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 13th January 2025
Place: Acorn Hall, Church Crookham Community Centre, Boyce Road, Church Crookham
Present:
Councillors: Gareth Saunders (GS) Nick Basket (NB), Debbie Moss (DM), Gill Thomas (GT)

Also: Claire Inglis (Clerk) and Sam Rowe (Deputy Clerk)
District County Cllr Chris Axam.

There were no members of the public present.
Meeting commenced at 8pm

25/001	**Apologies for absence** Apologies received from Cllr Bulgin
25/002	**Dispensations** To receive any written requests for disclosable pecuniary interest dispensations from members. None received
25/003	**Declaration of interest relating to any item on the agenda** To receive any declarations of interest from members. No declarations were made.
25/004	**Chairman's Announcements** To receive any declarations of interest from members. The chair had no announcements to make.
25/005	**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.

25/006	**Actual vs budget** To review the updated actual vs. budget figures for April to December 2024

Precept Actual vs Budget-

Church Crookham Parish Council Actual vs Budget 2024 2025

April 2024 - December 2024

Summary of Total Income,Expenditure, Projects and movements to Ear-Marked Reserves (EMRs)

Precept or S106 Precept

Inc or Exp	Type	Values Sum of Budget 24/25	Sum of Actuals year to date	Sum of Forecast	Sum of Total year to date
Income		404,678	402,242	41,568	445,758
Exp		-368,064	-249,892	-112,965	-362,920
Project		-9,000	-21,702	-9,000	-30,702
EMR		-27,875	-26,866	0	-26,866
Grand Total		-261	103,782	-80,397	25,270

Precept Income

Facility Income - (football bookings and Community centre bookings) likely to be £6k better than budget due to cautious budgeting
Interest received - on Flagstone investments and bank interest likely to be £20k better than budget due to Flagstone cash investment based on managed cashflow requirements
Sundry income - Grant paid from Hart DC reference UK Shared Prosperity Fund - Access to Athletics budget £14.7k, and grant from Football Foundation for goal posts £1k.

Precept Expenditure

Employment - likely to be £16k better than budget due to change to employee profile
Admin costs higher due to:-
Bank Charges - second half year forecast may improve due to Flagstone management fee removed as reflected in lower interest rates.
IT Licences and HR Support
Comm Centre Rates - Budgeted for anticipated charge but received discretionary discount (therefore will continue to budget for rateable value) £7.5k less cost this year
Grounds Maintenance
Open space maintenance - £19k costs taken in year for pitch renovations partially offset by true run rate in GM contract - hence potential overspend against budget to seek recommendation to full council.
Project Spend - £19k Athletics cost partially offset by HDC UKSPF grant of £15k.
EMR movements - as budgeted

S106 Actual vs Budget-

Church Crookham Parish Council Actual vs Budget 2024 2025

April 2024 - December 2024

Summary of Total Income,Expenditure, Projects and movements to Ear-Marked Reserves (EMRs)

Precept or S106	S106				
		Values			
Inc or Exp	Type	Sum of Budget 24/25	Sum of Actuals year to date	Sum of Forecast	Sum of Total year to date
Income		0	100,000	0	100,000
Exp		-95,035	-123,581	-36,254	-159,835
Project		-13,000	5,669	0	5,669
EMR			-48,623	0	-48,623
Grand Total		-108,035	-66,535	-36,254	-102,789

S106 Income

Maturing investment relates to Nationwide deposit on Flagstone which became less than 12months to maturity hence moved from Investment status to cash

S106 Expenditure

Non-Project spend £75k YTD vs annual budget £95k

Grounds maintenance contract renewal commenced September 1st so new run rate will be billed going forward hence low spend vs actual YTD.

Open Space Knee rail project to protect open spaces hit taken in year £17.5K

Tree works has been completed may go over budget depending on timing of Channer Close copse works.

Investment Spend - surplus Flagstone cash reinvested for 4 years – to be used in future as inflationary protection

Project Spend - planting project not likely in this financial year.

Public Art - completion of Sensory Garden pieces

Projects - To be budgeted under OS Maintenance in future years

EMR movements

Public Art - EMR now spent and closed

Net Flagstone investment movements offset Maturing Investment and Investment spend detailed above.

It was resolved to recommend to Full Council the following to consider the forecasted surplus of £25k in the precept budget.

- Increase the budget for Community grants by £4k based on grant applications due to be considered at January Full Council meeting.

- Community Centre Roof repairs invoice due to be reflected in forecast for Community centre maintenance of £5.5k

- The remaining surplus will increase the CCLA mitigation EMR.

Proposed GS, seconded NB, all in favour.

25/007	**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. Total Ear Marked Reserves held £738k Precept EMRs £566k S106 £172K (net of £900k CCLA and £773k Flagstone held in cash or property investments) Precept EMR movements in year £30k annual budgeted EMR offset by £3k expenditure on computer hardware and new SID S106 expenditure to be reflected in EMR movements at year end. **It was resolved to recommend to Full Council the following changes to the EMR's:** **- Parish Maps to be merge with website and computer EMR and re named as IT.** **- Sports Equipment to merge with Community capital project.** **- Highways and Transport to merge with Inflation mitigation and S106 SANG and Allotment car park/access road and Sandy lane car park.(Still tracking S106 EMR as this is ring fenced)** **- Peter Driver Sports Ground information board to merge with Peter Driver Improvements.** **- Lynwood Path resurfacing balance after project complete to merge with Open space project.** **- S106 Community Centre Capital Expenditure and Environmental impact Assessment to merge with precept Community centre EMR.** **Proposed GS, Seconded NB, all in favour.**
25/008	**Debtors' & Creditors report** To review and agree the debtors and creditors report. Creditors and Debtors were reviewed Creditors report shows balance £27.61 Castle Water paid by DDR and direct payment, a new bill has arrived to reclaim the overpayment. Debtors balance total outstanding £4.1k January invoices for January hire raised in January by Community Centre Officer Older debt £2.5k mainly £1.8k of second half of grass pitch season payments now due. Remaining invoices currently being chased. Mainly football customers to be chased by Facilities Officer No concerns over debt to be paid. No action required.

