

AGENDA PACK
Finance, Legal and Administration committee
Tuesday 26th February 2019

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 Lane, Cottenham on:

Tuesday 26th February 2019 at 7.30pm

AGENDA

All Parish Council Meetings are open to the Public and Press

19F/017. 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.*

19F/018. 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).*

19F/019. Minutes – To resolve that the minutes (circulated to members) of the Finance Committee meeting held on Tuesday 29th January 2019 be signed as a correct record.

19F/020. 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.

19F/021. Review the Management Accounts for January 2019 – RFO

19F/022. Review of the monthly bank reconciliation (to 31st January 2019) – RFO & Cllr McCarthy

19F/023. Consider appointing Green and Purple Ltd to produce our Year-end accounts – RFO

19F/024. To consider and adopt draft 'Internal Controls' document - RFO

19F/025. Review Finance Model for Village Hall and Nursery – Cllr Morris

19F/026. Review section 4 of the Risk Register – Cllr Morris

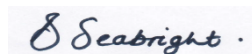
19F/027. Pension arrangements as from April 2019 - RFO

19F/028. Consider a plan for the Kebab van in light of future carpark extension and building works
- RFO

18F/029. Matters for consideration at the next meeting

18F/030. Date of next meeting –

18F/031. Close of meeting –

 Debbie Seabright

Debbie Seabright – RFO

21/02/19

Right Side Entrance, Community Centre

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

19F/019

Cottenham Parish Council

DRAFT MINUTES of FLAC Meeting

Held at the Village Hall, Lambs Lane, Cottenham:

On Tuesday 29th January 2019 at 7.30

Present: Cllrs: Bolitho, Collinson, McCarthy, Morris, Smith (Chair), Wilson, RFO

19F/001. Chairman's introductions and Apologies – Cllr Young (Absent)

19F/002. 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 –

19F/003. Minutes – Amendment to item 18F/319 after the words The committee 'subject to the above changes' was added. Amendments to Item 18F/321 where the words less than have been amended to 'not more than' and '£60 per' head was deleted. After the words as not all 'the participants' was added. The Guide Guides was amended to 'Girl Guides'. Resolution that subject to the above amendment's, that the minutes from the Finance committee meeting held on Thursday 29th November 2018 be signed as a correct record – **RESOLVED**

19F/004. 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*

19F/005. Management accounts for December 2018 – Cllr Morris has asked the RFO to check the two figures in the Public Art line (£828 and £827) as its likely there is a duplication. Cllr Smith has asked the RFO to check that the formula on the spreadsheet regarding total expenditure in all categories is working as there is a discrepancy between this figure and the figure in the balance sheet. It was noted that there is an overspend in the changing room maintenance budget (due to unforeseen repairs). Otherwise the committee were satisfied that the management accounts are an accurate record.

19F/006. Review of the Bank Reconciliation to the end of December 2018 – The RFO and Cllr McCarthy completed a bank reconciliation earlier on in the month (14th January 2019). The committee were satisfied that the Bank reconciliation is an accurate record.

19F/007. Consider end of year Accruals and Reserves – The committee understood the current position regarding our accruals. The Dissenters grant will probably have been claimed by the end of the financial year, the Land purchase has taken place and the RFO to check that all additional work has been accounted for. The Neighbourhood plan unused grant is to be returned to them (£3443). Pavements project has been completed but not yet invoiced.

19F/008. Review Finance Model for Village Hall and Nursery – We have applied to the Ministry of Housing, Communities and Local Government for the borrowing power to take a loan of up to 2.8 million over up to 30 years for the Village Hall and Nursery projects. A more detailed report will follow as more information is received.

19F/009. Consider appointing Heelis and Lodge as our Internal Auditor – RFO has been quoted £420 (no VAT) by Heelis and Lodge to complete our 2018/19 Internal Audit. The committee recommends to full council that we appoint Heelis and Lodge as our internal auditor.

19F/010. Review Section 3 of the Risk Register – The committee reviewed section 3 of the risk register, risk reference PM6 recommends we limit exposure to any one bank or building society (We currently have three accounts from only two banks) the committee have asked the RFO to research additional bank accounts.

