

TWYFORD PARISH COUNCIL

Minutes of the meeting of the Finance Committee

held on Thursday 15th September 2016 at 7.30 p.m. in the Pavilion at Hunter Park

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

| Item | Business transacted |
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| 10/16 | Apologies for absence and declarations of interest |
| | Cllr Watson declared a personal interest in matters concerning the Parish Hall because of her role on its Management Committee; Cllr Sellars declared an interest in the Parish Hall for the same reasons and also in the Twyford Playgroup because of his role as its Treasurer. |
| 11/16 | To approve and sign as a true record the minutes of the meeting held on 9th June 2016 |
| | The previously circulated minutes of the Finance Committee meeting dated 9 th June 2016 were considered. Resolved "The Minutes of the meeting held on 9 th June 2016 are approved as an accurate record of the meeting". Proposed by Cllr Watson, seconded by Cllr Sellars and carried unanimously. |
| 12/16 | Update on matters arising from the minutes of the meeting held on 9th June 2016 |
| | The table at Annex 1 was reviewed and the closure or current status of each item was noted. |
| 13/16 | Public Participation - To receive questions from the members of the public |
| | No members of the public attended the meeting. |
| 14/16 | Governance |
| 14.1/16 | To note the progress of the review and update of the Council's Financial Risk Assessment. |
| | It was reported that the Council's Financial Risk Assessment had been reviewed and a number of outstanding mitigating actions had been taken. Items on the existing list were being amalgamated and some risks had been added. The document is scheduled to be presented to the Committee for its review in January 2017. |
| 14.2/16 | To note the progress of the review and update of the Asset Register. |
| | Cllr Watson referred to the Asset Register as at 31 March 2016 and to progress made to identify the dates of acquisition of specific items, as required by the Internal Audit reports of 2015 and 2016. Cllr Watson referred to a comparison with the schedule of insured assets and explained key variances: insured items are replaced on a new for old basis and are therefore not shown at their original cost. It was noted that the following assets purchased in prior years were to be added to the Register: Cricket Sight Screens (and Covers if Twyford Cricket Club do not confirm they own them) and a Defibrillator; assets purchased in 2016/17 to date are: Outdoor Gym, Mini Goal Posts, Bench. Cllr Watson reported that she had arranged a meeting with the Hunter Park Groundsman to discuss the status of items of equipment to determine whether any assets listed on the Register should be written off and for budgeting purposes whether any new equipment needed to be purchased in 2016/17 or 2017/18. |
| 15/16 | Insurance |
| | To review and agree the policy schedule for the Council's insurance for the year 1 October 2016 to 30 September 2017 and to approve payment of the applicable premium. |

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| | <p>The list of insured assets and their values was reviewed. It was noted that all the items added to the Asset Register needed to be added to the list. Cllr Watson would inform the Clerk of any to be removed from both lists following her meeting with the Hunter Park Groundsman.</p> <p>Following a discussion concerning the insured value of some assets and the Pavilion in particular, which some Councillors thought possible to rebuild more cheaply than the insured sum, it was agreed that no adjustments should be made before 1 October. Any major reassessment should occur when the existing three year insurance contract now entering its second year is renewed unless important new information came to light. Due to slight changes to the assets to be insured it was noted that the premium of £2,407.45 was likely to change.</p> <p><u>Action:</u> Cllr Watson to seek an estimate for future insurance purposes of the replacement cost the Pavilion.</p> <p><u>Action:</u> Clerk to liaise with the Council's insurance broker to add the following assets to the list of insured assets: Cricket Sight Screens (and Covers if Twyford Cricket Club have not insured them), a Defibrillator, Outdoor Gym, Mini Goal Posts and Bench; and ascertain the amount of the revised premium.</p> <p>Resolved: The Clerk is authorised to pay the premium of £2,407.45 (and any reasonable adjustment for additional assets) for the renewal of the Council's insurance policy for the year 1st October 2016 to 30th September 2017.</p> <p>Proposed by Cllr Lawton, seconded by Cllr Mitchell and carried unanimously.</p> |
| 16/16 | Banking |
| | To note the progress of implementation of revised banking arrangements with HSBC and the Cooperative Bank and to agree further amendments to the bank mandates, for recommendation to the Full Council; in particular, to add the Clerk as a signatory to enable the Clerk to communicate directly with the banks (this is so as to be able to monitor their implementation of changes to mandates). |
| | <p>It was noted that although the Clerk controls the Council's Internet banking arrangements the Clerk is unable to communicate with HSBC on any matters involving the mandates of the two HSBC accounts, such as to ensure that the existing signatories are up to date.</p> <p>Resolved: The Agenda for the next full council meeting shall include the addition of T Bronk (as Clerk) to the list of signatories for the Council's two HSBC accounts.</p> <p>Proposed by Cllr Watson, seconded by Cllr Sellars and carried unanimously.</p> |
| 17/16 | Annual Audit of Accounts |
| 17.1/16 | To review action taken to address matters raised in the report of the Internal Auditor on the financial year 2015/16 and agree any additional action to be taken and the timeframe for its commencement and completion. |
| | Cllr Watson referred to the five recommended actions and their incorporation on the list at Annex 1. Three have been fully completed. Of the remaining two, the asset list has been updated and work continues to meet the good practice of also recording the age and original cost of major items; and arrangements for submitting VAT returns have been reviewed by the Clerk. This is covered further in another agenda item. |
| 17.2 | To note the status of the external audit and the nature and reasons for amendments to the year-end numbers. |
| | It was noted that the full council had been informed of changes to the financial year end numbers following publication of the financial statement. Changes reflected the requirement to separate Council Tax Support from the Precept (both received via a single bank transfer twice yearly from Winchester City Council) and adjustments to debtors (arising from a review of VAT returns and bank balances). Responses had been submitted to the external auditor's queries but final signoff of the accounts (due before 30 September) remained outstanding. |
| 18/16 | VAT |
| | To note the progress of the review of previous VAT claims. |

