

**TWYFORD PARISH COUNCIL**

**Minutes of a meeting of the Finance Committee**

held on Thursday 9<sup>th</sup> June 2016 at 7.30 p.m. in the Pavilion at Hunter Park

Present	Apologies	In Attendance
Cllr Watson - Chair	Cllr Forder-Stent	T Bronk - Clerk
Cllr Corcoran	Cllr Cook	
Cllr Lawton		
Cllr Mitchell		
Cllr Sellars		

Item	
<b>1/16</b>	<b>Apologies for absence and declarations of interest</b>
	Apologies were received from Cllr Forder-Stent and Cllr Cook and the reasons for absence were accepted. Declarations of interest in connection with Item 8 were received from Cllr Watson and Cllr Sellars because of their roles as Trustees of the Twyford Parish Hall.
<b>2/16</b>	<b>To approve and sign as a true record the minutes of the meeting held on 5<sup>th</sup> November 2015</b>
	The previously circulated minutes of the Finance Committee meeting dated 5 <sup>th</sup> November 2015 were considered. Resolved "The Minutes of the meeting held on 5 <sup>th</sup> November 2015 are approved as an accurate record of the meeting". Proposed by Cllr Lawton, seconded by Cllr Mitchell and carried unanimously.
<b>3/16</b>	<b>Update on matters arising from the minutes of the meeting held on 5<sup>th</sup> November 2015</b>
	There were no matters requiring an update.
<b>4/16</b>	<b>Public Participation - To receive questions from the members of the public</b>
	No members of the public attended the meeting.
<b>5/16</b>	<b>Governance</b>
5.1/16	To consider, accept or amend and approve the Committee's Terms of Reference for recommendation to the Full Council
	The Chair referred to the previously circulated Terms of Reference of the Committee and recommended their adoption, there being no changes of substance. The need to appoint a Vice-Chair was also raised. <b>Resolved:</b> "the Terms of Reference of the Finance Committee are accepted and shall be recommended to the Full Council for its endorsement; and Cllr Sellars shall be Vice-Chair". Proposed by Cllr Watson, seconded by Cllr Mitchell and carried unanimously.  <u>Action</u> : Clerk to add approval of Committee Terms of Reference to the agenda of the next Full Council meeting.  The Terms of Reference (ToR) of other committees was also discussed. It was acknowledged each committee was responsible for their ToRs, and then the full council. In that context the view that it might be more effective if the Berry Meadow and Twyford Meads Advisory Committees were amalgamated was noted by Cllrs Lawton and Corcoran.