19F/011. Consider Tyrannochorus grant request under community chest fund – Cllr Smith declared a non-pecuniary interest and did not take place in the discussion. Tyrannochorus are a local singing group. Recent legislation in rules relating to children means that the group need funds to train parent volunteers and leaders. The amount requested is £240. Resolution to recommend approval of the grant to full council for £240 from our community chest fund - **RESOLVED**

19F/012. Consider Over Day Centre grant request under community chest fund – Over Day Centre have requested financial support to continue their work at the day centre. They currently have two Cottenham residents who use the day centre. They have not specified an amount of grant requested. Resolution to recommend to full council that we donate £100 towards the running cost from our community chest fund - **RESOLVED**

19F/013. Consider updates to the Asset Register – Cllr Kidston has recently been checking through our asset register and has taken extensive photographs of most items. The committee agreed to the following changes: - Under the Land section - Coolidge Gardens, Dunstal Field and Victory Way to be removed. Under Grounds Equipment - a basketball net to be added. The Notice Boards needs amendment from four to six. Two recently purchased road signs to be added with a value of £500. Flood kit to be added with a value of £2000. Inclusive orbit to be removed.

19F/014. Matters for consideration at the next meeting.

- Review of monthly management accounts
- Review of monthly bank reconciliation
- Section 4 of the risk register.
- Kebab Van and plan for when carpark is extended
- Finance Model for Village Hall and Nursery.

19F/015. Date of Next meeting – Tuesday 26th February 2019

19F/016. Close of meeting – 21.14

Signed _____ (Chair) Date _____

19F/021.

Management accounts for January 2019 sent out separately.

19F/022.

Bank Reconciliation

Reviewed 12th February 2019 by RFO and Cllr McCarthy

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

In summary:

£462,419.55	Bank account 1
£191,775.67	Bank account 2
£157,076.29	Bank account 3
£811,271.51	Total Cash at Bank (as of the 31st January 2019)
- £88,786.28	Creditors (of which £5 is the Multipay card)
+ £6397.20	Debtors
£728,882.43	Net balance on bank reconciliation

+ VAT owed £15,182

Minus: £80,642 Accruals

Used (+ £14,253 on Land Purchase and 13,000 on Community Centre grant)

Leaving £53,389

Minus PAYE: £897

Minus: Other Creditors: £2406.00 (Duplicate payment to King and Co re Land Purchase)

Net assets: £687,372.43

Creditors

- AGB Environmental Ltd £1864.80 (30/02/19)
- AJ King - £3800 (20/01/19) usual monthly cost, plus additional work £156 (20/01/19)
- A Mappedorum - £909.60 (14/01/19) New lights and fitting for Christmas lights
- Browns of Burwell - £619.30 (02/01/19) Oil for rec ground
- BCS - £56.76 (31/12/18) Payroll/Pension
- Calor gas - £17.99 (16/01/19) standing charge
- Cambridge Van Leyden £19,200.00 (17/01/19 & 31/01/19) Work on Village Hall & Nursery design
- Caprari - £264 (17/01/19) Routine inspection of pumps
- Dependable Trading Ltd - £63.95 (16/01/19) Light Bulbs
- Greater Cambridgeshire Shared Planning - £144 (31/01/19) copies of Local Plan
- Clerk - £19.80 (31/01/19) Mileage
- Shred Station - £48 (31/12/18) Shredding service
- SLCC - £180 (28/01/19) Training costs
- Staples - £66.58 (10/01/19) stationary
- Three Mobile - £5 (16/01/19) Phone top up

- Tindall Security - £312.00 (27/12/18) Annual check
- Watch the dot - £12.50 (22/01/19) Website support
- Wilby and Burnett - £61,041.00 (31/01/19) 50% charge for Village Hall/Nursery designs

TOTAL £88,781.28

Debtors

- Cottenham Sports and Social Club - £3120.00 (31/12/18) Quarterly rent (now paid)
- Persimmon - £3241.20 (22/01/19) (now paid)
- Village Hall Hire - £36 (25/01/19)

TOTAL £6397.20

19F/023.

Year-end accountancy arrangements

Green and Purple Ltd have been contacted and have given a quote of £900 + VAT for Year-end accounts, support with Internal Audit paperwork and setting up the new Management accounts spreadsheet for the next financial year.

It had been held at £800 for the last 3 years.

19F/024.

