

TIBBERTON PARISH COUNCIL

MINUTES OF FINANCE COMMITTEE MEETING

TUESDAY 4th APRIL 2023, 6.30PM

at TIBBERTON PARISH HALL

Committee Members present: Cllr Diana Nutting, Chairman
Cllr Mike Leci

Committee Members absent: Cllr Michael Doolin, vice-Chairman, Cllr Rob Grimer.

In attendance: Cllr Margaret Rowley,
Gill Lungley, Acting Clerk/Support Officer

1. Chairman's welcome.

The Chairman welcomed all to this meeting and noted the meeting was inquorate whereby no decisions could be made. However, consideration of the various items on the agenda would be useful for council business and it was agreed to continue with the business set out in the agenda.

2. To receive and note apologies for absence.

Both Cllr Michael Doolin and Cllr Rob Grimer had sent apologies for absence.

3. Declarations of interest.

None

4. Written requests for dispensation.

No requests for dispensation had been received.

5. To agree minutes of the meeting held 02/03/2023.

Meeting inquorate thus this item was deferred.

6. To note and comment on the updated budget comparison.

The year-end budget comparison was circulated for comment and is attached on next page, p13.

It was noted the salary figure shown as paid during this financial year had previously included PAYE owing since 2020 that was paid in December 2022. Since this did not directly relate to salary paid during the current financial year 2022/23, it would be a misrepresentation of the accounts to continue to include it.

Following discussion with the External Auditor, the accounts for the financial years 2019/20, 2020/21 and 2021/22 had been revised to include the PAYE due during those years and the outstanding PAYE figure of £5,293.91 had been treated as 'unpresented payments' for the financial year ending 2021/22.

7. To complete the review of the Internal Controls Policy

See Appendix A, pages 15 – 17.

| BUDGET ANALYSIS to fye 31/03/2023 | | |
|--|---------------------------|---|
| | Budget 2022/23 | Actual 2022/23 to 31/03/2023 |
| RECEIPTS | | |
| Precept | 36,509.00 | 36,509.00 |
| Council tax support grant | 711.00 | 711.00 |
| Community Infrastructure Levy (CIL) | | |
| Lengthsman Scheme grant | 1,849.20 | 2,478.75 |
| Interest received | | 175.24 |
| Miscellaneous | | 350.00 |
| WCC division member's grant | | |
| From reserves | | |
| Total Receipts | 39,069.20 | 40,223.99 |
| PAYMENTS | | |
| Chairman's allowance | 60.00 | - |
| Public Works Loan Board repay | 14,500.00 | 13,654.50 |
| Audit | 1,000.00 | 75.00 |
| Bank Charges | | 323.08 |
| Staffing, salary costs | 7,200.00 | 9,404.44 |
| Admin expenses | 700.00 | 3,025.65 |
| Lengthsman | 1,849.20 | 1,365.00 |
| Training, staff and councillors | 250.00 | - |
| Elections | 2,000.00 | 50.00 |
| Equipment | 210.00 | 766.83 |
| Insurance | 3,500.00 | 2,466.79 |
| Subscriptions | 1,200.00 | 377.84 |
| Hire of meeting room | - | - |
| Village Hall energy | - | 2,840.99 |
| Village Hall landlord obligations | 3,100.00 | 697.00 |
| Village Hall equipment | - | - |
| Village Hall contingencies | - | - |
| Professional services | 1,000.00 | 2,650.00 |
| VAS equipment and road safety | 2,000.00 | - |
| Grants and donations | 350.00 | 600.00 |
| Contingencies | 100.00 | - |
| s137 | 50.00 | - |
| subtotal | 39,069.20 | 38,297.12 |
| VAT | | 878.37 |
| Capital Expenditure from reserve | | |
| Total | 39,069.20 | 39,175.49 |

8. To consider the insurance cover for the next twelve months and recommend for approval to full council meeting.

Three quotations to renew the insurance had been received. The current insurance quotation was for considerably more than the other two. Cllr Leci would review the differences and report back to the next meeting of this committee.

