



WINTERTON-ON-SEA PARISH COUNCIL

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Chairman: Mark Bobby, Vice-Chairman: *Vacant*

Responsible Financial Officer & Chair of Finance: Dawn Clegg

Clerk to the Council: Jolene Towne

Finance Committee meeting of Winterton-On-Sea Parish Council, held at the Village Hall at 6:30pm on Thursday 21st March 2024.

MINUTES

1. **Present were:** Parish Clerk J. Towne and Councillors M. Bobby (Chair of Council), M. Carr, D. Clegg (Chair of Finance Committee), N. Coe, L. McMahon, and J. Smithson
No members of the public attended.
Cllr. E Punchard had submitted apologies to Chair of Finance. The meeting was quorate for all decisions taken. The chair welcomed all and thanked them for attending.

2. **Declarations of interest.**

No pecuniary or non-pecuniary interest on any item on the agenda was declared.

3. **Minutes of previous meeting**

- 3.1. The minutes of the Finance Committee meeting 10th December 2023 were APPROVED as accurate and reflect the record of that meeting and its decisions.
- 3.2. The Action Log from that meeting was reviewed. All actions except 10-12-23/F4 were closed as completed with further detail as listed below if required:
07-06-2023/F2 Beach Cleaning Proposals is complete with the additional expenditure at Item 7.1.4 below;
07-06-23/F6 has been undertaken by J. Towne and is held securely; additionally, she is developing a business continuity plan for the Parish council which will include these measures.
10-12-23/F3 is discussed at item 5.2 below as the meeting has taken place.
10-12-23/F4 will now be undertaken as a project in the 2024-25 financial year – budget available but may need to increase if council decides on enhancements.

4. **Accounting Processes from Financial Regulations**

- 4.1. Cllr. Clegg led the review of the receipts and expenditure against budget for year to end February 2024 report. Over and under spends against budget lines were discussed: the committee is assured that expenditure in all areas where a budget line was overspent had been agreed at full council meetings; the largest proportion of the underspend was due to not employing a parish clerk until November 2023 – with all associated budget lines for salary, NIC, overtime, pensions, mileage, etc. However, it must be remembered that, thanks to both Cllr. Clegg (for village hall) and Cllr. McMahon (for allotments), the income from the hire of those facilities was higher than budgeted and helped offset the higher expenditure than budgeted on maintaining both those facilities.
When taking into consideration the projected payments and receipts for March 2024, Cllr. Clegg predicted that there will be around £7,000 that was not spent from the budget. However, this cannot be 'carried forward' at the end of the financial year to the next year's budget (2024-25) in any way, the new financial year is a new start.
Council's running costs are covered by the budget including projected income and the precept: reserves will start with the money that the council holds in the bank where the most accurate figure will only be known after 31st March 2024 but the next full council meeting on 27th March 2024 will have a more accurate estimate.

- 4.2. The Bank Reconciliation to end February 2024 was reviewed by the committee and is recommended for approval at the next full council meeting. Cllr. Smithson (who is not the Chair, nor any bank signatory, nor the RFO and/or the Clerk) verified against bank statements and payments/receipts and signed the bank reconciliation as confirmation of his agreement. Cllr. Smithson has supplied this internal control throughout this financial year.
- 4.3. The committee reviewed Banking arrangements, mandate and signatories and recommend to full council that the bankers remain unchanged. The Clerk, J. Towne, has been added as 'key contact' and may load payments for authorisation and transfer funds between current and savings accounts, but cannot authorise payments. The 3 councillors who may authorise payment are: Cllr. Clegg, Cllr. McMahon and Cllr. Coe. This committee recommends that those arrangements are approved by full council.
- 4.4. Cllr. Clegg and J. Towne confirmed that all invoices received to date have been examined, verified and certified according to our Financial Regulations. There were no unpaid, withdrawn or refunded invoices. Cllr. Bobby has reviewed and signed invoices presented this quarter.
- 4.5. The list of regular payments (for 2023/24 was reviewed, noting that salaries, Norfolk Pensions and HMRC have been added for completeness: these are paid by BACS, not direct debit, as amounts (may) vary but those authorised to make payments should ensure they appear in the monthly payment run. **A further list for 2024/25 will be established for full council to approve at the parish council's AGM in May.**
Action: J.Towne

