

FELSTED PARISH COUNCIL



Minutes of the Finance Committee Meeting

held on 8th May 2024 at 5.00 pm in the Committee Room at the URC Hall.

Present Councillors Roy Ramm (Chair), Frances Marshall, Graham Harvey (joined during F24/14), Richard Silcock, John Moore and the RFO (Daniel Plunkett).

F24/10 **Apologies for absence and declarations of interest**

There were no Apologies or Declarations of Interest.

F24/11 **Election of Chair**

Councillor John Moore proposed Councillor Roy Ramm remain as chair, seconded by Councillor Richard Silcock and unanimously approved.

F24/12 **Approval of Minutes of the meeting held on 28th February 2024**

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

F24/13 **Matters arising from the previous Minutes (not covered elsewhere on this Agenda)**

F24/03 – Felsted Village Events Committee

The RFO reported that the Felsted Village Events Committee had come back on the proposed Terms of Reference for the Events Sub-committee with a request for 3 additional terms under the Finance section of the Terms of Reference. These were reviewed by the Finance Committee and a slight amendment to the requirement to maintain a minimum of £10,000 balance of funds was proposed on the basis that a strict requirement would be difficult to control and potentially place the Council at financial risk. The agreed amendment will be incorporated into the final proposed Terms of Reference and the Felsted Village Events Committee consulted before bringing the Terms of Reference to Full Council for approval. Once the Terms are approved the intention is that the funds held by the Felsted Village Events Committee would be transferred to the Council and held as reserved funds for Events Committee under the Terms of Reference.

F24/14 **Bank Reconciliation and PAYE Records**

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

F24/15 **Consideration of the 2023-24 Year End Accounts**

Members studied the Year End accounts produced by the RFO (appended on page 3) and noted the following items:

- There was a deficit vs budget of £17,294 for the year.
- Grant income was higher than budgeted due to several successful grant applications during the year, notably grants from Uttlesford District Council for a report on the ecological management of the Parish Greens and Zero Carbon initiatives.
- Magazine advertising and donations were higher than budgeted with good donation support from many Parishioners which was welcomed by the Committee.
- Salary and Expenses costs had come in higher than budget due to increases in official's pay scale points in June 2023 and January 2024, pay scale increases in line with the national pay award concluded by the Joint Council in November 2023 and an increase in the RFO's hours.
- Street lighting maintenance and electricity costs had come in lower than budgeted because of the switch to a cheaper longer-term fixed contract.
- Maintenance, Repairs and Upkeep had come in higher than budget because of a few items including much higher than budgeted expenditure due to daily cleaning of the

playing field toilets, higher than budgeted expenditure on replacement small equipment (bins, benches, storage cupboards etc) and unbudgeted replacement of the CCTV system at the playing field. It was noted that the Churchyard Maintenance was higher than budget due to grass removal and hedge cutting costs. Cllr John Moore queried whether grass removal should be included as part of the churchyard maintenance contract, but it was agreed that as not all contractors would be able to do this due to access and equipment constraints it should be kept separate. The RFO was asked to check on the actual cost. (Post meeting note – the cost was £310 ex VAT).

- Projects came in below budget with reduced cost for playpark, no expenditure on the Neighbourhood plan during the year and the cancellation of the Coronation Event.
- Sundry costs had come in higher than budget with savings on the insurance due to a new long-term agreement offset by donations totalling £11,100 made to the Felsted Community Trust to help with professional costs relating to the setup and design of the new village surgery.
- It was noted that Income for the Nature Area was £1,013 for the year consisting solely of bank interest.
- Expenditure for the Nature Area for the year was £6,870 with £5,270 for maintenance and £1,600 of expenditure on an ecological management plan for the Nature Area.

F24/16 Consideration of the 2023-24 year-end Audit Annual Governance Statement

The RFO presented the Year End Audit Annual Governance Statement (Section 1) – appended on page 5. Members studied the document and confirmed compliance with the requirements of the External Auditors and the new Practitioners Guide. Members agreed to recommend acceptance at the June full Council Meeting.

