

FELSTED PARISH COUNCIL



Minutes of the Finance Committee Meeting

held on 23rd October 2024 at 5.00 pm in the Committee Room at the URC Hall.

Present Councillors Roy Ramm (Chair), Frances Marshall, Graham Harvey, John Moore and the RFO (Daniel Plunkett).

F24/34 Apologies for absence and declarations of interest

Apologies were received from Councillor Richard Silcock and there were no Declarations of Interest.

F24/35 Approval of Minutes of the meeting held on 19th July 2024

The Minutes of the meeting were approved and signed by the Chairman.

F24/36 Matters arising from the previous Minutes (not covered elsewhere on this Agenda)

The RFO noted that the rewritten cheque to transfer the funds from the Nature Area Metro Bank account to the Nature Area Barclays account had again been returned unpaid. Councillor Graham Harvey agreed to contact Metro Bank again to arrange for the closure of the account and transfer of funds to Barclays. The RFO also circulated the list of village attendants duties.

F24/37 Bank Reconciliation and PAYE Records

The bank reconciliations and PAYE records were reviewed and signed by the Chair and Councillor Frances Marshall.

F24/38 Review of Financial Risk Assessment

The draft Financial Risk Assessment was reviewed by the members. The RFO noted that the Financial Regulations had already been updated to the latest NALC model regulations and that the Clerk will be carrying out a visual risk assessment on the bus shelters over the coming weeks. Members unanimously agree to recommend approval at the November Full Council meeting.

F24/39 Review of Asset Register

Members considered the revised Asset Register compiled by the RFO. It was noted by the RFO that the valuation of the CCTV system had been reduced from the prior level of £20,137.20 to a level of £2,159.80 with the insurers based on the recent cost of the update to the system. The RFO also noted that the revaluation of the Land values was due in 2025, and the Committee agreed that this would be undertaken on the 2025 Asset Register.

F24/40 Review of Accounts for the current year to date

Members studied the budget comparison prepared by the RFO (appended on page 4) and noted the following items:

The Estimated actual vs budget for the year end was for a £78 deficit.

The RFO noted that the following variances on several budget lines that were the main drivers:

- Playing Field rent was estimated to come in £750 below budget due to one of the teams not playing this year and a reduction in the rental cost from £350 to £300.
- Magazine Advertising and Donations were projected to come in £530 below budget but the RFO noted that there were ongoing donations which were welcome.
- Street lighting maintenance costs were forecast to come in £2,160 below the budgeted amount with fewer repairs to date following maintenance over the previous couple of years.
- Administration was forecast to come in £3,115 above budget, primarily due to the cost of the Triennial Tree Survey and the redesign of the Councils website which had not been budgeted for.
- Maintenance was forecast to come in £2,260 higher than budgeted due to the increase

in the cost of the grass cutting contract and the cost of the anti-fungal spray to the MUGA surface.

- Projects were estimated to end £1,465 below budget due to the sourcing by the Clerk of a cheaper supplier of playbark for the play area.
- Sundry items were estimated to end £3,950 below budget due to lower than anticipated donations to date to the Felsted Community Trust.

Councillor Roy Ramm noted that further donations would likely need to be made towards the setup of the Felsted Community Trust to pay for specialist conveyancers to deal with the transfer of the Doctors surgery to the Trust once completed but there were currently no anticipated legal costs.

The RFO also provided an update on the year-to-date expenditure of the Nature Area funds (held separately under the S106 agreement and appended on page 4). It was noted that given the current funds held of £125k and the remaining 14 years on the S106 agreement, there would be available expenditure of around £9k p.a. The RFO noted that the Nature Area Steering Group along with the Clerk were in the process of preparing a longer-term vision statement for the use of these funds.

F24/41 **Initial Consideration of the 2025-26 Budget and Reserves plan**

The RFO presented a draft budget for 2025-26 (appended on page 5) which was considered by members.

The RFO noted that the official's wages had been estimated to increase in line with current inflation at 2% but that the actual increase would be linked to the outcome of the National Joint Council negotiations which would likely conclude towards the end of 2025. Similarly, the Village Attendants charges had been estimated to increase in line with inflation.

It was further noted that there had been increases in the budgets for grass cutting and churchyard maintenance to reflect higher contractor costs seen in the current financial year.

A budget of £3,000 had been set for maintenance to the village car park given the coming need for repairs to the surface which was last repaired in 2020.

Members agreed to again budget £10,000 for potential donations to the setup of the Felsted Community Trust given likely professional fees for conveyancing and potential further legal fees if required.

The RFO also presented the first draft of the Long-Term Works plan (appended on page 6) and explained that the rationale for the plan was to allow for the gradual collection over a number of year of funds for larger long-term projects (e.g. replacement of play equipment). It was noted that:

- The plan showed the works to be considered down the left-hand column.
- The plan showed the future financial years when the works were likely to be due across the top row.
- The numbers in the grid in the centre represented the estimated cost and time when the works would be due.
- The bottom rows on the plan show the estimated total cost in each year as well as the ongoing contributions that would be required to build up the reserves to meet the estimated costs in any year.

