

AGENDA PACK
Finance, Legal and Administration committee
Tuesday 24th July 2018

To: Members of the Finance, Legal and Administration Committee (FLAC)

You are hereby summoned to attend a Committee meeting
To be held in the Village Hall, Recreation ground, Lambs Land, Cottenham on:
Tuesday 24th July 2018 at 7.30pm

AGENDA

All Parish Council Meetings are open to the Public and Press

18F/270. Chairman's Introduction and Apologies for absence – *(Schedule 12 of the Local Government Act 1972 requires a record to be kept of the members present and that this record form part of the minutes of the meeting. Members who cannot attend a meeting should tender apologies to the Parish Clerk as it is usual for the grounds upon which apologies are tendered also to be recorded. Under Section 85(1) of the Local Government Act 1972, members present must decide whether the reason(s) for a member's absence are accepted.*

18F/271. To accept Declarations of Interest and Dispensations – *i. To receive disclosures of pecuniary and other interests from Councillors on matters to be considered at the meeting. ii. To receive written requests for dispensation. iii. To grant requests for dispensation as appropriate. (NB this does not preclude any later declarations).*

18F/272. Minutes – To resolve that the minutes (circulated to members) of the Finance Committee meeting held on Tuesday 26th June 2018 be signed as a correct record.

18F/273. Public Participation – *Public question time is dealt with prior to the start of the meeting and doesn't form part of the formal business of the Council. Time is limited to 30 minutes and each member of the public is entitled to speak once only in respect of business itemised on the agenda and shall not speak for more than 3 minutes to allow other people to also speak without the public session exceeding its allotted time. Questions not answered at this meeting will be answered in writing to the person asking the question or may appear as an agenda item for the next meeting.*

Photographing, recording, broadcasting, or transmitting the proceedings of a meeting by any means is permitted. A person may not orally report or comment about a meeting as it takes place if he is present at the meeting of a parish council or its committees but otherwise may film, photograph or make an audio recording of a meeting; use any other means for enabling persons not present to see or hear proceedings at a meeting of the parish council as it takes place or later; report or comment on the proceedings in writing during or after a meeting or orally report or comment after the meeting. However, anyone wishing to do so must speak to the clerk prior to the meeting as there is a policy which must be followed.

18F/274. Review the Management Accounts for June 2018 – RFO

18F/275. Review of the monthly bank reconciliation (to 30th June 2018) – RFO & Cllr McCarthy

18F/276. Consider annual Insurance quotes for the Parish Council (due for renewal in September 2018)– RFO

18F/277. Review the Terms of Reference for the Finance, Legal and Administrative committee – Cllr Morris/RFO

18F/278. Consider the parish council banking arrangements – RFO & Cllr Bolitho

18F/279. Review the Subject Access Request template and verification process – *Cllr Smith*

18F/280. Review the Document Retention Policy – Cllr Smith & RFO

18F/281. Review the Model Publication Scheme – RFO

18F/282. Annual Asset Inventory check – Cllr Morris

18F/283. Quarterly Risk review – Cllr Morris

18F/284. CPS grant – consider accepting offer of £5000 grant repayment due to change of PTCA priorities and applying CPC's time-limited offer/claim process to future grants exceeding £1000 – Cllr Morris

18F/285. Authorise and pay Hayden Arboricultural Consultants Ltd £618.60 (including VAT) for tree inspection and Picus Tomograph (invoice 072-19) – RFO

18F/286. Matters for consideration at the next meeting

18F/287. Date of next meeting –

18F/288. Close of meeting –

Debbie Seabright

Debbie Seabright – RFO

17/07/18

Right Side Entrance, Community Centre

250a High Street, Cottenham, Cambridge, CB24 8RZ Tel: 07503 328401 Email: focottenhampc@gmail.com

18F/272.

DRAFT MINUTES of FLAC Meeting

Held at the Village Hall, Lambs Lane, Cottenham:

On Tuesday 26th June 2018

Present: Cllrs: Bolitho, Smith, Wilson, Young, RFO

18F/252. Chairman's introductions and Apologies – Cllrs Collinson (Personal), McCarthy (Work), Morris (another meeting) the committee accepted the apologies.