F24/17 Consideration of the 2023-24 year-end Audit Accounting Statements and Audit Return

The RFO presented the Year End Audit Accounting Statements (Section 2) – appended on page 6. Members studied the document and discussed the figures and agreed to recommend acceptance at the June full Council Meeting.

F24/18 Review of Accounts for the current year

Members studied the budget comparison prepared by the RFO (appended on page 7) and noted the following items:

The Estimated actual vs budget for the year end was for a £4,265 surplus.

The RFO noted that this was driven by several budget lines:

- Street lighting maintenance costs were above the budgeted amount with several repairs required in April.
- Maintenance, Repairs and Upkeep was higher than budgeted due to the increase in the grass cutting contract costs which had been notified after the budget had been set.
- Sundry expenses were below budget due to only a small donation to the Felsted Community Trust to date. Cllr Roy Ramm noted that the Felsted Community Trust was limiting professional costs at present while waiting movement from the NHS Integrated Care Board regarding the surgery rent. It was noted by Cllr Graham Harvey that a further donation of £5,000 may be required during the year to demonstrate funds on account to the Charity Commission when applying for Charitable Status.

Members further noted that the Nature Area account had received £317.22 of bank interest and spent £533.51 on maintenance in the year to date, giving net expenditure of £216.29. Cllr John Moore noted that the Nature Area working group had received the ecological report and were due to consider potential works and improvements to the Nature Area including the possibility of deepening the lake.

The RFO also noted that with only 1½ months of expenditure so far it was difficult to draw any firm conclusions on likely year end surplus or deficits.

It was noted that the Council does not currently hold a detailed schedule of works for the

village attendant and members agreed that the Clerk should work with the village attendant to produce one.

- F24/19 **Consideration of the 2024-25 Schedule of Donations**
Members studied the Donation List prepared by the RFO and noted that donations totalling £1,000 had been made in 2023-24. It was agreed that a donation to the Felsted Poppy Appeal would be made at the October Full Council meeting and that other donations would be reviewed at the November Finance Committee meeting where a decision would be taken based on the financial position.
- F24/20 **Consideration of alternative bank accounts for the Nature Area funds and future S106 monies**
Members considered the review of accounts compiled by the RFO for consideration as interest bearing alternatives for the Nature Area funds. It was noted that while some of the banks were unfamiliar to the Members, they were all protected by the Financial Services Compensation Scheme. Following discussion by Members about the interest rates available and potential requirements for access to the funds the Committee agreed to recommend to Full Council that a maximum of £80,000 of Nature Area funds be deposited to a Unity Trust 24m Fixed Term Deposit Account. It was further recommended that all funds in Metro Bank, which offers no interest, be transferred, with the balance from the Barclays deposit account. This would leave approximately £55,000 in the Barclays Bank deposit account for ongoing maintenance and expenditure.
- F24/21 **Review of Conduct of future Finance Committee Meetings**
It was agreed that the 24th July 2024 Finance Committee Meeting would take place at 5pm in the Committee Room of the URC Hall (subject to availability).
- F24/22 **Any urgent matters and proposals for future agenda items**
The RFO noted that following the close of the 2023-24 accounts the Reserves would need adjustment at Full Council as the General Reserve had moved into deficit. It was noted that the General Reserves held by the Council should be maintained at 3 to 12 months of general budget expenditure (as per [Joint Panel on Accountability and Governance Practitioners Guide 2024](#) points 5.31-5.39). Following discussion, the Committee agreed to recommend to Full Council that the Capital Projects Reserve be reduced from £50,000 to £10,000 and the General Reserve be increased by £40,000. Members agreed that given the tight finances at present there could be no planned Capital Expenditure. This would be reviewed regularly, and as finances improved and the potential for donations from the Felsted Community Trust became clearer a long-term capital project plan would be produced. It was further agreed that the £10,000 Capital Project reserve be recommended to be split equally between works for the Pavilion and the Public Toilets.
- F24/23 **Next meeting**
The meeting closed at 6.30pm.
The next meeting will be held on 24th July 2024 at 5.00pm in the Committee Room at the URC Hall, Stebbing Road, CM6 3JD.