5. Housekeeping

- 5.1. The list of supplier details was reviewed – it is a summary of all payments made from the bank account and can be cross-checked to monthly payments, bank accounts and the regular payments. This is a confidential list for councillors only, and the committee examined it to ensure there were no unexpected/unexplained entries.
- 5.2. This Finance Committee reviewed charges and rentals for 2024/25 with review dates as listed below:
- Allotments: 2025 charges have been set by full council. Rental is from 1st January each year and amounts are reviewed in October/November; our rate is very competitive when compared with neighbouring parish council charges.
 - Village Hall: rates have been set until 1st January 2025 and are reviewed in October/November: our hire rate remains competitive.
 - Recreation Ground and changing rooms: at present there are only 2 hirers, the established cricket club and a recent Sunday football club on a trial basis (which has been severely impacted by the weather and poor drainage of the field) With the withdrawal of the Concurrent Functions grant for grass-cutting, the cricket club has agreed to make a contribution to the additional cuts that they require. Cllr. Clegg proposed and this committee recommends that the cricket club is invoiced twice yearly: in April for rental, which has been increased in the next financial year, and in October for grass-cutting. Both will be reviewed in October/November when costs are fully established after monitoring. The football club will continue on an ad-hoc basis as the committee believes improvements need to be made to the recreation ground before offering it to further renters.
- 5.3. The Statement of Internal Control was reviewed and, although found to be lengthy, no changes were required. It is recommended to full council for approval.

5.4. The documentation potentially required for the Internal Audit was reviewed by the committee resulting in the following recommendations to full council:

- Any hard-copies of payslips provided to have addresses and social security numbers redacted;
- Standing Orders to be reviewed as a matter of urgency;
- General Risk Assessment (Council Operations) to be reviewed urgently;
- The Finance Committee performs the role of Internal Control Officer

The following **actions** arose:

- **VAT Claim from November 2023 – current date to be undertaken in April J. Towne**
- **Determine if it is possible to maintain confidential records on Scribe. Cllr. Clegg**
- **Determine how to reflect y-t-d tax and pension contributions (and employer's contributions) on payslips. J. Towne**
- **P60 for staff to be run by end April 2024 J. Towne**
- **Provide summary explanation of S137 to all councillors for clarity. Cllr. Carr**

Cllr.s Clegg and Bobby gave permission for their telephone numbers and email addresses to be provided to the Internal Auditor.

6. 2023-24 Budget review, revision and virement

- 6.1. The Committee reviewed the anticipated payments and receipts for March 2024 (incorrectly described on the Agenda as March 2023, Cllr. Carr apologised) noting that the list was already out of date with items recently arising but provided a basis for the ensuing discussions.
- 6.2. The Committee considered the earmarked reserves in the 2023-24 budget and determined that the following should not be carried forward to 2024/25:
- Grass Cutting (no longer required)
 - Playground Refurbishments (not required)
 - Winterton Workshop (no longer planned)
 - Branding Signs (not used)
- This releases £8,500 from earmarked reserves.
- 6.3. This committee considered the y-t-d figures presented (at item 4.1) and with reasonable estimation of the forthcoming month of March (at 6.1 plus estimated additional spend) and recommends to full council that there are no further virements or significant actions arising from the 2023-24 budget. The budget will 'close' at the end of March for presentation to the Internal Auditor. Recommendations for the next year's budget are presented under Item 8 below.
- 6.4. No amounts need to be moved between current and savings accounts beyond the normal 'flow' of funds to ensure sufficient in the current account to cover payments with the balance held in savings to optimise interest payments.
- 6.5. Additional spending was identified for March in this meeting (subject to full council approval) but without likely impact to the year-end final bank reconciliation.
- 6.6. This review is for year-end purposes and in preparation for the Annual Governance and Accountability Return. The Committee is satisfied that the 2023-24 financial records, including the budget, are and have been accurately reported and recorded.