The RFO noted that the items and timings on the plan would be reviewed annually with the budget and the plan would be updated to show actual works completed. As such the plan would evolve overtime. Items could be added or removed from the plan as required.

The RFO further noted that the plan would provide clarity for both the Council and the Parish over the collection of longer-term reserves and their uses.

Members agreed that use of the plan should be recommended with the budget to Full Council for consideration and approval. The RFO will update the initial draft after consultation with the Clerk and historic records to refine the likely costs and timings of expenditures.

The RFO noted that the Council currently had ear-marked reserves for Capital Projects, Repairs and Maintenance and Risk Assessment in addition to the general reserve. It was agreed following discussion to recommend that these reserves be aggregated into a Long-Term Works Reserve.

It was also noted the Joint Panel on Accountability and Governance recommends between 3 months and 12 months of net revenue expenditure be held as a general reserve to cover unexpected inflation, unforeseen events and unusual circumstances (JPAG guidance points 5.33 & 5.34). It was noted that current General Reserves stand at approximately 3 months of expenditure (£32k) and the members agreed to recommend that General Reserves should be increased over time with a goal of reaching 6 months of expenditure (approx. £64k).

F24/42 Consideration of annual donations

Members considered again the list of potential donations for 2024 as discussed at the May Finance Committee meeting (F24/19) and agreed that given the financial constraints no donations would be made.

F24/43 Review of Conduct of future Finance Committee Meetings

It was agreed that the 20th November 2024 Finance Committee Meeting would take place at 5pm in the Committee Room of the URC Hall (subject to availability).

F24/44 Any urgent matters and proposals for future agenda items

None.

F24/45 Next meeting

The meeting closed at 6.15pm.

The next meeting will be held on 20th November 2024 at 5.00pm in the Committee Room at the URC Hall, Stebbing Road, CM6 3JD.

.....

Chairman

Dated

F24/40 - Review of Accounts for the current year



FPC - Budget Comparison to 17 October 2024

	Budget 2024-25		YTD Actual 2024-25		Year End Estimate		YE Estimate - Budget	
	£	£	£	£	£	£	£	£
Opening Balance		43,426		43,426		43,426		
INCOME								
Precept	128,765		128,765		128,765		0	
Allotments Rents	1,700		73		1,700		0	
Playing field rent	1,050		300		300		-750	
Grants	1,000		0		1,000		0	
Sundry other receipts	500		36		36		-464	
Magazine advertising & donations	4,660		3,382		4,132		-528	
Total Income		137,675		132,556		135,933		-1,742
EXPENSES								
Salary and Expenses	51,322		23,071		51,859		538	
Street Lighting	8,841		592		6,683		-2,158	
Administration	11,773		9,205		14,890		3,117	
Maintenance, repairs and upkeep	43,260		29,973		45,518		2,258	
Projects	6,750		833		5,283		-1,467	
Sundry	13,012		9,060		9,060		-3,952	
Total Expenses		134,958		72,735		133,294		-1,665
Closing Balance		46,143		103,247		46,065		-78
Includes Reserves carried forward:								
Capital Projects Reserve (Public Toilets, Playing Field car park, etc)		50,000		10,000		10,000		
Repairs & Maintenance Reserve		6,900		6,900		6,900		
Risk Assessment Reserve		1,200		1,200		1,200		
General Reserve		-11,957		85,147		27,965		



Nature Area Expenditure to 17 October 2024

Opening Balance - Barclays Savings Account	£ 85,142.28				
Opening Balance - Metro Account	£ 46,707.06				
Opening Balance - Unity Trust Deposit Account	£ -				
Total	£131,849.34				
Barclays Savings Account - YTD	Date	Reference	Supplier	Description	Amount
	01/05/2024	240407	Kelshall Plastics	Collection of waste tree guards	-£ 54.00
	01/05/2024	240414	S Easom	Nature Area costs reimbursement	-£ 59.51
	02/06/2024			Interest to 02/06/24	£ 318.26
	19/07/2024	240701	JCM Services		-£ 780.00
	26/07/2024			Nature Area Funds Transfer - To Unity Trust Deposit Account	-£ 80,000.00
	02/09/2024			Interest to 02/09/24	£ 192.99
	04/09/2024	240804	JCM Services		-£ 1,620.00
	02/10/2024	240908	JCM Services		-£ 600.00
	02/10/2024	240923	Stevens & Son	Cutting and Clearing Nature Area - Sep24	-£ 2,280.00
					-£ 84,882.26
Metro Account - YTD	Date	Reference	Supplier	Description	Amount
	01/05/2024	800038	JCM Services	Nature Area - Grounds Maintenance 1/4	-£ 420.00
	06/06/2024	800039	JCM Services	Nature Area - cutting hemlock and remove 4x stumps	-£ 1,200.00
	29/07/2024			Nature Area Funds Transfer	-£ 45,087.06
	30/07/2024			Return of Nature Area Funds Transfer - unpaid chq	£ 45,087.06
					-£ 1,620.00
Unity Trust Deposit Account - YTD	Date	Reference	Supplier	Description	Amount
	29/07/2024			Nature Area Funds Transfer - From Barclays Savings Account	£ 40,000.00
	29/07/2024			Nature Area Funds Transfer - From Barclays Savings Account	£ 40,000.00
					£ 80,000.00
Closing Balance - Barclays Savings Account	£ 260.02				
Closing Balance - Metro Account	£ 45,087.06				
Closing Balance - Unity Trust Deposit Account	£ 80,000.00				
Total	£125,347.08				
S106 Funds Received	02/10/2018				
S106 Funds Expire - 20y time period	02/10/2038				
Years Remaining	13.9				
Available Expenditure p.a.	£ 8,997.38				

