

## NORTHWAY PARISH COUNCIL

Minutes of a meeting of the Finance Committee held on Monday, 13<sup>th</sup> January 2020, held in the Ray Shill Room at Northway Community Hub, commencing at 7.00pm.

Present:                    Cllr J Roberts (Chairman)                    Cllr Mrs P Godwin (Vice-Chairman)  
                                 Cllr E Phennah                                    Cllr G Shelton  
                                 Cllr Mrs S Terry                                   Cllr S Ward

In Attendance:            Mrs C Woodward, Clerk of the Council

### FIN/01/20 Apologies for Absence

Cllr MacTiernan tendered her apologies. No further apologies for absence were received.

### FIN/02/20 Declarations of Interest

No declarations of interest, as required by the Code of Conduct adopted by the Parish Council on 1<sup>st</sup> July 2012 (Minute Ref C/159/12), including paragraph 12(2), were made.

### FIN/03/20 Minutes of the Previous Meetings

**Meeting that took place on 30<sup>th</sup> October 2019** – Cllr Ward PROPOSED approval of the Minutes of the Meeting that took place on 30<sup>th</sup> October 2019. Cllr Shelton SECONDED.

FOR:                            Cllr Ward                                    Cllr Shelton  
   Cllr Godwin                                Cllr Roberts  
   Cllr Terry

ABSTENTIONS:            Cllr Phennah

**Meeting that took place on 11<sup>th</sup> December 2019** – Cllr Godwin PROPOSED approval of the Minutes of the Meeting that took place on 11<sup>th</sup> December 2019. Cllr Terry SECONDED.

FOR:                            Cllr Godwin                                Cllr Terry  
   Cllr Roberts                                Cllr Shelton  
   Cllr Ward

ABSTENTIONS:            Cllr Phennah

### FIN/04/20 Matters Arising from the Previous Minutes

***FIN/73/19 Northway Community Hub & Parish Office*** – Members received confirmation that a Flagpole had been purchased and installed. Notice was also given that two flags had been purchased, a Union Jack and Parish Council logo.

***FIN/84/19 DCK Accounting Services*** – Members received confirmation that DCK Accounting Services had been contracted to undertake the End of Year Close Down and produce Annual Accounts.

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FIN/05/20 **Financial Requirements for the Year 2020 /2021**

- a. **Draft Council Budget for 2020 /2021** – The Clerk reminded Members that the Accountant, Mr Kemp from DCK Accounting Solutions had visited the office to go through the Budgets that had been put together by the Clerk and various Committees.

The recommended changes were as follows:-

**Cost Centre: 101 ADMINISTRATION 1101 through to 1105 and 1109 through to 1116** (all staff related) were increased. A recommendation was being considered before Christmas that Local Government pay was increased by 10% and although this would not be the outcome an increase was being looked at favourably, so Mr Kemp recommended an increase of 5%.

**Cost Centre: 101 ADMINISTRATION 1124 Subscriptions** – This was increased by £100 as a slight overspend was predicted on the current year's subscriptions.

**Cost Centre: 103 Northway Community Hub** – A slight increase on 1311 Rates to £9,275 and 1314 Electricity to £700 were recommended.

**Cost Centre: 105 Northway Village Hall** – The Clerk had recommended nil budgets for all the utilities as these were currently paid for by the groups who leased the building. Mr Kemp pointed out that because, in the first instance, the Parish Council paid the utilities then recharged the football club there had to be a budget in place. This would be counteracted by the Northway Village Hall – Expenses Recovered heading.

**Cost Centre: 103 Changing Rooms** – Again, as with the Village Hall, a budget needed to be set then it would be offset by the expenses recovered.

The Clerk explained that the original draft budget showed expenditure of £171,237.00, which was slightly lower than the previous year. With the recommended amendments the expenditure amounted to £185,581.00.

Members considered the recommendations that had been made and could see that they were necessary. Cllr Terry PROPOSED that a budget of £185,581.00 should be recommended to Full Council. Cllr Ward SECONDED.

FOR: UNANIMOUS

- b. **Precept for 2020/2021** – Members received information from Tewkesbury Brough Council that the Tax Base for 20/21 had been set at £1,406.72. This had gone down slightly from the previous year's figure of £1,412.92.

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FIN/05/20 **Financial Requirements for the Year 2020 /2021** (continued)

This would be a result of extra Council Tax Benefits being claimed in Northway. The Clerk tabled three proposals for consideration:-

**Option 1** - A precept of £185,581 which would allow for all anticipated expenditure to be covered by the precept and it would retain a constant Capital Expenditure Provision (£19,000). This would be an increase of 7.86% (a Band D property would incur a monthly increase of £0.80). This was the option that was recommended by the Accountant.