7. Consider recommendations to council to authorise expenditure against proposals,

7.1. The Committee made the following recommendations for expenditure in the 2023-24 budget (expenditure by 28 March only):

- 7.1..1. D-Day celebrations (hire of beacons) – the invoice to be presented for payment in March will exceed the budgeted amount, but has no detrimental effect;
- 7.1..2. There will be no expenditure on changing room repairs in March;
- 7.1..3. Approve a grant of £250 to Winterton (Norfolk) Trust Fund;
- 7.1..4. Approve receipted purchase of materials of circa £250, from authorisation granted by Cllr. Clegg as Chair of Finance, to repair the storage facility from Beach Cleaning (Concurrent Functions).
- 7.1..5. A final invoice for this year is expected for grass-cutting.

Action: Cllr. Clegg to ensure this invoice is presented before full council meeting.

Action: Due to the Easter bank holidays, payments approved by full council on 27th March 2024 to be authorised that evening. Cllrs. Coe and McMahon

8. 2024-25 Budget & Precept

8.1. Cllr. Clegg confirmed that the precept and remaining concurrent functions (now formally awarded) plus the planned ('budgeted') income meets the 2024/25 budget needs.

However, the 2024-25 budget needs an amendment as the percentage that the council contributes to the Norfolk pension scheme for staff was incorrectly assumed (Cllr. Carr apologised) and is higher than was assumed. An extra £800 is required to be added to that budget line. The budget is still fully paid by the income described above but leaves only £16 in surplus with that addition. Finance Committee is reminded that the budget is now very tight and will need careful monitoring over the coming year. The committee recommends that full council accepts this amendment as it is a statutory obligation for the council.

8.2. Cllr. Clegg confirmed that there are sufficient funds available in General Reserves (incorrectly described in the agenda as sinking funds, Cllr. Carr apologised) to continue normal council operation until payment of the first half of the precept in April 2024.

8.3. The Committee took some time to consider allocations of reserves drawing on the draft list of projects for 2024/25, discussions arising in this meeting and the previous allocation of reserve funds to make recommendations to council (and to facilitate the Annual General Meeting planning). The following recommendations were made:

- 8.3..1. The General Reserve figure of £27,000 has not changed since 2020-21. This is meant to cover general running costs of the council for 'x' months, in the event that there is no income for whatever reason – it does not cover any costs arising from any emergency.

Action: Determine the average running costs per month – cannot use 2023-24 as a basis as staffing was incomplete – for council/this committee to determine the number of months to cover and re-evaluate this figure going forward. Cllr.s Carr and Clegg

- 8.3..2. The council should implement annual surveys for all the facilities it manages – this may require professional advice – in order to plan a maintenance schedule to reduce problems arising, described as a "Preventative Maintenance Regime". This is reflected in suggested apportionments of reserves below.

- 8.3..3. The Parish Clerk has circulated an application form for grants (based on one that many charities use) for councillors to approve for use – this committee recommends its use, but notes that financial information should only be required for larger amounts, tbd.

8.3..4. The recommended apportionment of reserves is tabulated as per attachment to these minutes (councillor information only until agreed).

The full council meeting will receive a more accurate indication of the end-of-year bank balance using the March receipts and payments for authorisation as presented to each Council meeting.

9. Any other Business.

Any other business/actions for future meetings was discussed in this meeting.

10. The date of the next meeting

The committee AGREED that the next meeting of the Finance Committee will be held on 12th June 2024 in the Village Hall, noting that for the purposes of internal and external year-end audits this committee *may* need to be available for an extraordinary meeting before then.