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| | <p>It was noted that four claims had not been paid for prior years, however, £2,990.60 was received on 16 July leaving £1,049.80 outstanding. HRMC advised this should be claimed in the return for the quarter ended 30 September when other VAT adjustments for earlier quarters are being made in accordance with VAT Notice 700/45. Adjustments are being made because some invoices for hire of sports facilities at Hunter Park had not included VAT (which must now be paid to HMRC) and a few invoices for use of the pavilion community room for non-sporting purposes had erroneously charged VAT (which was now repayable to the two hirers). The Clerk confirmed that a record of all adjustments was being made and a summary of VAT rules applicable to hire of sports pitches and the pavilion was being made for future reference.</p> |
| 19/16 | Expenditure |
| 19.1/16 | To resolve to purchase a Nest Swing (including an appropriate base layer and installation costs) for Hunter Park, to be funded from the existing Open Space funds held by Winchester City Council. |
| | <p>It was noted that the Recreation Committee had requested quotes for a Nest Swing for Hunter Park and two site visits from appropriate suppliers. These had taken place and a recommendation by Cllr Wheeler had been circulated to all members of the Recreation Committee. As the quote from the preferred supplier expired before the next Recreation Committee the Full Council agreed that the decision as to whether to proceed with a purchase could be referred to the Finance Committee.</p> <p>Resolved: A Nest Swing and a Bonded Rubber Mulch ground covering shall be purchased from Playdale Playgrounds Ltd for the price (including delivery and installation) of £3,806.0 (before VAT); to be funded from the existing Open Space funds held by Winchester City Council; and subject to the Chair of the Recreation Committee confirming her agreement and the Recreation Committee agreeing the siting of the swing. Proposed by Cllr Sellars, seconded by Cllr Forder-Stent and carried unanimously.</p> |
| 19.2/16 | To resolve to replace the Council laptop computer and to approve the amount of expenditure on it and the necessary software. |
| | <p>The age of the existing Council laptop computer and problems with its interface with the Internet and Council printer were noted.</p> <p>Resolved: The Clerk shall purchase a new computer and necessary software to facilitate Council business, at a total price not exceeding £650.00 before VAT. Proposed by Cllr Watson, seconded by Cllr Lawton and carried unanimously.</p> |
| 19.3/16 | To resolve to change the existing contract for the Parish mobile telephone and to approve the amount of expenditure on a replacement. |
| | <p>It was noted that the existing mobile phone contract was in the name of the former Parish Clerk, which presented the current Clerk with problems when seeking monthly invoices and to negotiate any contractual changes. Steps had been taken to seek to transfer the contract to the Council but these had not yet been successful.</p> <p>It was accepted that if the contract and the phone number could not be transferred a new contract and phone number would be necessary. Whilst only a small number of formal notifications of change of number would be required, a number of parishioners may hold the old number and be inconvenienced when seeking to make contact.</p> <p>Resolved: The Clerk should seek once more the aid of the former Clerk in order to transfer the existing mobile phone contract and number to the Council. If the transfer cannot be arranged within the next two weeks the Clerk shall seek a supplier of a new mobile phone contract and return the phone to the former Clerk. The cost of a new contract shall not exceed £25.00 per month (based on a contract for up to two years).</p> |
| 20/16 | Financial Year 2016/17 |
| 20.1/16 | To review receipts and payments to date for the financial year 2016/17 and to note their comparison against the budget and previous year outturn. |