**Option 2** – A precept of £180,581.00 this was reduced slightly by using £5,000 from Reserves still retaining Capital Expenditure Provision. This would be an increase of 4.95% and for a Band D property would incur a £0.50 monthly increase.

**Option 3** – A precept of £177,081.00 which would still retain Capital Expenditure Provision but would mean using £8,500 from Reserves. This would be an increase of 2.92% and for a Band D property the monthly increase would be £0.30.

Members considered the options and believed it would be best if the Council did not use reserves so the best option would be to follow the Accountant's Advice. Cllr Ward PROPOSED that Option 1, a precept of £185,581.00 was recommended to Full Council. Cllr Terry SECONDED.

FOR: UNANIMOUS

FIN/06/20 **Internal Audit**

The Clerk tabled the Interim Internal Audit Observations provided by Mr Rose from IAC ([Copy circulated to Members](#)).

**A – Appropriate account records have been kept properly throughout the year.**

No	Audit Conclusion	Observation	Recommendation	Priority
1	It was not possible to agree the balances stated on some balance sheet accounts	<i>The balance on account 515 PAYE &amp; NI due does not agree to most recent payroll run. It appears this difference may relate to prior period as April 2019 payment does not agree to the 31<sup>st</sup> March 2019 balance. There is a similar issue with account 516</i>	The Council should review and, if necessary correct, the balances on account codes 515 and 516	High

**Council response – It was believed that this referred to the PAYE from March 2018 not being paid until April 2019 but this would be clarified and amended if necessary**

**B – This smaller authority met its financial regulations, payments were supported by**

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FIN/06/20 **Internal Audit** (continued)

**invoices, all expenditure was approved an VAT was appropriately account for.**

No	Audit Conclusion	Observation	Recommendation	Priority
1	The Council is not using the latest Model Financial Regulations	<i>The Council has not formally reviewed and adopted the latest model NALC Financial Regulations issued in July 2019 (It is understood that these are being subject to review by a Working group prior to adoption by Council)</i>	The Council to review and update its Financial Regulations	Medium
2	The Clerk is not CiLCA qualified	<i>The Clerk is not CiLCA qualified</i>	The Council should consider whether the Clerk should be CiLCA qualified.	Medium
3	Invoices have not been approved in accordance with the Councils Financial Regulations	<i>Invoices have not been 'certified' by Financial Regulation 5.3</i>	The Council must ensure that invoices are approved as required by the Councils Financial Regulations	High
4	Creditor balances are not correct and current	<i>It was noted that there is a debit balance of £1,135 on supplied account "TBC Rates" and £202.80 on TBC – it is possible that invoices may not have been recorded.</i>	The Council should review and verify these creditor balances	Medium
5	Tender threshold is not set at £25,000 consistent with the Public Contract Regulations and NALC Model Regulations	<i>The tender threshold stated in the Councils Financial Regulations is £60,000</i>	Council to review and update the tender threshold	High

### Council response -

1. A Meeting was scheduled for 5<sup>th</sup> February 2020 to go through new Financial Regulations prior to recommendation to Full Council.
2. Training was already included on the Staffing Committee Agenda and CiLCA would be discussed then.
3. Council would ensure that invoices were approved as required by the Councils Financial Regulations.
4. It was believed these creditor balances were showing because direct debits had recently been set up for Trade Waste and Rates with Tewkesbury Borough Council. Rather than putting the figures through monthly the whole sums were put through the books although the funds had not physically left the accounts. This should correct itself at year end. This would be clarified with Accountant.
5. The Tender threshold would be looked at and amended as part of the Working Party Meeting taking place on 5<sup>th</sup> February 2020.

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FIN/06/20 **Internal Audit** (continued)

**C – This smaller authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.**

No	Audit Conclusion	Observation	Recommendation	Priority
1	The Council has not formally Minuted a review of Risk	<i>At the date of the Interim Internal Audit visit the Council had not formally Minuted a review of Risk.</i>	The Council must ensure that it has conducted a review of Risk prior to the end of the financial year	High

**Council response – A review of risk would be undertaken by Council prior to the end of the Financial year.**

**D – The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate**

No	Audit Conclusion	Observation	Recommendation	Priority
1	From a review of the records it was not possible to determine when the Council had formally approved the budget for the year.	<i>The Council did not record the approval of the budget in the minutes. (The budget was discussed in detail in Finance Committee 23/01/2019). The recommendation of the Finance Committee was accepted by Council.</i>	The Council, as a body, must ensure that it formally approves a budget, prior to setting the precept.	High
2	The Council has not formally minuted consideration of the points raised by the External Auditor in their report	<i>External Audit reported 19 September 2019 that the Council had not put forward evidence of risk management to external audit as part of the intermediate review. The Council noted in the minutes 9 October 2019 item C/210/19 receipt of the external audit report/certificate. However the minutes do not record Council discussion of the points raised by the External Auditor.</i>	The Council MUST ensure that it minutes consideration of reports of the External Auditor.	High

