

Ash-cum-Ridley Parish Council
Minutes of a meeting of the Finance Committee held at Ash Green Sports Centre on Thursday 12 May 2022 commencing at 7pm

Present: Cllr V Ngwenya
Cllr S Fishenden
Cllr P Nightingale

In attendance: Mrs A de Jager, Parish Clerk
Ms K Law, Assistant Clerk/Finance Officer

1. Apologies for Absence

Cllr M Brown (ill) and Cllr M Manley (holiday). The apologies and reasons for absence were accepted.

2. Declaration of Interest

Cllr P Nightingale declared an interest in item 4.2 as a payment had been made to his wife.

3. Minutes of Previous Meeting

The minutes of the meeting of 15 February 2022 were agreed with the amendment of 4.3 with the addition of Ash to Green Sports Centre and signed.

4. Parish Council

- 4.1 Year end March 2022 – the accounts for the year end for the Parish Council and Ash Green Sports Centre were RECEIVED and NOTED. The Finance Officer took members through the income and expenditure reports giving explanations for spend/income against budget noting that £20,000 had been spent on roof repairs and drawn from General Reserves. Income was over budget due to the receipt of £5,021 Outbreak Containment Grant received from Sevenoaks District Council. There have been fewer applications for grants. The audit fee was higher as the cost of the Memorial Wall put us in a higher cost bracket. Production of the Bulletin was lower than expected as three Bulletins were produced instead of the usual four. Burial Ground Maintenance increased as there was additional tree work required. The provision of Jubilee Commemorative Coins was taken from the Youth budget. Payments were NOTED. The Sports Centre performed better than expected with a final deficit of £8,474. This was driven by COVID, when the gym re-opened, classes were still restricted. Members have slowly returned but are not up to pre-COVID numbers. Savings were made in staff costs, utilities as the school did not charge for utilities while the Centre was closed.
- 4.2 The current financial position – the Finance Officer took members through the reports noting that the surplus is at £56,908.. A Community Infrastructure Levy (CIL) payment in the amount of £4,125.52 has been

received for a development in Hodsoil Street and the first precept payment has been received giving seven times running costs. Following agreement that the Parish Council will be responsible for one third of utility costs, these have been added to Office Costs. The Payments and Receipts were NOTED.

- 4.3 The current reconciled bank statements were initialled by Cllr S Fishenden.
- 4.4. Review of the Effectiveness of the System of Internal Audit. Cllr S Fishenden carried out the review and recommended that no amendments were required. Cllr S Fishenden PROPOSED that quotations are sought from the list in the report using the specification set out in the Scope of Audit document. SECONDED: Cllr P Nightingale and AGREED.
- 4.5 Review of Financial Regulations. Following a review of the Financial Regulations, Cllr S Fishenden PROPOSED that the following amendments are made: Insert 4.3 from the Model Financial Regulations after 4.2 and re-number the following regulations in section 4 – Unspent provisions in the revenue or capital budgets for completed projects shall not be carried forward to a subsequent year. This is contained with the model regulations. I can see no reason why it should not be contained in ours. Amend Regulation 4.5 – Increase limit for emergency expenditure from £500 to £1000 £500 could be insufficient to cover emergency expenditure and given this regulation is for that purpose only I see no reason why the higher limit should not be adopted as it's unlikely to ever be used. Amend Regulation 5.5 (c) – Increase permitted amount for transfers between the council's bank accounts without requiring approval from £10,000 to £25,000 Amending this regulation gives greater flexibility to the RFO to conduct internal transfers between council bank accounts as and when required. It presents no greater risk to us as the regulation is purely about internal transfers. Insert Regulations 5.10 from the Model Regulations – 5.10. The council will aim to rotate the duties of members in these Regulations so that onerous duties are shared out as evenly as possible over time. I'm certain that in practice we do comply with this regulation as we have a number of bank signatories. It does not commit us to ensuring bank authorisations are rotated between councillors, it purely states 'aim'. Insert Regulation 5.11 from the Model Regulations – This should be included within our regulations, otherwise it opens up to the 5.11. Any changes in the recorded details of suppliers, such as bank account records, shall be approved in writing by a Member. risk of fraud. A dishonourable RFO could fraudulently input bank account details online and pay themselves if it has not been verified that those new details are legitimate. Usually when suppliers change their bank details, they issue a formal letter. To comply with this regulation; a councillor could sign the letter to verify they've seen it and that it's okay to proceed with making payments to it. Amend Regulation 6.7 so that it makes sense – After Telepay, add the words 'or Standing Order, provided that the instructions are signed, or otherwise evidenced by two members are retained ' The sentence does not currently make sense, inserting the wording as per the

model regulations. Move the 'Grants' section to the end of the regulations document, just before Section 17 and include within the index to become section 16. It currently does not appear on the index. It should do so that people can find it in the regulations. SECONDED: Cllr V Ngwenya and AGREED.

4.6 Review of Financial Regulations. Cllr S Fishenden carried out the review and PROPOSED the following amendment: Under 'Risk' we have instead listed an action we would take to minimise this risk. The action 'All direct debits to be approved by council' needs to be moved to the 'Action and Review' heading. We should also extend this sentence to say 'All direct debits and standing orders to be approved by council' Under Risk I recommend we insert the sentence 'Failure to have an approvals process before setting up direct debits and standing orders could result in illegitimate payments being made via these methods. The title should also be renamed to 'Direct Debits and Standing Orders' SECONDED: Cllr P Nightingale and AGREED.

4.7 It was NOTED that the Internal Audit will be carried out on 17 May 2022.

4.8 Cllr S Fishenden PROPOSED that the quotation from A J Bagwell is accepted for the conversion of the remaining lights in Ash Green Sports Centre to LED. Although this is not the lowest quote, this contractor has done previous work for the Sports Centre and is familiar with the set up between the school and Parish Council with regard to shared utilities. SECONDED: Cllr V Ngwenya and AGREED.

5. Sports Centre

5.1 Current financial position – The Sports Centre is showing a deficit of £1,908.00. Income is lower in April due to Easter. Staff costs have increased as minimum wage has increased to £9.50 per hour and Employer and Employee NI increased by 1.25% from 01 April 2022. The introduction of classes has been successful in bringing new people into the centre. Gym memberships are lower than expected. The payments were NOTED

5.2 The current reconciled bank statements were initialled by Cllr S Fishenden.

6. Date of Next Meeting

The date of the next meeting of the Finance Committee was set for 19 July 2022 at 7.00pm.

The meeting closed at 7.56pm

Signed: Date:
Chairman