

Batheaston Parish Council

Minutes of Agenda for a public meeting of the Finance Committee at 7:15pm on Tuesday 20th October 2020

**Present: Councillors Catherine Gregory (Chairman), Matt Tovey,
Patrick Vandesteen.**

In attendance: Richard Maccabee (Clerk).

1. Public Participation.

Councillor Catherine McCarthy attended the meeting.

2. The Committee **accepted Apologies** from Cllrs Andrew Lea and Alexis Pavlou. It was noted that Paula Day has resigned from the Council.

3. There were **no declarations of interest** from Councillors.

4. Minutes of previous meetings

4.1. The Cttee approved the minutes of the Finance Committee meeting held on 18th August 2020

4.2. The Cttee approved the minutes of the Finance Committee meeting held on 22nd September 2020

Community Matters

5. Proposals to register land owned by the Parish Council

5.1. Cllr Gregory reported that there has been no progress on this matter. It will be carried forward.

Cllr Gregory / Clerk

Matters of Financial Administration for Approval

6. Approval of Monthly transactions

6.1. Cllr Gregory noted a couple of errors in the dates given for transactions. These are not material, and that the details are otherwise correct.

6.2. She noted that the total for the month was higher than usual, at £4,718, owing to the fact that staff salaries were paid for both August (which were late) and September salaries. This accounted for £3,925 in September.

6.3. The Cttee approved the transactions report and the bank reconciliation.

7. Half-year Budget Review 2020/21

7.1. Cllr Gregory reported on the status of Council finances as at the end of September, and the implications for the second half of the Financial Year. The top-line comments were:

7.1.1. The presentation of the budget – specifically the “Optional” spend – was inconsistent and will be corrected for future use.

Clerk

7.1.2. The Council is about on track to the budget approved in March 2020. There have been variances in income and expenditure, but these largely balance out.

7.1.3. The half year review forecasts the budget can be balanced but there is almost no margin in this forecast and there remains uncertainty as to how much grant will be paid to the Youth Club due to continuing restrictions.

7.2. In discussion, the following specific items were discussed:

7.2.1. The importance of completing the VAT claim (£9,500), which requires that the Clerk dedicates a number of hours to collate and confirm the invoices associated with payments in 2017/18 and 2018/19.

7.2.2. Cllr Gregory described some of the remaining substantial commitments, in excess of £500, and their status, the most significant being the payments to the Youth Club

7.2.3. Others include the Bath Clean Air Zone Mitigation; Public Works Loan, Parking and Signage; the maintenance of the Football Pitch; Repairs in the Secret Garden.

7.2.4. She confirmed that currently funds are allocated for Christmas Lights, as in previous years.

7.2.5. Cllr Gregory noted that the Clerk continues to discover financial commitments that were not budgeted for. This does highlight a risk to the forecast.

7.3. The Cttee agreed that key message to be delivered to the Full Council meeting is that the funds available for discretionary spend are very limited, around £500.

Cllr Gregory

7.4. The Cttee agreed that no other actions are necessary at this time.

Procedural Items

8. The revised the Financial Regulations to Council

8.1. The Chairman asked Cllr Vandesteen to comment on the draft document.

8.1.1. He indicated that the document distributed was part-complete; that it was an incomplete re-drafting of the SLCC standard document. It does not give an entirely robust basis for financial management and control.

8.1.2. He noted that the Internal Auditor had commented on the need for the Council to ensure that its Policies and Procedures were robust and were adhered to rigorously.

8.1.3. He also commented that Batheaston Council has ambitions to invest in the Village and could not therefore accept inadequate or standard Financial Regulations.

8.2. It was however noted that the current financial spending limits in the Council's current Financial Regulations are unacceptably low in some cases, they do not allow the Clerk sufficient authority to conduct the business of the Council. The Committee reviewed these limits as follows:

8.2.1. £10,000: payments should normally be paid through online banking using BACS; two authorisers are required to make payments. (Clause 6.3 in the submitted draft)

8.2.2. £1,000 for payments using the Council's bank debit card. (Clause 6.5)

8.2.3. £500, for the Responsible Finance Officer to carry out any repair, replacement or other work which is of such extreme urgency. (Clause 7.7)

- 8.2.4. £250 to write off irrecoverable and bad debts. (Clause 12.3)
- 8.2.5. £500 for a purchase order, email or letter to be issued for goods and services. (Clause 13.1)
- 8.2.6. Up to £250 for additional audit work of the external auditor without other restrictions applying (Clause 14.1.5)
- 8.2.7. £100 for property to be sold, leased, or otherwise disposed of without the authority of the Council. (Clause 17.2)
- 8.2.8. In respect of the limit in Clause 14.10, relating to compliance with EU law, the Clerk proposed that this be replaced with a broad statement that commits to comply with EU legislation as currently required.

