

**Report of the Finance and General Purposes Committee Meeting held on Monday 26th April 2010 at Great Waltham Village Hall**

**1. Record of Members present**

Chairman: Mr Braisby

Councillors: Mrs Dickinson, Mr Micklem, Mr Jackson and Mr Blaber.

**2. Apologies for Absence**

There were none.

**3. Declarations of interests (existence and nature) with regard to items on the agenda.**

No interests were declared.

**4. Public Participation session with respect to items on the agenda.**

There were no members of the public present at the meeting.

**5 Parish Council Accounts as at 31<sup>st</sup> March 2010.**

The year end accounts were presented, discussed and agreed. It is recommended that these be adopted by the Parish Council .

The following report was given on those accounts:

**General Account**

1. Additional income from VAT refund was £2787 in view of additional expenditure on VAT-able items.

2. Additional income from Howe Street bus shelter grant £405. The expenditure for this item is shown under bus shelters.

3. Additional income from donation made by Twinning Association towards the gift for the twinning exchange visitors £256.90.

4. Additional income from donation made for the seat at Ford End Playing Fields £532.06. The expenditure will be made in 2010/2011.

5. The following differences between the budgeted figure and the actual expenditure of over/under £100 are listed below.

Heading	Actual Under spent	Actual Overspent	Comments
Clerks Salary	£162		Budget in excess of national pay claim.
Payments to Inland Revenue	£126		Based on deductions made from salaries.
Administration Expenses	£234		Based on spending levels
Insurance Premium	£252		Lower than anticipated
Grasscutting	£905		Budget determined before new contract was let. Contract price lower than anticipated. No additional cuts required.
Conference Fees/Training	£450		No training courses demanded
Grants Donations & Loans		£853	Grants made in excess of budget to Ford End Church Clock £500, Fun Run £97, Twinning gifts – see additional income above £407
Hedgecutting	£321		Budget determined before new contract let. Contract price lower than anticipated.
Holiday Play Scheme	£268		Cost of playleader's lower than estimated
Provision Repair and Maintenance of Recreation Equipment	£769		Expenditure less than anticipated
Provision Repair and Maintenance of Fencing, Gates, Notice Boards and Seats	£215		Contingency sum not required – however need to carry forward a sum of £450 for Broads Green Notice Board
VAT Suffered		£5019	Additional expenditure on VAT-able

			items (e.g. Play Equipment – consultancy fees)
Provision for Handyman	£541		Contingency for new equipment not required.
Bus Shelter Repairs	£197		Contingency sum not required
Parish Plan	£500		Parish Plan not yet ready for publication - £500 to be carried forward to 2010/11
Tree Maintenance	£165		Contingency not required
Loss from Changing Rooms	£373		Budget £643 Actual Loss £270. Saving on electricity budget £162 increased rent £160.
Election Publicity	£100		Contingency budget not spent
War Memorial Maintenance	£800		Needs to be carried forward to 2010/11. Order already placed for re-cutting lettering
Paths at Great Waltham Recreation Ground	£1250		Carried forward to 2010/11 Two pathways now to be considered together and grant will be applied for.
Trailer Maintenance	£100		Contingency budget not spent
<b>Total</b>	<b>£7728</b>	<b>£5872</b>	

At the end of the financial year 31<sup>st</sup> March 2010 the balance carried forward is £7936.74. It should be noted that at the end of the year £3,613.19 (mainly play equipment invoices) had been expended on VAT which had not been reclaimed from HM Customs and Excise. The claim has now been made and payment is expected.

#### **RECOMMENDATIONS**

1. **Recommend** that £300 of surplus carried forward £7936.74 should be allocated to the Parish Plan budget 2010/2011.
2. **Recommend** that £450 for Broads Green Notice Board and £532.06 for the donated Ford End Playing Field Seat– total £982.06 of the surplus carried forward £7936.74 should be allocated to Provision, repair and maintenance of fencing, gates, notice boards and seats budget 2010/2011.
3. **Recommend** that £800 of the surplus carried forward of £7936.74 should be allocated to war memorial maintenance budget 2010/2011 to meet the cost of the re-cutting of lettering on the Great Waltham War Memorial. (Note that income from the £400 grant from the War Memorials Trust has also been carried forward).
4. **Recommend** that £1250 of the surplus carried forward £7936.74 should be allocated to the project to provide paths at Great Waltham Recreation Ground budget 2010/2011.
5. **Recommend** that £50 of the surplus carried forward of £7936.74 should be allocated to the maintenance of Playing Field budget 2010/2011 to allow for the payment of an outstanding invoice (not yet received) for spiking Great Waltham Recreation Ground.

