

CHURCH CROOKHAM PARISH COUNCIL

Finance and Policy Committee

Minutes of the Meeting of CHURCH CROOKHAM PARISH COUNCIL FINANCE & POLICY COMMITTEE

Date and Time: 7.45pm Monday 8th January 2024

Place: Acorn Hall, Church Crookham Community Centre, Boyce Road, Church Crookham

Present:

Councillors: Gareth Saunders (GS) (Chair), Bruce Bulgin (BB), Nick Basket (NB), Debbie Moss (DM)

Also: Sally du Gay (Clerk)

There were no members of the public present.

24/01	Apologies for absence Apologies had been received from Cllr Thomas.																														
24/02	Dispensations To receive any written requests for disclosable pecuniary interest dispensations from members. No requests had been received.																														
24/03	Declaration of interest relating to any item on the agenda No declarations were made.																														
24/04	Chairman’s Announcements: The chair had no announcements to make.																														
24/05	Public session This is an opportunity for members of the public to bring matters to the attention of the Finance Committee. No members of the public were present to comment.																														
24/06	Actual vs budget To review the updated actual vs. budget figures for April to December 2023. Circulated <table><tr><th>REVENUE -Summary Totals 2023-2024</th><th>Annual Budget</th><th>Actual year to date 9 months</th><th>Forecast 3 months</th><th>Likely out-turn</th><th>Variance</th></tr><tr><td>Total income</td><td>371,124</td><td>354,839</td><td>49,560</td><td>404,399</td><td>33,275</td></tr><tr><td>Expenditure</td><td>345,327</td><td>238,918</td><td>112,926</td><td>351,845</td><td>6,517</td></tr><tr><td>Projects</td><td></td><td>86,603</td><td>1,000</td><td>87,603</td><td>87,603</td></tr><tr><td>EMR movements</td><td>25,875</td><td>49,012</td><td></td><td>49,012</td><td>74,887</td></tr></table>	REVENUE -Summary Totals 2023-2024	Annual Budget	Actual year to date 9 months	Forecast 3 months	Likely out-turn	Variance	Total income	371,124	354,839	49,560	404,399	33,275	Expenditure	345,327	238,918	112,926	351,845	6,517	Projects		86,603	1,000	87,603	87,603	EMR movements	25,875	49,012		49,012	74,887
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Sally du Gay (RFO)

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Income/Expenditure	78	78,330	64,366	13,964	14,042
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Currently forecasting a surplus of income over expenditure of £14k

Revenue income:

Football income forecast to exceed budget by £12k due to increased bookings on the five-a-side especially during previously un-booked timeslots. Tennis income also exceeding budget.

Interest received and CCLA dividend forecast to exceed budget due to increased interest rates.

Sundry income (not included in budget) £4,390 grant from Hart DC for works carried out at Azalea Park in 22/23 plus income from HMRC due to the change in the treatment of VAT on sports lettings.

Revenue expenditure:

Overall expenditure is currently forecast to exceed budget by £6.5k.

Projects:

No projects budgeted for, all expenditure on projects has been funded from EMRs.

S106 -Summary Totals 2023-2024	Annual Budget	Actual year to date 9 months	Forecast 3 months	Likely out-turn	Variance
Total income	0	0	0	0	0
Expenditure	84,251	568,221	51,799	620,020	535,769
Projects	38,000	48,623	17,803	66,426	28,426
Total Expenditure	122,251	616,844	69,603	686,446	564,195

S106 expenditure:

£500k has been invested via the Flagstone platform, therefore has been removed from accounts and added to asset register.

Expenditure is over budget due to expenditure on tree works.

24/07

Ear Marked Reserves

To review existing ear marked reserves and general reserves to ensure that they are adequate and not excessive.

To agree any reserves movements, re-allocations and/or new ear marked reserves to be created at year end.

Circulated.

RFO confirmed that the general reserves currently held are in line with the Treasury and Investment policy, i.e. equivalent to 5 months net revenue expenditure.