18F/253. To accept Declarations of interest and Dispensations

To receive disclosures of pecuniary and non-pecuniary interests from Councillors on matters to be considered at the meeting

The disclosure must include the nature of the interest. If you become aware, during the course of a meeting, of an interest that has not been disclosed under this item you must immediately disclose it. You may remain in the meeting and take part fully in discussion and voting unless the interest is pecuniary. An interest is pecuniary if a member of the public with knowledge of the relevant facts would reasonably regard it as so significant that it is likely to prejudice your judgement of the public interest and it relates to a financial or regulatory matter – None

18F/254. Minutes –Resolution that the minutes from the committee meeting held on Thursday 24th May 2018 be signed as a correct record. – **RESOLVED**

18F/255. Public Participation – *Public question time is dealt with prior to the start of the meeting and doesn't form part of the formal business of the Council. Time is limited to 30 minutes and each member of the public is entitled to speak once only in respect of business itemised on the agenda and shall not speak for more than 3 minutes in order to allow other people to also speak without the public session exceeding its allotted time. NB: Councillors will not be able to respond on items on the agenda but will take notice of the views put forward – No members of the public present.*

18F/256. Management accounts for April and May 2018 - The committee reviewed the management accounts. Cllr Smith asked for the details regarding spending under nominal codes 7405 (Recreation ground general costs) and 7419 (Village hall cleaning costs) and it was noted that nominal code 7420 (Village hall deep clean) did not have a description – RFO to rectify. The committee requested that nominal 9361 (Village Hall and Nursery Pre-app) costs are taken from the appropriate reserve and shown in the balance sheet which RFO will action. There was also a request that the 'surplus in current year' line in the balance sheet is also shown in the P & L section. The committee also discussed a quarterly review of the management accounts to look at the budget against income and expenditure and whether transfers across budgets are required and need to be taken to full council. Resolution to carry out quarterly reviews to look at budget against income and expenditure – **RESOLVED**

18F/257. Consider format of the management accounts – Cllr Smith has asked that the Management accounts are presented so that they are easier to read (larger print) and has asked for an additional column to compare the spending this year to the previous year - RFO to action.

18F/258. Review of Bank Reconciliation to the end of May 2018 – The RFO and Cllr McCarthy completed a bank reconciliation earlier on in the month (12th June 2018). The committee requested that any invoices to date that have come to the council be shown in the form of a spreadsheet at the finance meeting so that the committee have the information on payments before the full council meeting. It was noted that there are some invoices which might come in after the finance meeting which will be flagged up at the full council meeting.

18F/259. Consider the Parish Council banking arrangements – The committee looked at our current banking arrangements and discussed the balance in each account, the current interest rates and our cover under the FSCS (Financial Services Protection Scheme). Cllr Bolitho agreed to look at

our current protection under FSCS for two of our accounts and the RFO will do some further investigation into opening an additional bank account.

Cllr Morris arrived at 8.40pm

The committee also discussed the possibility of applying for a Multipay card, so that smaller items (currently purchased by the staff and put through as expenses) can be better organised and staff are not expected to pay up front for essential items. A maximum amount per transaction and a monthly credit limit will need to be agreed. The Financial Regulations will need amendment to reflect these changes – Cllr Morris will review this for the next meeting. There is a one-off charge of £50 to set this up and then a regular charge of £4 per month thereafter.

18F/260. Village Hall and Nursery Finance arrangements – The committee have recommended that there be essential communication between the Village hall working party and the finance committee so that finance arrangements and budgets are carefully considered.

18F/261. Risk Assessments update – The committee considered an annual review of our assets and how this might be arranged. Cllr Morris will draw up a draft schedule and bring to the next meeting.

18F/262. Consider Subject Access Requests and the identity verification process – The committee considered the Subject Access Request template detailed in the agenda pack and agreed that the document required further revision. They then considered the documentation required for verification – Cllr Smith will look at both the template and the verification process and bring back to the next meeting.

18F/263. Review the Document Retention Policy – There is a current Document Retention Policy in place which is working. The newly published template document needs further consideration to make sure that whilst working within the legal timescales that it relevant to our requirements. Cllr Smith and RFO will review the document and bring back to the next meeting.

18F/264. Review the Model Publication Scheme – The committee looked at the current document - RFO to review and bring to next meeting.

18F/265. Current expenditure for Tree works and Legal expenses – the committee agreed that the recent work completed on the parish trees was necessary. These budget lines will be considered at the next quarterly review.

18F/266. Authorise and pay Office Outlet invoice 003033486 dated 07/06/18 for expenses re ink cartridge and stationary items for the RFO – Resolution to authorise and pay £74.97 expenses to RFO - **RESOLVED**

18F/267. Matters for consideration at the next meeting.