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| | <p>It was noted that in order to reflect changes made to the 2015/16 accounts changes were made to the Summary of Receipts and Payments for the first quarter and bank reconciliation as at 30 June that had been distributed in July.</p> <p>It was noted that receipts and payments accounts for the second quarter to date showed an approximate position for the quarter end but that some receipts and payments remained to be made.</p> <p>The accounting spreadsheets also show the year to date position, its comparison with the prior year outturn and the current year budget. The main source of divergence was noted to be the receipt of a large donation and expenditure relating to the Parish Hall. It was also noted that receipts and payments on the Twyford Neighbourhood Plan were shown as a separate item in the accounts.</p> |
| 20.2/16 | To consider and agree the basis for the forecast for 2016/17. |
| | It was noted that a forecast of likely receipts and payments was included in the quarterly summaries and that it reflected a conservative approach. Regular and periodic payments are reflected but only receipts based on existing bookings or other known commitments to pay are reflected. |
| 21/16 | Budget for Financial Year 2017/18 |
| | To consider and agree any specific financial requirements for 2017/18 and to agree the basis for preparation of the first draft of the budget for 2017/18. |
| | <p>The preparation of a spreadsheet to reflect possible receipts and payments during 2017/18 was noted; but that it remained necessary for the Council to articulate the broad nature of its spending priorities, so as to reflect their impact on the budget.</p> <p>It was agreed that for the first draft the Clerk should provide for a neutral or only a small increase in the Precept. Some continued support for the Parish Hall should be budgeted for, but also spending on the following: Play Equipment (Hunter Park and Northfields), Neighbourhood Plan, Tree Works (e.g. trees overshadowing the Hunter Park playground), Footpath/open spaces cutting; and Hunter Park machinery maintenance/replacement.</p> |
| 22/16 | To raise any items for the next agenda and agree the date of the next meeting |
| | <p>Due to personal commitments and a desire to hold the next meeting before the next Full Council meeting it was agreed that the next meeting would be held on Monday 10th October 2016 at 7.30 in the Pavilion.</p> <p>The meeting closed at 9.10pm</p> |

ANNEX 1

| Ref | Owner | Action to be taken | Target Date <i>[Revised]</i> | Action Taken <i>[Update]</i> | Status At 10 th September |
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| 5.1/16 | Clerk | Add approval of Committee Terms of Reference to the agenda of the next Full Council meeting. | 11 June | Agenda Item 35/16 | Closed |
| 5.2/16 | Clerk | Amend the Standing Orders and add approval and adoption of them to the agenda of the next Full Council meeting. | 11 June | Agenda Item 35/16 | Closed |
| 5.3/16 | Clerk | Add approval and adoption of revised Financial Regulations to the agenda of the next Full Council meeting. | 11 June | Agenda Item 35/16 | Closed |
| 5.4/16 | Clerk | Prepare a Financial Risk Assessment as at 30 September 2016 for submission to the Finance Committee in October. | 6 October | Review and amendment of existing Financial Risk Assessment has commenced | <i>In progress</i> |
| 5.5/16 | Clerk | Prepare the necessary documentation and add approval of the HSBC bank mandate to the agenda of the next Full Council meeting. | 11 June | Agenda Item 6/16 | Closed |
| 6.2/16 | Clerk | Add approval of the Governance Statement 2015/16 to the agenda of the next Full Council meeting. | 11 June | Agenda Item 43/16 | Closed |
| 6.3/16 | Clerk | Add approval of the Accounting Statements 2015/16 to the agenda of the next Full Council meeting. | 11 June | Agenda Item 44/16 | Closed |
| 6.4/16 | Clerk | Populate the HALC template spreadsheet by 30 June, using a 'receipts and payments' basis from 1st April 2016. | 30 June | Spreadsheet amended and populated | Closed |
| 6.4/16 | Clerk | Liaise with HALC and Winchester City Council to clarify the quorum for Council meetings. | 16 June | Quorum confirmed as based on no. of available not filled places (i.e. 4 not 3) | Closed |

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| 6.4/16 | Clerk& Finance Chair | 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. | 15 Sept | In progress and on the Agenda for September meeting | <i>On Agenda</i> |
| 6.4/16 | Clerk | The Clerk is to ensure the VAT return as at 30 June and thereafter is correct. | 7 July | VAT review in progress | <i>On Agenda</i> |
| 7.1/16 | Clerk | Prepare the financial information as at 30 June for submission to the Full Council meeting on 14 July. | 7 July | Q1 position reported under Item 60/16 <i>NOTE – numbers subsequently adjusted due to year end amendments</i> | Closed |
| 8/16 | Clerk | Add the resolution concerning the contractual arrangements for the external refurbishment of the Parish Hall to the agenda of the next Full Council meeting. | 11 June | Agenda Item 47/16 | Closed |
| 9/19 | Clerk | Amend the schedule of meetings shown on the Website of the Parish Council and formally notify all Councillors. | 30 June | Done | Closed |