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Chairman

Dated

F24/15 - Consideration of the 2023-24 Year End Accounts



FPC - Budget Comparison to 31 March 2024

	Budget 2023-24		Actual 2023-24		Actual - Budget	
	£	£	£	£	£	£
Opening Balance		55,161		55,161		
INCOME						
Precept	113,950		113,950		0	
Allotments Rents	1,700		2,078		378	
Playing field rent	500		970		470	
Grants	0		5,572		5,572	
Sundry other receipts	0		1,501		1,501	
Magazine advertising & donations	2,150		3,845		1,695	
Total Income		118,300		127,916		9,616
EXPENSES						
Salary and Expenses		42,013		51,285		9,271
Street Lighting		12,799		8,675		-4,124
Administration		12,511		13,411		899
Maintenance, repairs and upkeep		32,210		47,813		15,603
Projects		7,950		3,386		-4,564
Sundry		5,257		15,083		9,825
Total Expenses		112,742		139,651		26,910
Closing Balance		60,719		43,426		-17,294

F24/16 - Consideration of the 2023-24 year-end Audit Annual Governance Statement

Section 1 – Annual Governance Statement 2023/24

We acknowledge as the members of:

EN Felsted Parish Council

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2024, that:

	Agreed		*Yes* means that this authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓		<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓		<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		<i>responded to matters brought to its attention by internal and external audit.</i>
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓		<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
			✓

*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

DD/MM/YYYY

and recorded as minute reference:

MINUTE REFERENCE

Signed by the Chair and Clerk of the meeting where approval was given:

Chair

SIGNATURE REQUIRED

Clerk

SIGNATURE REQUIRED

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F24/17 - Consideration of the 2023-24 year-end Audit Accounting Statements and Audit Return

Section 2 – Accounting Statements 2023/24 for

EN Felsted Parish Council

	Year ending		Notes and guidance
	31 March 2023 £	31 March 2024 £	
1. Balances brought forward	199,079	190,364	<i>Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.</i>
2. (+) Precept or Rates and Levies	106,000	113,950	<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>
3. (+) Total other receipts	5,506	14,979	<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>
4. (-) Staff costs	43,889	50,296	<i>Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.</i>
5. (-) Loan interest/capital repayments	0	0	<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
6. (-) All other payments	76,332	96,225	<i>Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
7. (=) Balances carried forward	190,364	172,772	<i>Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).</i>
8. Total value of cash and short term investments	194,506	179,154	<i>The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.</i>
9. Total fixed assets plus long term investments and assets	999,259	1,145,058	<i>The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.</i>
10. Total borrowings	0	0	<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>

For Local Councils Only	Yes	No	N/A		
11a. Disclosure note re Trust funds (including charitable)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<i>The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.</i>
11b. Disclosure note re Trust funds (including charitable)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<i>The figures in the accounting statements above exclude any Trust transactions.</i>

I certify that for the year ended 31 March 2024 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

SIGNATURE REQUIRED

Date DD/MM/YYYY

I confirm that these Accounting Statements were approved by this authority on this date:

DD/MM/YYYY

as recorded in minute reference:

MINUTE REFERENCE

Signed by Chair of the meeting where the Accounting Statements were approved

SIGNATURE REQUIRED

F24/18 - Review of Accounts for the current year



FPC - Budget Comparison to 02 May 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		64,383		128,765		0	
Allotments Rents	1,700		0		1,700		0	
Playing field rent	1,050		0		1,050		0	
Grants	1,000		0		1,000		0	
Sundry other receipts	500		0		500		0	
Magazine advertising & donations	4,660		2,392		3,000		-1,660	
Total Income		137,675		66,775		136,015		-1,660
EXPENSES								
Salary and Expenses		51,322		3,502		51,395		74
Street Lighting		8,841		418		10,508		1,667
Administration		11,773		2,530		11,867		94
Maintenance, repairs and upkeep		43,260		4,813		45,117		1,857
Projects		6,750		0		6,750		0
Sundry		13,012		3,396		3,396		-9,616
Total Expenses		134,958		14,659		129,034		-5,925
Closing Balance		46,143		95,541		50,407		4,265