- Review of monthly management accounts (for 30th June 18)
- Review of monthly bank reconciliation (to 30th June 18)
- Subject Access Request document – Cllr Smith
- Document Retention Policy – Cllr Smith and RFO
- Model Publication Scheme – RFO
- Update on drainage risks and potential expenditure. (after its been looked at by appropriate committee)
- Asset review process

18F/268. Date of next meeting – Thursday 26th July 2018

18F/269. Close of meeting – 9.20

Signed _____ (Chair) Date _____

18F/274.

Management accounts for June 2018 sent out separately.

18F/275.

Bank Reconciliation

Bank reconciliation

Reconciled on Wednesday 18th July 2018 by RFO and Cllr McCarthy

Council's Bank Accounts were reconciled to our Sage system and are in order.

In summary:

£799,384.39	Cash at Bank (as of the 30 th June 2018)
- £11,472.22	Creditors
+ £3412.20	Debtors
£791,324.37	Net balance on bank reconciliation

+ VAT owed £686

Minus: £85,142 Accruals

+ used on land purchase £12,847

+ Duplicate payment £1129.24

Minus: £1116 PAYE

Net assets: £719,728.61

Creditors

- AGB Environmental Ltd - £1260 (22/06/18)
- AJ King - £48.00 - Additional work on the Cricket pitch (02/06/18)
- Argenta tree surveys - £701.46 (19/06/18)
- BCS - £78.96 - payroll (31/05/18)
- Cambridge Water Business - £808.06 – 6 monthly water costs (18/06/18)
- Cottenham Community Centre - £1300 - Rent (01/04/18)
- CSA - £100.24 (Cleaning equipment) (18/06/18)
- RFO - £10.37 (Expenses) (01/06/18)
- Fen Edge Community Association - £15 - Annual Membership (18/06/18)
- Green & Purple - £60 (01/06/18)
- Clerk - £13.95 - Expenses - (28/06/18)
- Online Playgrounds - £574.20 - part for the swings (27/06/18)
- Assistant Clerk - £58.54 - Expenses
- South Cambridgeshire District Council - £225 Election costs (06/06/18)
- Shire Trees - £1938 – Tree Survey (11/06/18)
- SLCC - £185 – Annual Membership (27/06/18)

- Staples - £31.88 (Stationery items) (13/06/18)
- Watch the Dot - £120 – Website/email domain costs (04/06/18)
- WAVE - £143.46 Sewerage costs (21/06/18) DD

(all of the above invoices have now been paid)

TOTAL £11,472.22

Debtors

- Cottenham Community Land Trust - £90 (invoice 18/12/17)
- Cottenham Sports and Social Club - £3120 (invoice 30/06/18)
- Aerobics instructor - £69 (Invoice 30/06/18)
- Village Hall Hire - £90 (Invoice 20/02/18) but not renting hall until July 18
- Overpower fitness - £43.20 (invoice 30/06/18)

TOTAL £3412.20

18F/276. Insurance

Our insurance is due for renewal on the 10th September 2018

Our current annual premium is: £3357.80

We have sourced 2 quotes as follows:

Zurich (our current insurers) - The annual premium for a 1-year term is £3527.49 including tax. The premium for year 1 if entering a long-term agreement is £3213.91 including tax.

Came and Company - The annual premium for a 1-year term is £4474.

18F/277. Review the Terms of Reference for the Finance, Legal and Administrative committee – Cllr Morris/RFO

FLAC, according to its Terms of Reference, “normally meets quarterly” some of which are to draft a budget and prepare a report for the annual meeting.

We, as FLAC, appear to have, over recent years and for various reasons but without Council’s explicit authority, introduced “mission creep”.

We need to reset this practice for several reasons:

- our Terms of Reference, alongside the Councils’ Standing Orders and Financial Regulations determine the basis on which we operate as a Council rather than as individuals; the FRs and ToRs outline the scope of delegation to FLAC,
- decisions taken at meetings which are not properly constituted – from the calling notice, via agenda and report packs to quorum and minutes, may be unlawful, risking individual responsibility for the consequences,
- our RFO holds a legally defined position with responsibility to the Council and duties laid out in our Financial Regulations; excessive or inappropriate scrutiny undermines that responsibility which could be unlawful interference,

- unnecessary meetings waste everyone’s time, particularly that of our RFO who carries out her duties within 15 hours a week and has also to find time to study for the Clerk’s qualification.