**Council response-**

- 1. It was anticipated that the Council would receive a recommendation from Finance Committee to approve the budget at their Extraordinary Meeting on 15<sup>th</sup> January 2020.**
- 2. The Council would review the External Audit Report and formally Minute its consideration.**

**E – Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.**

No	Audit Conclusion	Observation	Recommendation	Priority
1	Precept received does not agree to budget	<i>Precept recorded is 172,820, differs by £1 from the precept approved which was £172,819</i>	The Council should note that the precept received differs by £1 from the precept set.	High

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FIN/06/20 **Internal Audit** (continued)

Council response – It was believed that the precept set did not agree with the precept received as the District Council asked for it to be rounded up to the nearest £10. This would explain the £1 discrepancy.

**I – Periodic and year-end bank account reconciliations were properly carried out.**

No	Audit Conclusion	Observation	Recommendation	Priority
1	Bank statement have been reconciled, and Finance Committee Minutes record review of the bank reconciliations, but the reconciliations and support bank statements have not been initialised as evidence of this review	<i>Councillors review the bank reconciliation but do not currently sign/initial bank reconciliation as evidence of this review</i>	On a regular basis, at least quarterly, bank statements must be subject to formal review. The bank reconciliation statement should be signed and dated and the supporting bank statements initialised as evidence of this review. On a regular basis reconciliations should be reviewed by Council and signed and dated as evidence of this review	High

Council response – In future the Council would ensure that the Bank Reconciliation and the corresponding bank statement was initialised as evidence of this review.

Cllr Roberts PROPOSED the above Council Responses as actions.

FOR: UNANIMOUS

FIN/07/20 **Changing Room**

- a. **Inspection** – The Chairman reported that an inspection had taken place and the condition of the Changing Room was as would be expected. Nothing to report.
- b. **Legionnaires Inspection** – Following advice given to the Football Club i.e. to run taps before use, the TTFC Secretary had confirmed that this would be done.
- c. **Gas Service** – The Clerk tabled a copy of the up to date Landlord's Certificate and confirmation that the gas appliances (two boilers) had recently been serviced.

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FIN/08/20 **Northway Village Hall**

- a. **Inspection** – The Chairman reported that an Inspection had taken place and the condition of the Village Hall was as would be expected. Nothing to report.

It was noted that there had been a request from the Chairman of the Youth Club Committee (Trustees) that the old electric fires were taken off the walls, this would be done at the cost of the Trustees of the Youth Club. Cllr Roberts PROPOSED approval of this as long as it was done by an appropriate, qualified person.

FOR: UNANIMOUS

- b. **Terms of Use** - Cllr Godwin expressed an interest and left the room at 7.45 p.m.

It was noted that a business was running from (not registered from) the Village Hall and this could affect the rating status of the building. Upon discussion the Finance Committee did not believe this to be the Councils' risk as the building was leased by the Trustees of the Youth Club. If they took on any hires that could alter the rating status then it would be their risk and liability. As stated in clause 5.3 of the lease "The Tenant shall pay all rates, taxes and other impositions and outgoings payable in respect of the Premises, its use and any works carried out there".

Cllr Roberts PROPOSED that a letter of observation was sent to the Trustees letting them know that if the building was to become rateable this would be their risk and not the Parish Councils. It should also be mentioned that it was the Trustees responsibility to investigate this possibility.

FOR: UNANIMOUS

7.55 p.m. Cllr Godwin re-joined the meeting.

- c. **Improvements** – Cllr Godwin pointed that she had obtained one quotation for the external doors but was arranging for a couple more. It was agreed to bring this back to another meeting.
- d. **Misuse of Toilets by non-hirers** – Confirmation had been received from the Football Club that players and supporters had and would be informed that they could not use the Village Hall toilets.
- e. **Gas Service** – The Clerk tabled a copy of the Landlord's Certificate following the recent service.

FIN/09/20 **Northway Community Hub & Parish Office**

- a. **Hire of Cleaning Machine** – Members considered the possibility of hiring a machine to clean the chairs. A significant number were not in use due to staining and were piled in the store room. The Clerk added that a figure of approximately £52.00 was expected and it was noted that the Caretaker would do the cleaning within her normal hours. Cllr Terry PROPOSED that the machine was hired for this purpose. Cllr Ward SECONDED.