8.3. The Cttee resolved that the amended motion to propose the SLCC standard with the limits provided to Council.

Cllr Gregory

8.4. Cllr Vandesteen will write a draft Financial framework document for a more tailored approach to Financial Regulations for presentation to Council.

Cllr Vandesteen

9. Preparation for Budget 2021/22

9.1. Cllr Gregory introduced a proposed a timeline to develop the budget and to set the Precept for 2021/22.

- 9.1.1. She noted that Council has not been able to add funds to its reserves, in spite of the fact that the only major projects have been the systems projects (£6k).
- 9.1.2. She noted that approximately 75% of the budget is consumed in tasks associated with “ticking over”. There is however apparently little appetite amongst Councillors to develop services.
- 9.1.3. This is based on a “bottom-up budget”, and envisages presentation to Council at its meeting in December.
- 9.1.4. She has asked all councillors submit their requests for allocation of funds by 11th November.

9.2. Cllr Vandesteen commented that Council finds itself in a position where it has the benefits of neither a “small is beautiful” lower cost operation, nor a large budget with “economies of scale”.

- 9.2.1. He proposes that the residents of the Parish be canvassed on options to substantially reduce, or substantially increase the Precept for 2021/22, alongside the current figure.
- 9.2.2. The survey to take place in December allowing for a top down setting of the precept in January with detailed budgeting to follow.
- 9.2.3. There was discussion about ensuring that the response from village was sufficient to be representative of residents’ views and gives a mandate to take a particular approach.
- 9.2.4. Ideas to ensure widespread consultation include using the new website – to be approved at the November Council meeting; advertisement in the December edition of “Local Look”, use of Noticeboards, etc.

9.2.5. Cllr Vandesteen was clear that this will not be a referendum, the responsibility remains with Councillors to determine if the response is representative. He hopes however that there will be a high response level – as this relates to money – up to 40-50% of households.

9.2.6. He will propose this approach to the Council meeting in November.

Cllr Vandesteen

9.2.7. Cllr Tovey asked if there is a meaningful way of comparison with other Parishes. Councillors discussed this, and indicated that no such benchmark exists, but are not in doubt that the current position is not tenable in the long term.

9.3. The Committee approved the plan to develop the budget and to set the Precept for 2021/22.

10. Clerk's Report

10.1. The Clerk presented his report with the following items.

10.1.1. The Clerk reported there were now 4 community groups with weekly sessions in the Rhymes pavilion. These are all paying reduced rates reflecting the need to support them in supporting the community. The committee agreed this facility should be made available to the wider community.

10.1.2. He reported that the Riverside Toilets have been re-opened.

10.1.3. **The Committee approved** the renewal of the Council's Insurance Policy for £1,970.

10.1.4. **The Committee approved** a contract for the Internal Auditor, Mrs Bridget Bowen, to undertake the Internal Audit for the current year, in April 2021 at a cost of £300 for the day's work.

10.1.5. The Clerk indicated that he has provided financial information to the suppliers of the business system, so that they can upload this to the system, prior to handing it over. He is scheduling training.

10.1.6. He outlined the process for administering Salary Payments, now that these are being paid by standing order, and confirmed that these conform with the Financial Regulations.

10.2. Cllr Vandesteen commented on the Clerk's report.

10.2.1. **Business System.** He asked when the business system will be live. The Clerk is confident the training and data imports can be completed this calendar year to be using the new business system from January 2021.

10.2.2. **Website.** Cllr Vandesteen that in the recently circulated Communications and Engagement Plan the Clerk is highlighted as a key resource for future council communications. How is the load to be shared and what resources are required for the budget?

10.2.3. The Clerk responded that there is technical support from the website supplier in the budgeted for this year, and that he expects that although he will be the principal resource, there will be significant support from Councillors.

10.2.4. Cllr Vandesteen responded that he is concerned that this will exacerbate the existing issue, that the Clerk is over-stretched, and therefore unable to complete tasks in a timely manner. There are important tasks – in his role as Responsible Financial Officer – which he must be able to attend to adequately.

10.2.5. The Committee requested that he provide information about the current demands on his time, to allow them to consider priorities and alternative resources.

Clerk

10.3. The Committee reviewed actions from previous meetings, noting that the Plan for the Playground and Reserves Policy are overdue.

10.4. The Council noted the current status of the Audit Action Plan, and the importance of the forthcoming visit from the Internal Auditor, on 1st December.

The meeting closed at 9:00pm

Forthcoming Meetings

Finance Committee Meeting, 7:15pm on Tuesday 24th November 2020

Parish Council Meeting, 7:15pm on Tuesday 15th December 2020

Finance Committee Meeting, 7:15pm on Tuesday 12th January 2021

Parish Council Meeting, 7:15pm on Tuesday 26th January 2021

Parish Council Meetings are open meetings; members of the public are welcome to attend and may speak by invitation.

Signed: -  Parish Clerk Date 19th November 2020