It was noted a meeting would need to be held before the end of this month to ensure the continuation of insurance cover, and the date of Wednesday 19th April was proposed.

9. To respond to the questions raised by the Internal Auditor.

As it was 7.25pm there was insufficient time to review the internal auditor's questions.

This would be deferred to the next meeting on 19th April along with:

- Feedback from external audit for financial year 2021/22.
- Preparation of schedule of work for this committee.

10. Items for discussion at next meeting.

As minute no. 9 above.

11. Date and time of next meeting.

The next meeting is to be held on 19th April 2023, 6.30pm.

This meeting ended at 7.28pm.

Signed as a true record:

..... Date.....
Chairman, Finance Committee

Appendix A

| THE INTERNAL CONTROL ENVIRONMENT | ✓ or ✗ and/or comment |
|--|--|
| Financial Regulations | |
| The Parish Council has adopted financial regulations, based on the model version prepared by NALC. The regulations are reviewed for continued relevance and amended where necessary by the RFO with any proposed amendments subject to approval by the Parish Council. | These are annually reviewed by the council, but now aware they need to be revised following completion of capital project. For next meeting. |
| Order/Tender controls | |
| <ul style="list-style-type: none"> • The Financial Regulations list the number of estimates, quotes or full tenders that must be invited depending on the value and nature of the work. | ✓ |
| <ul style="list-style-type: none"> • Official orders/letters are sent to suppliers for services which are not regular in nature. | ✓ |
| Payment controls | |
| <ul style="list-style-type: none"> • Depending on the nature of the supply, the RFO signs the purchase invoice to indicate receipt of supply, that the supply has not previously been paid and that the invoice calculations are correct. | ✓ |
| <ul style="list-style-type: none"> • Purchase orders/emails/letters ordering the work are matched to purchase invoices where applicable. | ✓ |
| <ul style="list-style-type: none"> • Payments will be listed in cheque or voucher number order in the cash book. | ✓ |
| <ul style="list-style-type: none"> • All invoices for payment are listed on the meeting agenda, or agenda appendix, where the payment is to be minuted. | ✓ |
| <ul style="list-style-type: none"> • Payments made are listed in the minutes of the meeting. | ✓ |
| <ul style="list-style-type: none"> • Original invoices are available to the Councillors signing the cheques or authorising online bank payment. | ✓ |
| <ul style="list-style-type: none"> • Cheques will be signed, or online payments will be authorised by two councillors, who are authorised to do so as shown on the council's bank mandate. | ✓ |
| <ul style="list-style-type: none"> • The council has an online bank payment system in place. The RFO is authorised to set up BACS payments online but as the RFO is not an authorised signatory, cannot authorise payments. | ✓ |
| <ul style="list-style-type: none"> • All members of the council are authorised to approve online bank payments. They cannot set up payments, only view and authorise them. | ✓ |
| <ul style="list-style-type: none"> • The RFO is authorised to transfer funds internally ie from one of the council's accounts to another, but not to make payments. | ✓ |
| <ul style="list-style-type: none"> • The RFO maintains control of the cheque book at all times, cheques will only be issued and signed for payments approved in Council meetings. The RFO will prepare cheques but is not authorised to sign them. | ✓ |