FOR: UNANIMOUS

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FIN/09/20 **Northway Community Hub & Parish Office** (continued)

**b. Hirers:-**

- i. **Timings** - The Clerk had received a call from a representative of the Brownies to see if the Council would consider asking the group that followed them on a Friday evening (Guides) to start 15 minutes later. This was because at the change over time there was a large gathering in the atrium with the younger brownies leaving and trying to be reunited with their parents and the older guides and parents coming in for their session. There was concern regarding safe guarding as it was difficult to keep an eye on the children because of the number gathering.

Cllr Ward pointed out that due to this request himself and the Clerk had checked the CCTV to see if it was a problem and confirmed that it did appear crowded in the atrium.

Cllr Roberts PROPOSED that the Council ask the question of the Guides and if it was a problem see if a compromise could be arranged.

FOR: UNANIMOUS

- ii. **Unpaid Invoice** – The Clerk explained that a resident had hired the hall back in September 2019 and during the hire the dustpan and brush was damaged. They also over ran the hire by 35 minutes. Hirers were given half an hour each side of their hire to set up and clear away so this was an additional 35 minutes which impacted the Caretaker. The Clerk, therefore, invoiced the resident for the £6.00 additional charge (but excluded the dustpan and brush as this was accidental damage). To date the Clerk had chased this payment at least five times to no avail.

Cllr Roberts PROPOSED that a final letter was sent informing the hirers that the matter was not closed but unless the bill was settled it would influence their ability to hire the hall in the future.

FOR: UNANIMOUS

- iii. **Community Hiring's** – Members received an update relating to Community hiring's which included Mothers in Mind, Book Club, Ex Vet Coffee Morning, Greensquare, Craft Group, Citizens Advice, Church, Carers Coffee Morning, GCC Dementia Training and a new group, HLS, which was a healthy lifestyle group that aimed to help with weight loss and quitting smoking. Members were pleased the building was being used in this way.

- c. **Tables** - The Clerk reminded Members that in a couple of the evaluations there had been a suggestion that there were more round tables. Members felt that two large round tables were not enough and it would provide more options if there were more. The Clerk said they were previously purchased at a cost of £63.90 each, although these prices may have increased slightly. Cllr Ward PROPOSED that two further tables were purchased. Cllr Shelton SECONDED.

FOR: UNANIMOUS

It was also noted that, because the tops of the tables had bolts on show, it would be useful to get tablecloths that could then be hired out and washed if necessary. The Clerk would investigate this further as well as the possibility of some cloths with the NPC logo on them.



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FIN/09/20 **Northway Community Hub & Parish Office** (continued)

- d. **Trade Waste** – It was AGREED to defer this as the Clerk had not managed to obtain comparative prices.
- e. **CCTV** – The Clerk informed members that the CCTV system had crashed before Christmas. Laser Alarms had advised that damage to the hard drive was beyond repair so a new one had to be installed. A cost had not yet been received so would need to be ratified at a later meeting.
- f. **Push-pad Water Flasks** – Members felt that these flasks would be a very useful asset and Cllr Roberts PROPOSED four 5 litre flasks were purchased.

FOR: UNANIMOUS

- g. **Telephone System** – The Clerk reminded Members of the history with proposed changes BT were making to business lines and the fact that the existing contract had now expired. The Clerk had received further information from PC Rescue (IT suppliers) who had investigated this on behalf of the Council which confirmed that BT were not going to be supplying new traditional telephone lines (PSTN) from January 2020, but existing lines were not planned to be phased out until 2025, some providers may bring this date forward. This confirmed that there was no imminent risk of the Council's phone line stopping working. Eventually all PSTN lines would be switched over to VOIP (internet lines) which could cause a problem for the Emergency Plan but some clients of PC Rescue had their VOIP and broadband equipment connected to UPS battery backups.

Cllr Ward PROPOSED that the Council went ahead with purchase of a Sipgate phone (Min Ref FIN/85/19 refers) with the monthly direct debit of £10, but also looking at which was the best contract to be in. Cllr Terry SECONDED.

FOR: UNANIMOUS

- h. **CW Group** – The Clerk tabled the Transfer of Controlled Waste document.
- i. **SK Refrigeration Heating Cooling** – The Clerk tabled the Maintenance Report Sheet which highlighted no problems.
- j. **CW Group** – The Clerk tabled the Transfer of Controlled Waste document.
- k. **Signage for Woodward Close Residents Car Park** – The Clerk tabled a quote for small signs, if required, at £6.00 per reflective vinyl sign. Members felt that the Council had already tried its best to accommodate local residents and this was really a Bromford Housing Association problem too. If Bromford come back and asked for the signs Cllr Terry PROPOSED that they were asked to match fund them. Cllr Shelton SECONDED.

