. FA/412/20 refers) designed to review safe and efficient safeguarding of public money; prevent and detect inaccuracy and fraud.

- i. That Salaries have been properly reviewed
- ii. Identifying the duties of Officers and segregation of duties; authorisation of payments; hierarchical review and that a commitment over £5,000 is compliant
- iii. To review that risk levels are properly managed and compliance with the publication rules for the Local Government Transparency Code 2015
- iv. Identifying the duties of Officers and segregation of duties; procedures for bad debts and bank mandate review, bank reconciliation and procedures, test that the budget is reviewed against the actual figures

As had been agreed at the previous meeting, the focus for the review was to be item ii) - Identifying the duties of Officers and segregation of duties; authorisation of payments; hierarchical review and that a commitment over £5,000 is compliant

Members **NOTED** the report from the Clerk, circulated with the Agenda including :-

Identifying the duties of Officers and segregation of duties including Hierarchical Review

Current Process :

Invoices are reviewed by relevant member of staff; Invoices connected to open spaces/property etc are reviewed by the Deputy Clerk with anything else referred to the Clerk.

Clerk undertakes final review and completes information for processing including Account Coding

Payments are raised through Lloyds Online Banking by Clerk.

All paperwork is passed to the Administration Clerk who contacts appropriate Councillors via email for authorisation of payments, including in the email the totals for payment to ensure the approval can be attributed to the correct payment run.

When at least two Councillors have confirmed by email that they agree to the payments, the Clerk instructs the Deputy Clerk to release the payments.

Payments are entered onto the RBS system by the Administration Clerk although the Clerk can also do this in his absence.

Administration Clerk is responsible for the allocating of receipts into the RBS system although the Clerk can also do this in his absence.

Administration Clerk prepares the month end process, including reconciliations, VAT return etc with all papers passed to the Clerk for checking before month is closed.

Authorisation of payments

Any two Councillors from the Finance and Administration Committee can agree the payments and confirm approval.

Approval is sought via email, with Councillors giving the option to come to the office and review manually.

Emails confirming approval are kept with the payment summary to which they relate. Copies are held by both the Clerk and the Administration Clerk.

Any cheques that require signing - only those listed as Bank Signatories may approve. Cheque should be signed, invoice/supporting paperwork and cheque stub initialled.

Copy of the signed cheque is retained on file.

The following tests were carried out :

- Test expenditure and review procedures.
- Confirm back-ups are carried out.
- Test a payment of over £5,000 through the system.

As it was only 2 months into the 2023/24 financial year it was agreed to take 2 payments from 2023/24 and 4 payments from 2022/23. In addition a further payment over £5,000 was tested.

The following transaction were tested by selecting a payment from the Nominal Ledger :

Date of Transaction on Nominal Ledger	Payee	Amount (exc. VAT)	Code/cost Centre	Confirmed on Bank Statement (inc VAT)	Confirmed on Payment Lists on website
18.05.23	Servcom	£75.00	4042/401	Yes £90.00 on 22.05.23	Yes
01.01.23	Netcom	£75.64	4021/101	Yes - (part of payment £422.98) on 18.01.23	Yes
07.06.22	HDC	£66.00	4017/402	Yes £66.00 on 21.06.22	Yes

The following transactions were tested by selecting a payment from the Bank Statements :

Date of Transaction on Bank Statement	Payee	Amount on Bank Statement (inc. VAT)	Code/cost Centre	Confirmed on Nominal Ledger (exc.VAT)	Confirmed on Payment Lists on website
26.05.23	TC Maintenance	£1,419.50	4900/901 4500/403 4250/302	Yes £160.00 Yes £295.00 Yes £368.00 Yes £536.50 Yes £ 60.00 on 22.05.23	Yes
31.03.23	Carnah Publications	£76.20	4021/101	Yes £63.50 29.03.23	Yes
13.12.22	St Johns	£420.00	4010/106 4010/106	Yes £175.00 Yes £175.00 05.12.23	Yes

The following transaction was tested by selecting a payment over £5,000:

Date of Transaction on statement	Payee	Amount On bank Statement (inc. VAT)	Code/cost Centre	Confirmed on Nominal Ledger (exc. VAT)	Confirmed on Payment Lists on website
24.01.23	Elite	£5046.61 24.01.23	4900/901	Yes £4205.51 10.01.23	Yes

Confirm Back Ups are carried out

The Clerk reported that Backups of the RBS Systems are carried out periodically throughout the month by the Administration Clerk and then by the Clerk as part of the month end check.

5. It was **NOTED** that the next Meeting was scheduled to be held on Monday 11th September 2023.

It was not agreed what the focus for the next Meeting should be, but following the agreed Action Plan it would be part iii) of the Tests detailed in the Action Plan agreed by the Finance and Administration Committee on 8th October 2020 (Min. FA/412/20 refers) namely, to review that risk levels are properly managed and compliance with the publication rules for the Local Government Transparency Code 2015.

However, this will need to be confirmed when the Notes of the meeting are received by the F&A Committee in August.

It was also **NOTED** that, as the current Action Plan has been in use for 2 years since October 2021, this should be reviewed at the October meeting of the Finance & Administration Committee.

There being no further business the meeting was closed at 11.59 am.