5.2/16	To consider, accept or amend and approve for recommendation to the Full Council, the Council's Standing Orders
	<p>The Chair referred to the proposed adoption of the revised Model Standing Orders issued by the National Association of Local Councils (as published by the Hampshire Association of Local Councils, of which the Council is a member); subject to some amendments.</p> <p>The previously circulated draft Standing Orders (SOs) showed all proposed changes, with the most significant highlighted. Cllr Watson referred to comments received since the meeting of the full council meeting when the draft was previously discussed. The primary concern expressed with the model SOs was that they were overly detailed and did not provide sufficient discretion to the Chair. After discussing the Rules of Debate (Section 1) the consensus was that all the model terms in Section 1 should be retained but that 1(n) be amended to expressly provide discretion to the Chair to determine how and when the right of reply shall be exercised.</p> <p>The Chair also drew attention to a proposed amendment to SO 9(b); to give the Chair authority to accept motions in the public interest, where these may not have been referred to in detail or at all on the published agenda. The Committee discussed prior disclosure of a motion and the nature of detail required to enable the Council to meet its lawful obligation to specify in an agenda the business to be transacted at a council meeting. After acknowledging the delay that might occur without the amendment, the consensus was reached that SO 9 (b) could be made clearer but cannot provide authority for any meeting to pass a resolution on matters not adequately disclosed on an agenda; albeit that adequacy is subjective.</p> <p>The Chair further drew attention to Standing Order 18 and its inter-relationship with the Council's Financial Regulations. Noting that the financial amount in both documents was currently different and that the model standing orders referred to a value of up to £60,000 it was proposed to adopt that figure.</p> <p><b>Resolved:</b> "The revised standing orders circulated to the Committee shall be amended as follows and then be submitted to the next full council meeting for adoption. Standing Order 1(n) shall be amended to provide discretion to the Chair; Standing Order 9 (b) shall be amended to: "No motion may be moved at a meeting unless the specific motion or an adequate description of the business to be transacted is on the agenda. A Councillor wishing to propose a motion or business to be transacted shall give written notice of that motion or business to the Proper Officer at least 5 clear days before the meeting. Clear days do not include the day of the notice or the day of the meeting." ; Standing Order 18 (a) (v) shall use the figure of £60,000; and the Clerk shall review all defined terms and ensure that they are capitalised throughout the standing orders".</p> <p>Proposed by Cllr Watson, seconded by Cllr Mitchell and carried unanimously.</p> <p><u>Action</u> – The Clerk to amend the standing orders and add approval and adoption of them to the agenda of the next Full Council meeting.</p>
5.3/16	To consider, accept or amend and approve for recommendation to the Full Council, the Council's Financial Regulations
	<p>The Chair referred to the previously circulated Financial Regulations, drawing attention to the highlighted key changes and recommended their adoption. The inclusion of new regulations for the use of Internet banking was discussed and the increase of the figure in Regulation 11 from £50,000 to £60,000.</p> <p><b>Resolved:</b> "the revised Financial Regulations are accepted and shall be recommended to the Full Council for its endorsement".</p> <p>Proposed by Cllr Watson, seconded by Cllr Sellars and carried unanimously.</p> <p><u>Action</u> : Clerk to add approval and adoption of revised Financial Regulations to the agenda of the next Full Council meeting.</p>
5.4/16	To consider, accept or amend and approve for recommendation to the Full Council, the Council's Financial Risk Assessment

	<p>The Chair referred to the commencement of work by the Responsible Financial Officer (RFO) (also the Clerk) involving review and update of the Financial Risk Assessment documentation, several mitigating actions have been taken or are in progress.</p> <p><b>Resolved:</b> “the Financial Risk Assessment shall continue and the status shall be documented by the RFO and submitted to the Finance Committee meeting scheduled for October”.</p> <p>Proposed by Cllr Watson, seconded by Cllr Lawson and carried unanimously.</p> <p><u>Action:</u> The RFO shall prepare a Financial Risk Assessment as at 30 September 2016 for submission to the Finance Committee in October.</p>
5.5/16	To review HSBC banking arrangements and agree amendments to the Bank Mandate, for recommendation to the Full Council
	<p>The Chair reported that most banking activity is via the Internet and carried out by the Responsible Financial officer, subject to limitations on the overall level of permitted transactions; Counsellors are, however, needed to sign occasional cheques and for the authorisation of other instructions to the bank.</p> <p><b>Resolved:</b> “the necessary HSBC documentation is to be submitted to the next full council meeting for approval, in order to enable the existing bank mandate with HSBC to be amended by a replacement that provides for the Responsible Financial Officer to be the Primary Internet User; and for the following Councillors to be signatories: Cllr Watson, Cllr Sellars, Cllr Lawton and Cllr Mitchell.</p> <p><u>Action:</u> The Clerk is to prepare the necessary documentation and add approval of the HSBC bank mandate to the agenda of the next Full Council meeting.</p>
<b>6/16</b>	<b>Reporting of Annual Accounts and Audits</b>
6.1/16	To confirm or amend the timetable for the external audit and exercise of public rights
	The Chair explained the basis on which the external auditor had prepared the timetable previously circulated and the date of commencement of exercise of public rights, the 17 <sup>th</sup> June, was noted.
6.2/16	To consider and agree responses to Section 1 - Annual Governance Statement 2015/16 for Twyford Parish Council, and make a recommendation for approval to the Full Parish Council meeting on 16 June 2016
	<p>The Chair explained the importance of the Governance Statement and that each part must be considered during the full council meeting on 16 June. Each part was read to the Committee.</p> <p><b>Resolved:</b> “The Finance Committee having considered statements 1 to 8 inclusive of the Annual Governance Statement 2015/16 recommends to the full council that its response to each statement is “Yes””.</p> <p>Proposed by Cllr Watson, seconded by Cllr Sellars and carried unanimously.</p> <p><u>Action :</u> Clerk to add approval of the Governance Statement 2015/16 to the agenda of the next Full Council meeting.</p>
6.3/16	To consider Section 2 - Accounting Statements 2015/16 for Twyford Parish Council, and make a recommendation for approval to the Full Parish Council meeting on 16 June 2016

