



NORTH HORSHAM PARISH COUNCIL

MINUTES OF THE FINANCE AND ADMINISTRATION COMMITTEE MEETING HELD AT ROFFEY MILLENNIUM HALL, CRAWLEY ROAD, HORSHAM ON THURSDAY 12th OCTOBER 2023 COMMENCING AT 7.30pm

Present: Cllr. P. Burgess, Cllr. Mrs. G. Davidson-Fernandez*, Cllr. Mrs. J. Gough, Cllr. J. Smithurst (Vice Chairman), Cllr. S. Torn (Chairman), Cllr. R. Turner* and Cllr. Mrs. S. Wilton

* denotes absence

In attendance: Sarah Norman - Clerk

FA/26/23 Public Forum

There were no members of the public present.

FA/27/23 Apologies

Apologies for absence had been provided by Cllrs. Fernandez-Davidson and Turner.

FA/28/23 Minutes

The Minutes of the Finance and Administration Committee Meeting held on 17th August 2023 were **AGREED** and were signed by the Chairman as being a correct record.

FA/29/23 Declarations of Interest

Cllr. Torn declared an Other Registrable Interest in Agenda item 11 as he held the position of Director at CHAMS. Cllr. Torn stated that he would leave the meeting for the discussion and vote on this item.

FA/30/23 Chairman's Announcements

Members noted the following announcements as detailed in the circulated Clerk's report :

- i) Following the Committee's reappointment at the last meeting of Mulberry & Co as Internal Auditors for a 3 year period ending 2025/26 (Min. FA/20/23 refers), the Engagement Letter had been received and approved with a copy circulated to Members via email.
- ii) Thanks had been received from two recent recipients of Grants, The Friendship Group and the Guides with copies circulated by email.

FA/31/23 Review of Finances to 31st August 2023

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

Funding at 31st August 2023

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

Income to 31st August 2023

Cost Centre	Actual income	Annual Budget	Estimated income to 31 st Aug 2023*
Admin	9,412	200	83
Allotments**	982	995	995
North Heath Hall	25,519	71,000	29,583
Holbrook Tythe Barn	15,276	38,000	15,833
Multi Court Lettings	8,998	26,600	11,083
Roffey Millennium Hall	27,064	45,000	18,750
Total	87,251	181,795	76,328

Expenditure to 31st August 2023

Cost Centre	Actual Expenditure	Annual Budget	Estimated expenditure to 31 st Aug 2023*
Admin***	26,725	54,570	30,613
Grants	2,630	10,000	4,167
Burial****	3,730	7,460	3,108
Personnel	129,228	349,650	145,688
Planning, Env, Trans	0	1,500	625
Allotments	331	1,560	650
Amenity Rec & Open Spaces	16,251	56,485	23,535
North Heath Hall	13,502	30,778	12,824
Holbrook Tythe Barn	10,683	28,095	11,706
Roffey Millennium Hall	15,175	42,840	17,850
Total	218,255	582,938	250,766

* Total cost centre budget for 2023/4 divided by 5/12th.

** 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 Aug 2023 had been circulated with the Agenda and their receipt was **NOTED**.

Income

At the end of Month 5 of the 2023/24 year, revenue income continued to be higher than the anticipated by approx. 14% - a reduction of 6% to the position at the end of month 4. The summer months tended to be quieter for bookings as a lot of the regular groups and the nurseries close for the summer months, so this was not unexpected.

The second half year instalment of the precept of £182,673 was paid across by HDC before the end of September.

Expenditure

Overall, expenditure remained at approx. 13% lower than would be expected at the end of the month, as it was at the end of month 4. It was noted that the Personnel Budget is £16,460 (just under 12%) less than would be expected at this time of year.

As advised previously, 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 had not yet been agreed and therefore not implemented.

Reserves

As at 31st August 2023 remaining funds, including the 1st half year precept payment received and General Reserves, stood at £281,151.

In addition, there were additional Earmarked Reserves of £271,457 - a reduction of £2,876 from the balance at the end of month 4, due to expenditure of £800 from the R&R EMR for repairs to the automatic doors at RMH and the use of the £2,076 HDC Climate Change Grant for the LED Lighting at HTB, the earmarking of which was reported to Members in the Financial Report for the year to 30th June 2023.

Summary

As mentioned above, there was £10,923 more revenue income than budgeted for at the end of month 5 together with £32,511 less revenue expenditure than anticipated.

The Financial Report to 31st August 2023 was **NOTED**.

ii. Bank Reconciliations

The cashbooks, bank reconciliations and bank statements for the Lloyds Bank Accounts and CCLA Public Sector Deposit Fund as at 31st August 2023 had been emailed to the Committee separately.

The Bank Reconciliations for the Lloyds Bank Accounts and CCLA Public Sector Deposit Fund as at 31st August 2023 were **NOTED** and would be signed by the Chairman to confirm their agreement with the bank statements.

FA/32/23 Internal Controls Working Party

Members received the Notes of the meeting held 11th September 2023 and it was **NOTED** that there had been no issues identified.

With regard to the Internal Control Action Plan which was last updated in October 2020, following discussion it was **AGREED** to continue on the same basis and as a result, the focus for the November ICWP Meeting would be part iv) of the Action Plan, namely, to identify the duties of Officers and segregation of duties; procedures for bad debts and bank mandate review, bank reconciliation and procedures and test that the budget is reviewed against the actual figures.

FA/33/23 Budget Forecast for 2023/24 and Budget Proposals for 2024/25

Members **NOTED** the initial draft of the Forecast and Budget papers including recommended Hall Hire charges as circulated by email with the Agenda.

It was highlighted that this information is in very early stages as it was produced based on income and expenditure to the end of month 5 only and was to give the Committee the opportunity to consider any suggestions to be incorporated into the report for consideration at the December meeting.

During later discussion it was **AGREED** to consider including a budget for future youth provision, and this will be discussed at the next meeting.

FA/34/23 Changes to VAT treatment of Local Authority leisure service provision
Members **NOTED** the Clerk's report on this matter and the advice received from PSTAX.

Following discussion, the following was **AGREED** :

- i. To note the changes to VAT on leisure services
- ii. To note that that all hires at RMH continue to attract VAT and are not treated as "Non-Business"
- iii. To note the change from "Business" to "Non-Business" for non-Block Bookings at the MUGAs and the associated changes to the charging of VAT
- iv. To agree to alter the Policy and Conditions of Hire and extend the 28 day free cancellation period to all hires at the MUGAs thereby resulting in all hires at the MUGAs being designated as "Non-Business" with no VAT charged and all Input VAT treated as outside the scope of the De Minimus limit.

FA/35/23 Financial Risk Assessment
Members **NOTED** the updated Risk Assessment as circulated with the Agenda and following a brief discussion **AGREED** to accept the document.

FA/36/23 Grant applications
The Committee **NOTED** that a sum of £7,370 remained available in the Grant Budget and copies of the application had been circulated by email.

Following discussion, Members **AGREED** to the following :-

- i. CHAMS - Grant Awarded £1,100
- ii. 4 The Youth - £5,000 funded by the Roffey Youth Club EMR, following a previous recommendation by this Committee and approval at the Council meeting held 13th January 2022 - Min. FC/662/22 refers
- iii. Horsham Scouts - £91.45

FA/37/23 Policies
Members received the Pensions Policy and Grants Policy (including Guidance for Grants) and following discussion **AGREED** to **RECOMMEND** their adoption to Council.

FA/38/23 Date of next meeting
The next meeting was scheduled to take place on 14th December 2023.

There being no other business, the Chairman closed the meeting at 8.09pm.

Signed

Date