It was resolved to recommend to Full Council the following actions:

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	▪ Transfer the balances from the following EMRS to EMR Open Spaces Projects: Athletics Track Improvements £1,315 Grounds Maintenance £2,965 Add any unspent funds from Ground Maintenance and Opens spaces budgets to this EMR and use this EMR for any Open Space projects such as the pitch renovations and the drainage issue at Peter Driver Sports Ground. ▪ Close the Sensory Garden EMR ▪ Close Azalea Park CCTV project EMR. ▪ Close Parish Signage & Gateways EMR. ▪ Surplus of income over expenditure to go to Lynwood Path EMR to a maximum transfer of £10k (Total EMR would be £12.5k) ▪ Any remaining surplus to add to Open Spaces EMR. Proposed GS, seconded NB all in favour
24/08	Debtors' report To review and agree the debtors report. Circulated. The total debt on 31st December 2023 £219.22, no action required.
24/09	Draft Budget and Precept for 2024-2025 To review the 3-year budget forecast, and to agree a draft budget for 2024-2025 and a recommendation for the precept request, both to be taken to Full Council. The draft budgets were reviewed. The draft revenue budget is currently showing a deficit of £ 10,450. The draft S106 expenditure is expected to be £108,035. It was resolved to recommend to Full Council to increase the precept by 4.5% which would raise the Band D equivalent rate from £57.27 to £59.85, an increase of £2.58 per household. This would result in a precept request of £244,678. Proposed GS, seconded BB all in favour.
24/10	Financial institution credit ratings To receive a report on the credit ratings of all the financial institutions currently used by the council and if necessary, to make a recommendation to Full Council. Circulated. No action required
24/11	Investment quarterly review To review the performance of the council's investments and instant access accounts and to decide what recommendation to make to Full Council regarding the maturing Lloyds 3-year fixed term bond. Circulated. The investments were reviewed as per the circulated report.

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Summary of proposal

Background

- **Approved Full Council Jan 2022 minute ref: 22/011** - CCPC formally recognises that the 20-year period relating to the use of funds as stated in the S106 agreement between CCPC, Hart DC and Taylor Wimpey (November 2011) will end 2040/41 and from that point there be no distinction between CCPC's S106 and revenue funds.
- **Approved Full Council Apr 2019 minute ref: 85/19** – CCLA approved as a long term investment for S106 funds.
- On the basis that the average expenditure per annum of S106 funds is £100k:

To cover S106 exp in year:	Deposit / Investment	£	Date of maturity
2023/2024	Proposed: From Lloyds 3-yr bond maturing 12 March 2024	£114,000	12.03.2024
	Existing deposits:		
2024/2025	Nationwide Building Society Deposit	£100,000	31.12.2024
2025/2026	Aldermore Bank	£100,000	30.06.2025
2026/2027	Sainsburys Bank	£100,000	29.06.2026
2027/2028	Aldermore Bank	£100,000	28.06.2027
2028/2029	Cambridge & Counties Bank	£100,000	25.06.2028
	Proposed:		
2029/2030	Appropriate 5-year FTD	£100,000	March 2029
2030/2031 & 2031/2032	Appropriate 2-year FTD – to be re-invested	£223,000	March 2026
2032/2033 to 2040/2041	Drawdown from CCLA LAPF (from 24/25 any shortfall of the capital sum may be mitigated by existing EMR S106 Int Received plus further additions)		

The parish council has a 3-year Lloyds bond £437,091.92 maturing on 12th March, 2024, which is S106 funds.

It was resolved to recommend the following actions to Full Council:

- Of the £437k Lloyd's bond - retain £114k as cash to reimburse precept funds for S106 expenditure during 2023/2024.
- Invest £100k on Flagstone platform for 5 years.
- Invest the balance on Flagstone platform for 2 years.
- Of the £334k precept cash in Lloyd's deposit account – deposit £300k in Flagstone 6-month deposit account and retain the balance as general reserve.