	<p>The Chair referred to the Accounting Statements 2015/16 and the work of the internal auditor in confirming that they agree to the underlying financial records. It was noted that total fixed assets remained the same because the Outdoor Gym was a current year item and there had been no sale or write off of assets brought forward into the financial year 2015/16. The Chair drew attention to the Internal Auditor's report reference to the need for a review of the Asset Register; this was underway and will be reported to the Committee in September.</p> <p><b>Resolved:</b> "The Finance Committee having considered the Accounting Statements 2015/16 recommends to the full council that it approves them."</p> <p>Proposed by Cllr Watson, seconded by Cllr Sellars and carried unanimously.</p> <p><u>Action</u> : The Clerk is to add approval of the Accounting Statements 2015/16 to the agenda of the next Full Council meeting.</p>
6.4/16	<p>To consider the report of the Internal Auditor on the financial year 2015/16 and then agree any action to be taken and the timeframe for its commencement and completion</p>
	<p>The Chair referred to the Annual Internal Audit Report 2015/16, and the separate letters listing matters arising from the internal audits for March 2016 and the preceding year. It was noted that the formal report confirmed the internal auditor's agreement to the fulfilment of each internal control objective. The matters arising from the internal audit were each considered.</p> <p><b>Resolved:</b></p> <ul style="list-style-type: none"> <li>• "Accounting Software – The spreadsheet template available from HALC shall be adopted and back filled to 1<sup>st</sup> April 2016 – by 30 June</li> <li>• The 2016/17 spreadsheet will not include any historic control account balances - immediate.</li> <li>• The quorum will be clarified - by 16 June</li> <li>• The asset register will be reviewed and the amended register published online – by 31 March 2017.</li> <li>• The change from Sage and adoption of receipts and payments accounting will help ensure VAT returns are correct – by 30 June"</li> </ul> <p>Proposed by Cllr Watson, seconded by Cllr Sellars and carried unanimously.</p> <p><u>Action</u></p> <ul style="list-style-type: none"> <li>• The Clerk (RFO) is to populate the HALC template spreadsheet by 30 June, using a 'receipts and payments' basis from 1<sup>st</sup> April 2016.</li> <li>• The Clerk is to liaise with HALC and Winchester City Council by 16 June to clarify the quorum for Council meetings.</li> <li>• The asset register is to be reviewed by the Clerk, with the assistance of Councillors, and its status is to be reported to the Finance Committee in September.</li> <li>• The Clerk is to ensure the VAT return as at 30 June and thereafter is correct.</li> </ul>
<b>7/16</b>	<b>Financial Year 2016/17</b>
7.1/16	<p>To review actual receipts and payments to date for the financial year 2016/17 against the budget and previous year</p>