25/009	**Draft Budget and Precept for 2025/26** **To review the 3-year budget forecast, and to agree a draft budget for 2025-2026 and a recommendation for the precept request, both to be taken to Full Council.** **Precept Budget** Minor changes have resulted in bottom line £837 to be allocated to balancing figure i.e. CCLA mitigation Project budget created for ART in Church Crookham £20k – project ideas to be evolved Inflationary protection on car park S106 EMR of £15k Income reflecting similar outcome from 24/25 - fee schedule work to be factored in future budgets CCLA dividends kept at similar level (reduced this quarter compared to previous quarters) Interest income based on Flagstone maturities known in 25/26 at this time Employment costs allowed for 6% increase Admin Licence Congresso - meeting assistance software included in budget Additional Speed Indicator Device to be purchased and mobilised around parish Comm Centre costs allow for no grant support for rates **S106 Budget** GM contract correct run rate reflected for new contract in budget Admin CCTV charges to be budgeted under Precept Projects to be budgeted under Open Space maintenance e.g. from the formal / informal EMR budget going forward e.g. planting sensory garden knee rail wildflowers etc **It was resolved to recommend** **S106 budget of £116,908 expenditure {from S106 reserves}** **and** **Precept budget as discussed with minor amendments eg. move CCTV lines under Admin, with a CCTV subheading** **Balanced budget with a Precept of £255,689** **Other Income £206,350** **Expenditure £379,022** **EMR movements £83,016** **Proposed GS, Seconded DM, all in favour.**
25/010	**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. Report on financial credit ratings of financial institutions currently used by parish council was reviewed. Flagstone, Unity and HSBC. Risk is considered to be well spread including the CCLA investment. Ratings are regularly monitored now monthly on FS platform and it is noted that the deposits when made met the criteria set by the council.

	The finance committee are satisfied that all criteria is being met in line with the Treasury and Investment policy.

25/011	**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 any maturing deposits and associated interest. **CCLA** Current investment £900,000 with a unit holding of 276,314 As at 31st December the current mid-market valuation was 2.7997p per unit thus a valuation of £773,593 an improvement on the September quarter close of £762k. Therefore, the amount to mitigate has reduced to £126k, with an EMR currently held of £6.6k to mitigate. The total dividend payout since investment has been £179k net of fees. Dividend for October to December is due to be paid at the end of January. The dividend to date has been added to the general reserves for expenditure as per minute ref 08/20 in 2020. CCPC continues to view the CCLA as a long-term investment of at least 10 years since investment in 2019, based on the annual expenditure of management and maintenance of Crookham Park, currently estimated at approx. £100k per annum. Investments with Flagstone have been structured to release £100k per annum until end 31/32 so the CCLA investment should not be required until 32/33. **Flagstone Cash Deposits** During December two cash deposits matured: -£149.6k Sainsburys Precept cash on 18th December interest of £3,760.57 drawn down. Deposit rolled over for 3 months including £3k holding account balance therefore £152.8k rolled over until 18th March. -£100k Nationwide S106 cash deposit 18month matured on 30th December interest of £6,990 to be drawn down. Deposit rolled over for 3 months until 30th March balance to be used to replenish S106 expenditure in 24/25. **It was resolved to recommend to Full council the following actions:** **Sainsburys £152,790.34 maturing 18th March - Proposed to roll for another 3 months.** **Nationwide £295,324, maturing 20th February - Proposed to roll for 6 months, seek to remain with Nationwide subject to interest rate.** **Sainsburys £100,000, maturing 30th March. Move to Unity Trust bank account.** **Proposed GS Seconded NB, all in favour** Currently held on Flagstone: £533k Precept Cash £185k S106 cash £773 S106 Investment (i.e. longer-term cash deposits held) £7k interest on holding account to be transferred to Unity. General reserve currently at £201k with 3 months of expenditure approx. £80k in remainder of the financial year. The Chair commented that he is comfortable with the general reserves at this time.

25/012	**Direct debits and standing orders.** **To review direct debits, standing orders, BACS & CHAPS payments and recommend to Full Council for approval.** The schedule of current DDRS was reviewed including proposal for adding extra suppliers to be paid on a DDR basis. **It was resolved to recommend to Full council the proposed extra suppliers on a DDR basis. Proposed GS, Seconded GT, all in favour.**
25/013	**Schedule of Charges** **To review the Schedule of Charges and recommend any changes to Full Council.** The schedule of charges report was reviewed. **It was resolved to recommend to Full council the proposed changes to the Schedule of Charges. Proposed GS, Seconded GT, all in favour.**
25/014	**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 carried out 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 23rd January 2025. F&P committee recommend Kevin Rose IAC ltd to carry out 24/25 audit based on change of key personnel in the year and that having acknowledged that there is no need to change auditors, internal audit held 23rd January.
25/015	**Date of next meeting – Monday 14th April 2025**