Following the recommendations above the estimated budget income in 2010/2011 would exceed the budgeted expenditure by an estimated **£6859.40**.

It is therefore **recommended** that in addition to the following planned budget transfers:

To Clerks Gratuity Account £1729.29.

To General Reserve £871.72

Further transfers are made, as **recommended**, as follows:

To General Reserve £1,330

To Capital Reserve **£5000**

To Emergency Staff Payroll Reserve £500 (new reserve see Risk Assessment).

This would have the effect of reducing the estimated balance at the 31<sup>st</sup> March 2011 to **£29.40**.

#### **Clerks Gratuity Account**

As at 31<sup>st</sup> March 2010 actual figures indicate a shortfall from the required 2 x Clerks Salary (£19218) of £1343. The planned budget transfer of £1729.29 in 2010/11 will more than correct this situation.

1. **Recommend** that Transfer to Clerks Gratuity Account £1729.29 as budgeted in the 2010/11 budget be executed.

### General Reserve

As at 31<sup>st</sup> March 2010 the balance carried forward is £1538.26.

1. **Recommend** that a transfer be made to General Reserve of £871.72 as per the planned budget in the 2009/10.

2. Recommend that further transfer of £1,330 be made to the General Reserve from the surplus carried forward.

**Note** if these recommended transfers were agreed the estimated balance at 31<sup>st</sup> March 2011 would be £3739.98.

### Capital Works Account

The balance as at 31<sup>st</sup> March 2010 is minus £2242.31.

There is an unclaimed grant of £15,000. This will be applied for shortly as the third phase of the installation of the new play equipment at Great Waltham Recreation Ground has now been completed.

1. **Recommend** that transfer of £5,000 be made to the Capital Works Account from the surplus carried forward.

**Note** if these recommended transfers were agreed the estimated balance at 31<sup>st</sup> March 2011 would be £7467.69.

### Funds Raised by Youth

Balance as at 31<sup>st</sup> March 2010 £459.62. It is recommended that letters be written to the youths who were involved in raising the fund for suggestions on how the money should be used.

### Allotment Account

Balance as at 31<sup>st</sup> March 2010 £399.77. The balance carried forward is rise as full allocation of allotments attracts more income from rents received.

### Changing Rooms Account

See summary in report on General Account. Estimates loss on changing rooms for the year 2010/2011 £419.60.

### Emergency Staff Payroll Reserve

When considering the Risk Assessment Item 11 below the Committee felt that one of the greatest risks was the loss of key personnel. Discussion followed on the prospect of the sudden departure of the clerk. Although this would create a great problem and a steep learning curve for the replacement clerk it was considered that an emergency staff payroll reserve should be set up to provide funds for a locum should this be required. It is therefore recommended that £500 from the surplus carried forward be allocated to this reserve.

## 6. Outstanding Accounts

Accounts outstanding for over one month were reported as follows:

Invoice Number	Name and nature of Debt	Amount
496	Yates – Allotment Rent	£6.25

The clerk reported that a letter had been sent chasing the debt. The Committee suggested that if the debt remained outstanding then the allotment agreement should be terminated in favour of an applicant from the waiting list.

## 7. To review Capital Works Provision, and the funding of the programme

The Capital Programme was reviewed and approved as follows:

Project Description	Estimated Cost.	Anticipated Grant	Parish Council Funds	Year for work	Funding Method
Play Equipment, Great Waltham	£21034	£15000	£6034	2009/2010/2011	£15000 Community Initiative Fund (Youth) £6034 Capital Works Account

Community Focus Point Project – Feasibility Study	£9476	£7988.00	£1488	2009/2010	£6500.00 Essex County Council £1488.00 Great Waltham Village Hall Committee £1488.00 Capital Works Account Part Payment made 21 <sup>st</sup> September 2009 £5856
Ford End Youth Shelter	£7000	£3500	£3500	??	
<b>Additional Play Equipment</b>	£4000	£2000	£2000	??	
<b>Total</b>	<b>£41510</b>	<b>£28,488</b>	£13022		

Estimated balance as at 31<sup>st</sup> March 2011 £7467.69

### 8. Report on outstanding loans

There were no outstanding loans to or from the Parish Council

### 10. To review the effectiveness of the Council's internal audit arrangements and the accounting records and control systems. (Note – this is required as part of the Annual Governance Statement which will be signed at the 24<sup>th</sup> May meeting.