	<p>The Chair referred to Standing Orders which refer to reporting based on calendar quarters. Due also to the change being considered to the accounting software figures to 31<sup>st</sup> May had not been prepared.</p> <p><b>Resolved:</b> “The new spreadsheet based accounting records shall be used to prepare details of the actual receipts and payments for the financial year 2016/17 to 30 June; and be contrasted against the budget and previous year.</p> <p>Proposed by Cllr Watson seconded by Cllr Sellars and carried unanimously.</p> <p><u>Action:</u> The Clerk is to prepare the financial information as at 30 June for submission to the full council meeting on 14 July.</p>
<p><b>8/16</b></p>	<p><b>To consider the response from the internal auditor with regard to the contract for the external refurbishment of Twyford Parish Hall</b></p> <p><b>To discuss and agree any motions that need to be put to the Full Parish Council meeting on 16 June 2016</b></p>
	<p>The Clerk confirmed that the opinion of the internal auditor was that current VAT practice permits the Council to enter into contracts that result in goods or services being delivered to the Parish Hall. This approach reflects the fact that local councils have the power to provide and equip premises for clubs and other athletic, social or educational organisations and in particular that they have the power to give financial assistance to another person or body performing the same function. [LG Misc. Prov. Act 1976 s19]</p> <p>The continuing VAT approach for Parish Hall related works having been confirmed, the discussion then moved to discussion about the possibility of the involvement of the Council in arrangements for the exterior renovation of the Parish Hall. At this point the personal interests of Cllr Watson and Cllr Sellars were noted. As the discussion and any resolution arising from it was only to agree what approach might be taken with regards a proposal to the full council, the Clerk determined that it was not necessary to require that Cllr Watson and Cllr Sellars did not participate further in the discussion or vote on any resolution.</p> <p>Cllr Watson referred to the use of an external adviser (Rund Partnership) to determine the nature of the exterior works required, the content and wording of the tender that was issued and the selection of a preferred contractor (RM Trigg) for the works. Cllr Watson also responded to questions about the funds available to the Parish Hall Trustees and the nature of their anticipated income and expenditure. It was noted that the Parish Hall Trustees planned to submit an application to the Council for a grant of £16,000 towards the net cost to the Council of the Parish Hall exterior renovation if the Council agrees to be the contracting entity for the contracts involved; the balance of the tender and the net amount of the advisory costs would be paid by the Parish Hall Trustees by way of a donation to the Council. It was further noted that in the event of any additional costs arising from unforeseen needs and work as a consequence, the Parish Hall Trustees had resolved to avoid such additional by reducing the scope of work to be undertaken. The Council would therefore not be exposed contractually to liability for any additional costs unless it were to separately approve them.</p> <p><b>Resolution:</b> The Finance Committee recommends that the Full Council enter into a contract with RM Trigg for the tendered sum of £41,460 + VAT; and with Rund Partnership for £3,000 + VAT; for the external renovation of Twyford Parish Hall and that it authorises named Councillors to sign such contracts.</p> <p>Proposed by Cllr Mitchell, seconded by Cllr Lawton and carried.</p> <p><u>Action:</u> The Clerk is to add the above recommendation to the agenda of the next Full Council meeting.</p>

9/16	<b>To raise any items for the next agenda and confirm the date of next meeting as 29<sup>th</sup> September 2016</b>
	<p>The Chair referred to the timetable for preparation of the next year's budget and its subsequent approval, and other matters requiring the involvement of the Committee.</p> <p><b>Resolved:</b> The next scheduled meeting of the Finance Committee shall be 15<sup>th</sup> September 2016 (in the Pavilion) when the first draft of the Budget for 2017/18 shall be considered; and the date of the October meeting shall be 6<sup>th</sup> October, which due to a Planning Committee meeting on the same date, shall be in the Gilbert room and commence at 7.00pm.</p> <p>Proposed by Cllr Watson, seconded by Cllr Lawton and carried unanimously.</p> <p><u>Action:</u> The Clerk is to amend the schedule of meetings shown on the Website of the Parish Council and formally notify all Councillors.</p> <p>The meeting closed at 9.50pm.</p>