F24/41 - Initial Consideration of the 2025-26 Budget and Reserves plan



Felsted Parish Council - Proposed 2025-26 Budget

	Actual 2023-24		Budget 2024-25		Estimated Year End 2024-25		Proposed 2025-26 Budget		
	£	£	£	£	£	£	£	£	£ Increase
Opening Balance		55,161		43,478		43,478		46,117	
RECEIPTS									
Precept	113,950		128,765		128,765		128,765		0
Allotments Rents	2,078		1,700		1,700		1,700		0
Playing field rent	970		1,050		300		600		-450
Grants	5,572		1,000		1,000		1,000		0
Sundry other receipts	1,501		500		36		200		-300
Magazine advertising & donations	3,845		4,660		4,132		4,132		-528
Total Receipts		127,916		137,675		135,933		136,397	-1,278
PAYMENTS									
Salary and Expenses		51,285		51,322		51,859		52,904	1,582
Street Lighting		8,675		8,841		6,683		8,299	-542
Administration		13,358		11,773		14,890		12,409	635
Maintenance, repairs and upkeep		47,813		43,260		45,518		47,600	4,340
Projects		3,386		6,750		5,283		4,545	-2,205
Sundry		15,083		13,012		9,060		13,218	206
Total Payments		139,599		134,958		133,294		138,975	4,017
Closing Balance - Accrual Basis		43,478		46,195		46,117		43,539	-2,578



Dated - 17 October 2024 - Initial Draft

All Figures x 1000 (£)

Long Term Works Plan	Frequency (Years)	Estimated Cost (£) - xVAT	Cost over 25 Yrs	Yearly Cost	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48	2048-49	2049-50						
Pavilion																																			
Repairs (plumbing and electrical)	10	2	5	0.2								2																							
Redecoration	7	1	4	0.2					1							1					3														
Structural (roof, walls)	10	2	5	0.2										2										3											
Playing Field Toilets																																			
Repairs (plumbing and electrical)	10	2	5	0.2								2																							
Redecoration	7	1	4	0.2					1																										
Structural (roof, walls)	10	2	5	0.2										2																					
Bus Shelters																																			
Structural (roof, walls)	20	5	7	0.3																															
Notice Boards																																			
Repairs / Replacement	6	2	11	0.4						2																									
Playgrounds																																			
Fencing/landscaping	15	5	7	0.3																															
Play equipment replacement	25	50	62	2.5												62																			
Surfaces	20	10	15	0.6																															
MUGA																																			
Fencing	20	10	13	0.5																															
Surfaces	5	3	20	0.8						3																									
Car Parks																																			
Fencing	20	5	7	0.3																															
Surfaces	3	3	29	1.2							3																								
Streetslights																																			
Replacement streetlight poles	20	3	4	0.2																															
Projected Expenditure			204		8	3	3	3	5	2	3	5	11	67	3	11	17	11	17	17	8	6	44	4	4	4	3	9							

LONG TERM WORKS RESERVE OPENING BALANCE	28	32	38	44	48	49	53	57	59	66	62	69	10	14	22	19	11	19	19	21	-14	-5	0	10	16
Required Contributions (yearly)	6	6	6	6	6	7	7	7	7	7	7	7	7	8	8	8	8	8	8	9	9	9	9	9	10
Expenditure (Yearly)	-3	-3	-3	-3	-5	-2	-3	-5	-5	-11	-67	-3	-11	-17	-8	-8	-8	-8	-8	-6	-44	-4	-3	-9	-9
LONG TERM WORKS RESERVE CLOSING BALANCE	32	38	44	48	49	53	57	59	66	62	69	10	14	22	19	11	19	19	21	-14	-5	0	10	16	17

IMPORTANT NOTE: THE FIGURES SHOWN ON THE PLANS ARE BEST ESTIMATES FOR THE WORKS TO BE CARRIED OUT AND SHOULD BE VIEWED AS SUCH. THE PLAN WILL BE ADJUSTED WITH ACTUAL FIGURES AS YEARS PROGRESS.