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	Proposed GS, seconded BB all in favour.																																																									
24/12	Direct debits and standing orders. To review direct debits, standing orders, BACS & CHAPS payments and recommend to Full Council for approval. Circulated. The report was reviewed.																																																									
24/13	Schedule of Charges To review the Schedule of Charges and recommend any changes to Full Council. Circulated. <u>Summary of proposed changes:</u> <u>With effect from 1st April 2024-</u> Football (VAT exempt): <table><tr><td></td><td>From</td><td>To</td></tr><tr><td>Grass pitch youth per season</td><td>£550</td><td>£600</td></tr><tr><td>Grass pitch adult per season</td><td>£1100</td><td>£1200</td></tr><tr><td>Grass pitch youth single booking</td><td>£40</td><td>£43.60</td></tr><tr><td>Grass pitch adult single booking</td><td>£80</td><td>£87.20</td></tr></table> Community centre (including VAT): <table><tr><td></td><td>From</td><td>To</td></tr><tr><td>Oak Hall private event</td><td>£25.50</td><td>£30</td></tr><tr><td>Oak Hall public class premium time</td><td>£15.30</td><td>£20</td></tr><tr><td>Oak Hall public class non-premium</td><td>£15.30</td><td>£15.30</td></tr><tr><td>Oak Hall reduced rate</td><td>£7.66</td><td>£7.66</td></tr><tr><td>Meeting room</td><td>£9.18</td><td>£10.50</td></tr><tr><td>Acorn Hall private event</td><td>£20.40</td><td>£22.50</td></tr><tr><td>Acorn Hall public class</td><td>£15.30</td><td>£15.30</td></tr><tr><td>Acorn Hall reduced rate</td><td>£7.66</td><td>£7.66</td></tr></table> <u>With effect from 1st April 2025:</u> <table><tr><td>All VAT exempt</td><td>From</td><td>To</td></tr><tr><td>5-a-side per hour</td><td>£36</td><td>£40</td></tr><tr><td>5-a-side reduced rate</td><td>£24.12</td><td>£26.80</td></tr><tr><td>Mens Shed per square metre</td><td>60p</td><td>75p</td></tr><tr><td>Allotment per square metre</td><td>60p</td><td>75p</td></tr></table> It was resolved to recommend to Full Council the following changes to terms and conditions of hire: • Allotments – to include a clause to increase the rent annually at least the equivalent to CPI in the December prior to the increase in the following April. • Community centre – a. Include a clause to allow an annual increase to the hire charge at least equivalent to CPI in the December prior to the increase in the following April.		From	To	Grass pitch youth per season	£550	£600	Grass pitch adult per season	£1100	£1200	Grass pitch youth single booking	£40	£43.60	Grass pitch adult single booking	£80	£87.20		From	To	Oak Hall private event	£25.50	£30	Oak Hall public class premium time	£15.30	£20	Oak Hall public class non-premium	£15.30	£15.30	Oak Hall reduced rate	£7.66	£7.66	Meeting room	£9.18	£10.50	Acorn Hall private event	£20.40	£22.50	Acorn Hall public class	£15.30	£15.30	Acorn Hall reduced rate	£7.66	£7.66	All VAT exempt	From	To	5-a-side per hour	£36	£40	5-a-side reduced rate	£24.12	£26.80	Mens Shed per square metre	60p	75p	Allotment per square metre	60p	75p
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	b. Premium time public class bookings must be contracted for a full year, with no more than two consecutive weeks to be cancelled to a maximum of four periods of two weeks per year of hire. Any other cancellations will be charged at full price. c. The Vine Church is to be excluded from the increased community centre hire charges in April 2024. Proposed GS, seconded BB all in favour.
24/14	Internal audit To review the effectiveness of internal audit and to agree any changes. Town and Parish Councils in England, and Community Councils in Wales, are required to maintain an Internal Audit. This requirement is set out in the Accounts and Audit Regulations 2015 which states; " A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes" In England further Guidance on Internal Audit is contained within Part 4 of The Practitioners Guide issued by JPAG. - Scope of internal audit – covers all financial records, parish council and committee minutes, policy documents. The audits are conducted using a standard Internal Audit checklist, which has been compiled with reference to the requirements of the Annual Internal Audit Report, the Practitioners Guide, and the Accounts and Audit Regulations. The checklist is subject to regular review to reflect any changes in requirements and consists of around 180 individuals checks, some of which will not be applicable in every circumstance. A response is made to every item on the checklist. If exceptions are identified, then these would be subject to more detailed review and may give rise to an Audit Observation and Recommendation. A summary of the Audit Observations is provided to the Council for the Clerks review and agreement. Once agreed, the Observations, Internal Audit Summary and cover letter are submitted for subsequent review by Council. - Independence of internal auditor – Totally independent no links to the Parish Council other than for internal audit. - Competence of internal auditor - Kevin Rose and his team at IAC Audit are well qualified. - Relationships – not related to any member of the Parish Council. - Audit planning and reporting – audit is carried out following advice originally set out by the audit commission. IAC have been appointed as internal auditors and will be carrying out an interim audit on 10th January 2024. It was resolved to recommend to Full Council that a new internal auditor should be appointed for 2024/2025 and that the council should adopt a policy of appointing a new internal auditor at least every 3 years. Proposed GS, seconded NB all in favour.
24/15	Review of policies. To review the following policies and recommend any changes to Full Council: • Food Outlet Policy • Health & Safety Policy It was resolved to recommend to Full Council that the clauses relating to Covid should be removed from the Food Outlet Policy and that no changes are required to the Health and Safety Policy.

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	Proposed GS, seconded NB, all in favour.
24/16	Date of the next meeting – Monday 15 th April 2024.

The meeting closed at 8.44pm

Signed:

Date:

Sally du Gay (RFO)

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