The Committee reviewed the Scope of the Internal Audit by reference to the Schedule of works. It was agreed that the present auditor Mr Maurice Howard was independent of the Parish Council and held a qualification of Chartered Public Finance Accountant. Mr Howard checks the records of the Parish Council on two occasions during the year and issues an annual report. Following consideration the Finance and General Purposes Committee agreed that the Council's internal arrangements and the accounting records and control systems, were effective and that the Annual Governance Statement could be signed to this effect.

### 10. To consider the review the Standing Orders of the Parish Council

Mr Jackson reported that a revised edition of the draft Standing Orders produced by National Association of Local Councils had been received and had been used as the basis for the proposed draft which was circulated to Committee members. Mr Jackson explained that some standing orders (in bold type) were mandatory whilst all others had been reviewed and changed as felt necessary. All references to Chairman had been amended to Chair and all references to the male person now also mentioned the female.

It is recommended that the Parish Council has a standing order relating to relations with the press/media. This would require the Council adopting a Policy. It was agreed to seek another Council's written press/media policy document to enable a draft policy document to be prepared for adoption by the Council.

Mr Jackson was thanked for drafting the document. Mr Jackson gave thanks to the clerk who had prepared the draft for approval.

The Standing Orders would be laid on the table at the 24<sup>th</sup> May 2010 meeting and would be proposed for adoption at the 21<sup>st</sup> June 2010 meeting.

### 11. To assess and discuss the Risks facing the Parish Council

The Annual Risk Assessment Review took place and the schedule of risks was reviewed. The Committee felt that one of the greatest risks was the loss of key personnel. Discussion followed on the prospect of the sudden departure of the clerk. Although this would create a great problem and a steep learning curve for the replacement clerk it was felt that there was little to be done to minimise the risk.

Consideration was given to an assistant clerk who would work alongside the clerk to allow continuity. This was felt to be a costly option.

Consideration was given to setting up an emergency staff payroll reserve to provide funds for a locum to be employed should this be required. It is therefore recommended that £500 from the surplus carried forward be allocated to this reserve (see item 5 above).

### 12. Review of Insurance Policy

The invitation renewal from Allianz Insurance was reviewed.

The clerk had also reviewed the Asset Register. This included items purchased during the past year as follows:

Asset	Purchase Cost	Value as at 31 <sup>st</sup> March 2009	Value as at 31 <sup>st</sup> March 2010	Decision regarding Insurance
Fences – Ford End Playing Field – new fence erected on northern boundary to protect garden of neighbouring property erected May 2009	£1107		£1107	Fences are not insured.
Modification to the Watch Tower including additional safety surfacing(carried out in January 2010)	£1760		£1760	It was agreed that the modifications would not be separately insured and that the total value of the Watch Tower £5716 was sufficient cover.
Youth Shelter (installed May 2009)	£6720		£6720	To be added to Insurance
Cone Climber (installed March 2010)	£5600		£5,600	To be added to Insurance
Surfacing beneath Cone Climber	£1400		£1400	Not Insured
2 x Springers (installed April 2010)	£1170		£1170	To be added to Insurance
Three Towers Adventure Unit including safety surfacing (installed January 2010)	£7974		£7974	To be added to Insurance
Adventure Trail (installed December 2010)	£2800		£2800	To be added to Insurance
Littley Green Telephone Kiosk	£1		£1875	To be added to Insurance April 2010 – value obtained from Internet

The remainder of the policy cover was reviewed and found to be satisfactory. It was agreed to enquire of the Insurers that if the excess on property damage was voluntarily increased to £500 what effect would this have on the premium.

### **13. To check, confirm and sign the latest Bank Reconciliation**

The bank reconciliation was checked, confirmed, and signed.