

COTTENHAM PARISH COUNCIL

AGENDA REPORTS PACK

Finance, legal and administration committee
22nd October 2014

DRAFT MINUTES

Cottenham Parish Council Finance, Legal and Administration Committee Minutes

Held in the Parish Office, Community Centre, 250a High Street, Cottenham
On Wednesday 24th September at 7.15

Present: Cllrs Young, Morris, Heydon, Bolitho, RFO

14F/014. Chairman's introductions and Apologies – Cllr Mudd

Consideration was given as to whether we had enough Councillors present for the committee to conduct its business but agreed that we were in Quorate having referenced the Terms of Reference document for the Finance, Legal and Administration committee.

14F/015. Standing orders to be suspended- Any Questions from the Public or Press – No public or press present

14F/016. Standing Orders re-instated- Declarations of interest – To receive disclosures of pecuniary and non-pecuniary interests from Councillors on matters to be considered at the meeting – None

14F/017. Risk assessment – Cllr Morris handed out a template document for examining and analysing the risks faced by the Parish Council. Cllr Heydon suggested a risk assessment around Legionnaires. It was agreed for members of the committee to consider this document and make suggestions within the next 2 weeks. Cllr Morris will collate this information and bring to the next committee meeting on the 22nd October 14. To then be taken to the early November meeting for approval by the full council.

14F/018. Grant/S137 applications from April 2014 – Feedback from the RFO stating that we have had a number of acknowledgements and thanks from those people who received grants from the Parish Council this year but not from all. The process for grant applications is underway this year and has been publicised. RFO to advertise the grant deadline (24th October 2014) on the notice boards in the village.

14F/019. Financial regulations review – Cllr Morris and Heydon are looking at the newly publicised financial regulations guidance document to make sure that this is considered in our own Financial regulations document. Some procedural points raised and needing consideration are the checking of bank reconciliations by a Parish Councillor on a regular basis and when the signatories sign cheques in full council meetings they should have the invoices relating to them to hand.

14F/020. Banking arrangements –The RFO has recommended that the council does not proceed with applying for the agreed bank/building societies at the current time. This will ensure that should major project work go ahead that there are no issues with cash flow or concerns about money being tied into notice period accounts and not readily available. The recommendation is to see what the situation is following major project work and decide how to proceed at this time.

Resolution to keep the Parish council funds in their present arrangement until major project work is undertaken and the situation can be reviewed -**RESOLVED**

14F/021. Utility supplier – Three electricity quotes for the Parish council obtained and presented to the committee: EON, Utility Warehouse and (Scottish Southern Energy) through LSI utility brokers. Based on quotes obtained the council decided to change electricity providers to Scottish & Southern Energy (through LSI utility brokers)

Resolution to change electricity provider from EON to Scottish Southern Energy through LSI utility brokers based on the best of three quotes obtained - **RESOLVED**

14F/022. Insurance – Resolution to accept a retrospective authorisation to renew insurance with Came and Company based on a premium for the year of £4859.26 – **RESOLVED**

14F/023. Changing rooms – to receive a project update – Cllr Morris spoke about the Changing rooms project and provided a cash flow analysis. At the extraordinary meeting on the 30th September 2014 the Parish council will be asked to consider and agree to allow for no less than 3

and up to six companies to tender for the 2nd lot (Rest of the building work (external)) and 3rd lot (fit out). Need to be mindful of VAT registration.

Resolution to seek accountancy support for the procurement strategy for the changing rooms and skate park – **RESOLVED**

14F/024. Review timetable – RFO presented a suggested schedule of reviews which the council approved - **RESOLVED**

14F/025. Recording/filming of committee meetings – The council's standing orders are to be reviewed in January; the document will be amended to comply with new legislation.

14F/026. Update of Skate park project – Cllr Morris spoke about the Skate park project and the cash flow analysis

14F/027. Staffing Committee – The Standards committee are to be asked to consider staffing. Cllr Young will speak to perspective chair of the Standards committee.

14F/028. Bike to work project – Resolution to approve the Parish council registering with the Bike to work scheme to be available for Parish Council employees – **RESOLVED**

14F/029. Budget planning – The committee has asked for all other committees to submit an application with their budget plans for the next year 14-15 by 31st October 2014. The RFO asked to email the chair of each committee to make them aware of this.

Resolution for the RFO to send out a request to the chair of each committee for their budget plans and income expectations for 2015-16 to be received by 31st October - **RESOLVED**

14F/030. Commercial dishwasher for the Village hall – Ask Community, Leisure and Facilities committee to put Commercial Dishwasher on their budget proposal with a recommendation.

14F/031. Microwave for the Village hall – Resolution to approve purchase of microwave subject to compliance with financial regulations (three quotes to be obtained by the RFO) - **RESOLVED**

14F/032. Exclusion of public – To exclude the public from the meeting because of the confidential nature of the business to be discussed.

14F/033. Contract for grounds maintenance (closed item)

14F/034. Village hall cleaning contract (closed item)

14F/035. Matters for consideration at the next meeting –

Risk assessment update

Financial regulations update

14F/036. Date of next meeting – Wednesday 22nd October

14F/037. Close of meeting – 22.15pm

Signed _____ (Chair) Date _____

FLAC agenda items

14F/042 Update and Review of Risk Assessment

This addresses the auditor's remarks about our overdue risk assessment.

These have now been reviewed (see Risk Assessment 141017):

- Format now separates risks to:
 - buildings and property
 - public money, and
 - people
- Risk list has been updated to include new Changing Rooms etc
- Risks have been assessed (High/Medium/Low) for both likelihood and consequence
- Risk management aspect now separates:
 - day-to-day compliance measures by Clerk or RFO (or users)
 - oversight measures by Council or relevant Committee
 - consequence mitigations through contracts, insurance or reserves
- Known deficiencies and possible remedies highlighted so budgets etc can be allocated

Prepared by Frank with input from David

Recommendation

- FLAC to adopt, with amendments where necessary, and propose adoption by CPC

FLAC agenda items

14F/043 Update and Review of Financial Regulations

NALC have recently introduced updated Financial Regulations which broadly include:

- Relevant rules to cover partial budget delegation to Committees
- Extend rules to provide for internet banking
- Tighten financial controls, especially around purchasing, payments and reconciliation
- Customise to our organisational structure and/or practice

These have been tabulated, highlighting differences with current (see FinRegs141017):

- Text highlighted in red to show differences or areas requiring further review
- Observation / Recommendation column states whether:
 - Text is identical and recommends adoption “as is”
 - Text is equivalent but may require review/revision before adoption
 - Text is additional and requires additional review before adoption
 - Text appears irrelevant and can be deleted

Prepared by Frank with input from David and RFO

Recommendation:

- FLAC to adopt, with amendments where necessary and propose adoption by CPC

FLAC agenda items

14F/051 Consideration of additional accounting support for RFO

If approved in the coming months, the Changing Rooms and SkatePark contracts will present additional challenges in managing our accounts and cash flow:

- Registration for VAT
- Monthly cycle of:
 - Invoice received
 - Grant claims calculated and made
 - VAT reclaims calculated and made
 - Invoices settled
- Monthly reporting, via Sage, of contract payments, cash flows and key balances to FLAC

These, if managed tightly, can yield significant cash flow benefits for CPC and reduce interest “penalties on our savings account.

The preparation of this reporting and management overlaps in time with our budget-setting cycle.

Additional professional support appears necessary

Prepared by Frank with input from RFO

Recommendation:

- RFO to request estimate for above scope of work from existing accountants so that estimate can be included in the NCR initiation proposals to be set before CPC in November.