We, and Council, have recently reviewed and endorsed our Terms of Reference, it is time we applied them properly on a quarterly basis focused on a quarterly risk review (updated as necessary) with the occasional extra ordinary meeting to help develop the budget or deal with a truly exceptional issue.

Monthly reports to Council, whether list of receipts and payments to be scrutinised will remain necessary (noting that our Clerk and RFO have duties related to proper invoicing and purchasing procedure) as will monthly management accounts.

Current TORs for information

1 Membership

- a) Membership is 7 members of the Parish Council, including Chair and Vice Chair “ex-officio”
- b) Membership of the Committee shall be determined at the Annual Meeting of the Parish Council and subsequent Parish Council meetings if the need arises.
- c) The Committee shall appoint a Chair by election from members of the Committee at the first meeting in any Council year
- d) The Committee has only Councillors as members

2 Quorum

The quorum necessary for the transaction of any business shall be 3. If the number of Councillors present (not including those debarred by reason of a declared interest) falls below the required quorum

then the meeting shall be adjourned, and business not transacted shall be transacted at either the next Parish

Council meeting or the next meeting of the Committee.

3 Frequency of meeting

The Committee shall normally meet quarterly, as per the calendar of public meetings circulated by the Clerk

at the beginning of the year, as long as there is business to conduct and at such times as the Committee

Chair shall require:

- a) at least one meeting shall be called to draft the budget for the following financial year and recommend a precept level to the Parish Council
- b) at least one meeting shall be called to consider the end of year accounts and Audit requirements

4 Notice of meetings

a) ordinary meeting

The Parish Clerk shall call an ordinary meeting of the Committee at such time as agreed by the Committee or the Committee Chair. Agenda shall be available (published on website and all four Parish Council Notice Boards) at least 5 clear days prior to the committee meeting and supporting statements available (published on website) at least 3 clear days prior to the committee meeting.

b) extra ordinary meeting

An extra ordinary meeting can be called by the Chair or two Parish Councillors in writing specifying the agenda item to be discussed. The Clerk must then call the meeting within 14 days publishing the agenda at least 5 clear days before the meeting date.

5 Minutes of meetings

Every meeting of the Committee shall be minuted and the minutes formally agreed by the Committee at its next meeting. The draft minutes shall be published (clearly marked "draft, subject to amendment") on the website within 3 working days and a copy sent to the Cottenham Library also within 3 working days.

6 Areas of responsibility

The Finance, Legal & Administration Committee has delegated authority to:

Policy & Regulation

- a) review the Financial Regulations at least annually, recommending any amendments to the Parish Council
- b) review the Standing Orders at least annually, recommending any amendments to the Parish Council
- c) recommend, and produce where necessary, policy documents for adoption by the Parish Council
- d) ensure that the Parish Council meets its internal and external audit requirements and receives and considers internal and external audit reports
- e) respond to consultations and requests regarding financial or legal matters

Financial Strategy & Planning

- f) formulate medium and long term financial strategies
- g) prepare a rolling 4-year plan to be reviewed quarterly
- h) submit to the Parish Council consolidated estimates of income and expenditure for the next financial year so as to recommend budgets and the required annual Precept

Financial Review & Monitoring

- i) review the accounts and estimates as necessary throughout the year
- j) review and make prioritised recommendations on the financial implications of any matters raised by Committees and Working Groups
- k) monitor quarterly expenditure against plan, including any necessary detailed reconciliations

Assets, Risk & Insurance

- l) ensure the Asset Register is properly managed and up to date (at least annually and as required)
- m) oversee legal aspects of assets e.g. registration, insurance
- n) conduct strategic Asset Management, including acquisitions and disposals
- o) review the Risk Management Plan, ensuring insurance cover is adequate, at least annually
- p) review and update the detailed Risk Assessment at least quarterly
- q) oversee matters related to Parish Council acquisition or disposal of land and property assets

Contracts & Legal

- r) review terms of existing and proposed contracts and report issues to the Parish Council
- s) provide contract templates for use by Committees, when requires

Office & Employment

- t) ensure appropriate contracts of employment and job descriptions are in place for all employed staff
- u) ensure that PAYE and pension provision are administered in accordance with regulations
- v) oversee office management issues related to finance or services

Information & Communication

- w) review information management and communication and report to the Parish Council (at least annually), including, when necessary, registration of the Parish Council with the Information Commissioner's Office under the Data Protection Act

Donations & Grants

- x) oversee, within an agreed process, requests for donations and grants
- y) follow up outcomes of grants and donations

7 Delegation of powers

- a) The Clerk may spend on any matter (in accordance with the Financial Regulations) deemed as an emergency, up to £5000 in any one quarter and report back to the Parish Council at its next meeting.
- b) When authorised by a Committee vote, the Committee may approve spending, up to 10% of the budget in a quarter on a delegated expense line item without referring to the Parish Council, provided that the Responsible Financial Officer (RFO) is notified.