Draft 'Internal Controls' document

DRAFT Internal Controls

Legislation

Regulation 4 of Accounts and Audit Regulation (2003) required audited bodies to conduct a review at least once a year and publish a statement on internal control (statement of assurance) each year with the financial statements. The amended regulations in 2006 came into force 1 April 2006. Two of the amendments have an impact on process for preparing the annual statement of assurance. Regulation 4 requires findings of the review of the system of internal control to be considered by a committee of the body, or members of the body meeting as a whole. Regulation 6 requires bodies to review the effectiveness of their system of internal audit once a year and for the findings of the review to be considered by a committee of the body, or by the body as a whole, as part of consideration of the system of internal control referred to above (Reg 4). Taken together these amendments necessitated a revision of the guidance issued.

Single document covering Internal Controls

Two members of staff are involved in the finance arrangements for Cottenham Parish Council

- Responsible Finance Office (RFO) & Clerk

We have a Finance committee (FLAC) which meets on a monthly basis (except for August)

Receipts

Precept payments and VAT refunds are received via BACS system direct to Bank account. The Precept is received in April and September and the VAT on a monthly basis.

Payments received for recreation ground facilities, pavilion hire and related income, village green hire or grants are paid in to the relevant bank account by BACS, Cheques (by post), or Cash.

Expenditure and Payments

Internet banking

- BACS payments are processed by the RFO and reported to Full Council.
- Once BACS are verified at the Full Council meeting, two signatories will authorise payment via Unity Trust Bank online and the invoice for each payment should be initialled.
- Cheques are drawn up against invoices and recorded electronically. Two signatories are required for each cheque, the invoice should be initialled.
- Standing orders and Direct Debit mandates are signed by two signatories.
- VAT payments are accounted for separately
- Section 137 spending is accounted for separately.

Payroll/Pensions

Cottenham Parish Council have employed a company to carry out our payroll and pension arrangements. The staff have pensions with Legal and General. The RFO informs the payroll company of any additional hours carried out by staff. The pay to employees/Tax and National Insurance/Pension is verified at the Full council meeting and payment for staff is arranged for the last day of the month and Tax, National Insurance and Pension on the appropriate dates.

Signatories

Signatories list attached to this document (**Appendix 1**)

All current accounts are any two signatories to sign. Clerk and RFO are NOT signatories

Multipay card – Clerk, Assistant Clerk & RFO have access to a Multipay card, with a £300 a month limit. PIN numbers held by cardholders only. Monthly fee of £3 applies.

Responsibilities and Delegations

The clerk is the Proper Officer and we have employed a Responsible Financial Officer for the Parish Councils, as defined in the Local Government Act 1972.

Delegations policies exist for delegating financial decisions to clerk/RFO/Committees in certain circumstances and as stated within Financial Regulations

Delegations are given by Full Council to Committees or individuals for projects with time constraints

Accounts:

Current accounts:

Select account with Unity Trust Bank (9 Brindley place, Birmingham, B1 2HB)

Savings accounts:

Unity Trust deposit account
Cambridge Building Society

End of year

The RFO with support from our accountant will prepare all end of year figures and Audit for the parish council. This will be reported to both FLAC and Full council.

Internal audit

The current Internal auditor is Heelis and Lodge who visits once a year to carry out our internal audit. Our external auditor is PKF Littlejohn.

Financial statements

Monthly reports/Management accounts provided at FLAC and Full council meetings.
Monthly bank reconciliations made to all accounts by RFO and checked by named parish councillor and reviewed at FLAC and Full council.

Standing orders and Financial regulations

Reviewed annually

Model code of conduct

July 2012
Amended 2015
Review annually.

Role of Finance Legal & Administration Committee

See Terms of Reference - (To be up-dated as changes occur, and reviewed by Finance Legal & Administration Committee)

APPENDIX 1**SIGNATORIES as at December 2018**

Cllrs Dewey, Kidston, Morris, Mudd, Nicolas, Ward, Young

19F/026.

Review section 4 of the Risk Register – copy of risk register sent out separately

19F/027.

Pension arrangements

Current contribution arrangements as of April 2018 2% Employees and 3% Employers

We are on a Tier 1 scheme and have phased contributions:

The final increase in contributions is due to start as of 6th April 2019 where the increase will be 3% from Employees and 5% from Employer