| | |
|---|--|
| <ul style="list-style-type: none"> • Every payment by BACS, direct debit, standing order or cheque, is identified by a sequential voucher number. This number is used to identify the transaction in the cashbook, and on the invoice and is cross referenced on the bank statement in ink. | ✓ |
| <ul style="list-style-type: none"> • When invoices are paid by cheque, they are identified by the cheque number and referenced in the cashbook by the cheque number, as well as by the voucher number. This is cross checked with the bank statements. | ✓ |
| <ul style="list-style-type: none"> • The minute number of the minute authorising bank payments or cheques is detailed on each invoice. | To be actioned. |
| Legal Powers | |
| A proper legal power is identified in advance of any expenditure. The legal power for expenditure is shown on the agenda and in the minutes for payments made. | To be actioned. A copy of the NALC 'Good Councillors Guide' will be circulated to all members. |
| Payments made under section 137 of the Local Government Act 1972 | |
| <ul style="list-style-type: none"> • A separate s137 account is maintained in the cash book / spreadsheet. | ✓ |
| <ul style="list-style-type: none"> • Each year the RFO calculates the maximum allowable amount of s137 expenditure and ensures that it is not exceeded – confirmed to the Parish Council when expenditure is considered either by reference to a specific budget for that payment or to the amount of unspent s137 money available | ✓ |
| <ul style="list-style-type: none"> • Requests for expenditure from s137 are made clear on the meeting agendas where the payment is to be approved. | ✓ |
| <ul style="list-style-type: none"> • Each record of expenditure from s137 is properly minuted. | ✓ |
| VAT repayment Claims (VAT126) | |
| <ul style="list-style-type: none"> • RFO ensures compliance with VAT notice 749 | ✓ |
| <ul style="list-style-type: none"> • RFO ensures all invoices are addressed to the Parish Council. | ✓ |
| <ul style="list-style-type: none"> • RFO ensures proper VAT invoices are received where VAT is payable. | ✓ |
| <ul style="list-style-type: none"> • RFO maintains a VAT account to show the correct amount of VAT is reclaimed in the year and submits a claim for repayment at least annually. | ✓ |
| Income controls. The RFO: | |
| <ul style="list-style-type: none"> • ensures the precept amount received is in accordance with the precept request sent to the District Council. | ✓ |
| <ul style="list-style-type: none"> • ensures the precept instalments are received when due. | ✓ |
| <ul style="list-style-type: none"> • ensures other receipts (deposit interest, allotment and land rents) are received when due and correctly calculated. | To be actioned as and when necessary. |
| <ul style="list-style-type: none"> • Issues individually numbered receipts for cash received and keeps a copy on record | To be actioned as and when necessary. |
| <ul style="list-style-type: none"> • Records receipts in cash book / spreadsheet when received. | ✓ |

| | |
|--|--|
| • Banks all income promptly. | ✓ |
| Financial reporting | |
| A Budget Control, comparing actual receipts and payments to the budget and the previous year is prepared on at least a monthly basis, presented to each Parish Council meeting and recorded in the minutes. | ✓ |
| Budgetary controls | |
| • The budget is approved by the Parish Council before the end of the financial year preceding the year to which it relates. | ✓ |
| • The precept amount is identified following approval of the budget; the precept demand is issued to the billing authority by the date stipulated by the billing authority and in any case before 1 st March at the latest. | ✓ |
| Payroll controls | |
| • The Clerk/RFO is an employee and must register the Council with HMRC online; the Council, via RFO is responsible for reporting PAYE & NI monthly. | Currently in process; awaiting response from HMRC. |
| • The Clerk's salary is set by the Council and a minute is prepared to show the agreed salary. | ✓ |
| • The salary is paid by standing order. | This has yet to be set up. |
| • The RFO ensures all the necessary payroll returns are made to HMRC and will retain evidence of this. | This has yet to be set up. |
| • The RFO will act for the Parish Council regarding Pension duties and will work with the member appointed as the employer's contact. | ✓ |
| Office and clerk's expenses | |
| • The clerk submits an invoice for reimbursement of monies owed by way of an expense account, in advance of each meeting | ✓ |
| • The expenses cover a contribution towards the cost of maintaining an office at the clerk's home and any out-of-pocket expenses as well as motoring expenses, as laid down by joint SLCC/NALC guidelines | ✓ |
| • Expenses are paid by BACS and the expense sheet treated as an invoice for accounting purposes | ✓ |
| Asset Control | |
| • The RFO maintains a full asset register | This has yet to be set up. |
| • The existence and condition of assets is checked on a six-monthly basis by a member of the Parish Council | Procedure to be agreed. |
| • The adequacy of insurance of the Parish Council's assets is considered annually in advance of the insurance renewal. | Work in progress. |