8 Precedence

The Parish Council's adopted Standing Orders, Financial Regulations and Code of Conduct retain precedence over these Terms of Reference.

18F/278. Banking arrangements

Bank account 1 £150,290.24 (Interest rate 0.2%)

Bank account 2 £349,495.83 (No interest)

Building Society £282,342.84 (Interest rate 0.75) Protection £85,000

In July (not yet reconciled) £177,000.00 was moved from Bank account 2 (current account) to our building Society account.

(Protection £85,000 for bank account 1 & 2 as with same bank)

Building Society Withdrawal rules

- You can withdraw up to £250,000 via a cheque per occasion (maximum two withdrawals a month.)
- It's a 90-day notice account and we can make up to two withdrawals in a month

Debit card

It's called a Corporate Multipay card.

A credit limit is set for each month and the payment is then taken from your account, it is not possible to set a per transaction limit

There is a one-off charge of £50 to set this up and then £4 per month to keep it going.

Forms to apply are on-line

The annual report on the financial position of each bank/building society can be viewed in the links below:

<https://www.cambridgebs.co.uk/media/1628/review-of-the-year-2017.pdf>

<https://www.cambridgebs.co.uk/media/1629/report-and-accounts-2017-digital.pdf>

<https://www.unity.co.uk/financial-profile/>

18F/279. Subject Access Request template and verification process

Draft document sent out separately

18F/280. Document Retention Policy

Draft document sent out separately.

18F/281. Model Publication Scheme

Draft document sent out separately.

18F/282. Annual Asset Inventory check

We have an asset register which we check each year as a basis for our insurance cover.

- This check should identify where a sample of fixed assets physically are and that they appear to be in an acceptable condition.
- To be effective, this check might involve two Councillors checking each asset by taking a dated photograph of the asset with a note of its current location and any cause for concern.
- To focus attention, this first annual check could exclude the Village Hall, Ladybird buildings, land and any asset valued at less than £1,000.

Suggested resolution:

“FLAC delegates Councillors A and B to carry out an inventory of fixed assets valued between £X and £Y and report back to FLAC/Council”

18F/283. Quarterly Risk review

We have a Risk Register that categorises risk into a grouped matrix in which we state how we manage risk:

- day-to-day as users and/or our Officers report /correct issues
- approximately quarterly as Councillors review that the system works satisfactorily
- as a last resort, by insurance

This review should scan the register, focusing on the “Councillor review” column, noting any areas for concern and/or further action.

18F/284. CPS grant – consider accepting offer of £5000 grant repayment due to change of PTCA priorities and applying CPC’s time-limited offer/claim process to future grants exceeding £1000 – Cllr Morris

Under Council resolution 16/263 in December 2016 we made a grant of £5,000 to Cottenham Primary School’s PTCA as a specific contribution towards the cost of providing a cover on their swimming pool; the money was to be drawn from our s.106 Open Space reserve.

We have recently been advised that the PTCA project no longer has the priority it did and there is no certainty as to when or if the project might be started.

We are now exposed under our indemnity to SCDC since the developer who provided the funds has the right to reclaim with interest any money not properly spent within ten years of the s.106 agreement for Racecourse View.

We have recently received a letter from the PTCA explaining the lowering of their priority for this project with no certainty as to if or when it may start; the letter includes an offer to repay the grant on our request.

As we can use the money properly within the 10 years and they cannot be certain to do so, I don't think we have any choice but to accept their offer to refund us.

It also allows clearer assessment of any future application by them.

Suggested resolutions(s):

"RFO to accept the PTCA offer to repay the grant of £5,000 made towards funding of a swimming pool cover at CPS, waiving any interest that may be due, so the funds can be applied properly within the s.106 indemnity time limits."

"RFO to apply our formal time-limited offer/ claim process on all further grants above £1,000."

18F/285. Payment to Hayden Arboricultural Consultants Ltd

Copy of Invoice sent out separately.