FOR: UNANIMOUS

- l. **Shutter Servicing** – (Min Ref FIN/60/19 refers) It was previously agreed to investigate the legal stance relating to servicing of the electric shutters. Cllr Roberts went through the information provided and, in his email comments at the time he wrote, "Regarding the shutter that the Clerk was asked to investigate and the requirement for servicing, it is hard to

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FIN/09/20 **Northway Community Hub & Parish Office** (continued)

establish if it is actually required by law but it has been established that the appropriate trade association (DNF) recommend that they were maintained as if there was an injury there would be a possibility of prosecution. Additionally, if an injury happened to anyone, I personally would like to have the comfort of knowing that we have followed recommended procedures and advice for my own peace of mind”

Cllr Roberts confirmed that he stood by these comments. After some debate Cllr Roberts PROPOSED that the Council contract Pro-Door for a 1-year contract at £215.00.

FOR:	Cllr Roberts	Cllr Terry
AGAINST:	Cllr Godwin Cllr Shelton	Cllr Phennah Cllr Ward

It was AGREED to review again the following year.

- m. **Evaluations** – Members received two further evaluations which both praised the Community Hub facilities and communication with staff and caretaker.
- n. **Gas Service** – The Clerk tabled confirmation of the Gas service and Landlords Certificate.

FIN/10/20 **Pension Scheme**

The Clerk confirmed that Northway Parish Council had completed a Re-declaration of compliance with the Pension Regulatory under the Pensions Act 2008 on 1<sup>st</sup> November 2019.

FIN/11/20 **General Data Protections Regulations**

The Clerk tabled a response from its insurers regarding Cyber insurance in the event of a data breach. Zurich confirmed that they did not offer a Cyber insurance but if the Council needed to compensate individuals/organisations in the event of a GDPR breach, this would be covered under Public Liability.

FIN/12/20 **Lunch Club**

The Clerk had made enquiries with the insurers regarding the Parish Council taking on responsibility for the Lunch Club. They had responded that *‘in order for the activity to be valid and insured under this policy, you would need to take actions which make you liable for the activity. This would therefore involve the organisation and risk management of the activity. It can either be done directly by the Council or done by someone more involved and then approved by the Council’.*

Members felt that, before this progressed any further, it would be helpful to have a meeting with the person who had shown an interest in taking the Club over (not under the RVS ‘umbrella’). Cllr Ward PROPOSED that Cllr Terry had a talk with the volunteer. Cllr Phennah SECONDED.

FOR: UNANIMOUS

**NORTHWAY PARISH COUNCIL**

FIN/13/20 **Correspondence for Action**

- a. **Public Sector Deposit Fund / Local Authorities Property Fund** – The Clerk tabled information from this group who dealt with investments. Members AGREED not to progress at this stage but felt it would be good to look at some type of account with a better interest to deposit some reserves in.
- b. **C and J Fire Protection** – The Clerk tabled information relating to this firm that provided a fire protection service. It was AGREED to hold on record for future reference.
- c. **RBS Rialtas:**
  - i. Members received details of Fees and Charges for the forthcoming year (£387.00 pa) Cllr Roberts PROPOSED approval of this.  
  
FOR: UNANIMOUS
  - ii. Members considered the benefits of setting up an additional user on the Assistant's computer. Cllr Terry PROPOSED approval of this at an additional cost of £144.00 per annum. Cllr Godwin SECONDED.  
  
FOR: UNANIMOUS

FIN/14/20 **Correspondence for Information**

- a. **Gloucestershire Association of Parish & Town Councils (GAPTC)** – Members received confirmation that the subscription per electorate was rising from £32.49p to £33.2p per electorate for the forthcoming financial year (an increase of 19%)
- b. **Information Commissioners Office** – Newsletter.
- c. **The Utility Supplier** – Members received an offer of assistance from this firm to help manage electricity/gas prices.

FIN/15/20 **Correspondence received after 7<sup>th</sup> January 2020**

- a. **Internal Auditor** – A letter offering the services of Mr Selkirk for the Internal Audit for the year 2019/2020 was received. A previous agreement for a different Auditor had already been made and the Clerk had, therefore, responded to Mr Selkirk with thanks for his previous help but advising that the Council had contracted someone else. Mr Selkirk had also attached a note with concerns that GAPTC had been advising Councils that he had retired and that this was not, in fact, true.

As there was no further business the meeting ended at 8.45pm.