



COPYTHORNE PARISH COUNCIL

A meeting of the Finance Advisory Committee was held via Zoom Video Conference on Tuesday September 22nd 2020 starting at 10am.

Attendees:-

Voting:- Cllrs Simon Lucas (Chair); Steve Herra; Graham Chillcott; Sylvia Wiggins

Non Voting:- Mr. David Rigby – Clerk and RFO

A G E N D A (with notes of discussion)

1. **Apologies for absence**
None
2. **Declarations of Interest**
None
3. **Review of notes of previous meeting (June 23rd 2020)**
All present were happy that notes of the previous meeting were accurate
4. **Review of the report prepared by the Responsible Financial Officer of expected income and expenditure against the approved budget for the six months to September 30th 2020.**
RFO ran through prepared report (attached) and confirmed no areas of concern at this time. Members of the AC voted to accept the report, all in favour.
5. **Consideration of any recommendations from the RFO of suggested virements between budget lines as required to be recommended to Council**
RFO advised (report attached) that he considered no virements required, review again against Q3 report. Noted by members
6. **Initial guidance from the RFO regarding additional allocation from General Reserves of funds to be used for grants made under Local Government Act 1972, Section 137(1).**
RFO read through prepared report (attached). Members felt that Council Grants Policy should be reviewed before considering whether Grants budget should be increased. This was proposed by Cllr. Herra, seconded by Cllr, Wiggins, all in favour
Action – RFO to supply AC members with details of recent applications (approved and declined) and a copy of the Council's current Grants Policy to assist a review.
7. **Discussion of other matters relating to the Aims and Responsibilities of the Finance Advisory Committee**
SL asked members to note that an issue with the "Benches project" might result in need for a further allocation of budget. Update will come forward in due course.
8. **Agree date for next meeting (provisionally set for Tues Oct 27th, 11am)**
Date and time agreed as above

Meeting closed at 10.24am

ITEM 4 - Report on expected Income and Expenditure against the approved budget for the six months to September 30th 2020

EXPENDITURE	BUDGET	SPEND	% SPENT	NOTES
	£	£		
1.Clerk's Costs				
Salary	8,200	3989	49	On track with scope for Clerks 2020 Pay Review
Room Allowance	216	108	50	On track
Mileage	240	47	20	Underspent, due to COVID travel restrictions
Payroll	150	72	48	On track
Section Total	8,806	4216	48	Overall on track with no concerns
2.Office Costs				
Gen Office Admin	100	7	7	Underspent
Office Phone	200	89	45	Slightly underspent, modest surplus possible at year end
IT Equip	250	0	0	No purchases have been needed at this time
Virus Protection	40	0	0	Malware Bytes subscription - Nov 2020
Data Protection	35	0	0	ICO Fee - Oct 2020
Software Licenses				Circa £100 will be required for MS Office, covered within section
Section Total	625	96	15	May be small surplus at year end if no IT equipment costs incurred
3.General Admin				
Parish Hall Room Hire & BB	420	60	14	Underspent, scope for annual Zoom licence fee to be paid
Stationery/Postage/Printing	300	68	23	Underspent, may still be slightly so at year end
Newsletter	550	168	31	Underspent, allowed for four page issues not yet needed
Stanley's Own	150	0	0	Will be used in 4th quarter of financial year
Advertising	100	0	0	Not yet been required
Annual Parish Meeting	50	3	6	Not needed due to cancellation of APM
Defib Consumables	175	0	0	Will be used in 3rd quarter of financial year
Website	400	240	60	Slight increase over expected costs
Section Total	2,145	539	25	Overall expected to be slightly below budget at year end
4.Subs/Mandatory/Grants				
HALC/NALC Subs	840	870	104	Slightly higher due to improved HR contract
SLCC Subs	140	126	90	£14 underspend on expected annual cost
NFDC GIS	105	0	0	Will be used in 3rd/4th quarter of financial year
Audit Fees	400	246	62	Remainder will be used on 2020/21 interim internal audit
Insurance	680	679	100	On budget
Elections	250	0	0	Will be transferred to Designated Reserves before year end
Training	1,000	55	6	HALC training Cllrs & Clerk's CiLCA
S137 Grants	250	250	100	Budgeted funds spent, probable tfr from Reserves needed in 4th qtr
Wreath	30	0	0	Will be used in 3rd quarter of financial year
Magazine Subs	50	36	72	No other spend planned, likely surplus of £14
Section Total	3,745	2262	60	Underspend all expected to be used by year end
5.Misc				
Chair's Allowance	250	0	0	Not used yet
External Asset Maint.	250	0	0	Not allocated yet
Telephone Boxes	250	176	70	Rest (plus element of designated reserve) will be spent in 3rd Qtr
Splitwind Pond	550	0	0	Will be used in 3rd/4th quarter of financial year
Lengthsman CPC	1,000	0	0	Will be used in 3rd/4th quarter of financial year
SectionTotal	2,300	176	8	Underspend all expected to be used by year end
6.Playground				
RPII Operational Inspection	95.00	0	0	Will be spent by year end
RPII Annual Inspection	100.00	87	87	Spent
Maintenance Fund	200.00	14	7	Held in case of need
Longer term maintenance	500.00	0	0	Will be transferred to Designated Reserves before year end
Section Total	895.00	101	11	Underspend all expected to be used by year end
Other Items/Projects				
Grant Donation-Scout Refurb.	500.00	0	0	Will be paid over once 2nd half of Precept received in October
Contingency Fund	500.00	0	0	Contingency to cover costs trfd back from NFDC/HCC
Benches	1,000.00	0	0	Will be spent on Phase 2 of Parish Bench restoration project
Noticeboard	1,000.00	0	0	Expected to be spent in 3rd/4th quarter of financial year
Village Signs	1,500.00	1048	70	Will be spent in 3rd quarter of financial year
Speed Device replacement	1,500.00	0	0	Will be transferred to Designated Reserves before year end
Section Total	6,000.00	1048	17	Currently expecting all to be spent with exception of contingency fund
TOTAL	24,516.00	8,438.00	34	Overall spending remains with budget
INCOME	BUDGET	RECEIPT	% REC'D	
Precept	23,016	11508	50	Half received, remainder due early October
VAT Refunds	0	1077		Not included in budget, relates to 2019/20 rebate
Bank Interest	0	4		Not included in budget
Transfers from Reserves	1,500	0	0	Will be trfd when required for noticeboards (£1k) & Signs (£0.5k)
TOTAL	24,516	12589	51	Income received as planned, VAT refunds likely to move to reserves

Clerk Costs / Office Costs											
Item	Clerk Salary	Office Allowance	Mileage	Payroll	Office Admin	Office Phone	IT Equip	Antivirus Software	DPA Licence	Software licences	Totals
Budget	8200.00	216.00	240.00	150.00	100.00	200.00	250.00	40.00	35.00	0.00	9,431.00
Q1 20/21	1994.49	54.00	18.00	36.00	0.00	48.29	0.00	0.00	0.00	0.00	2,150.78
Q2 20/21	1994.49	54.00	29.25	36.00	7.42	40.94	0.00	0.00	0.00	0.00	2,162.10
Q3 20/21											
Q4 20/21											
Actuals	3988.98	108.00	47.25	72.00	7.42	89.23	0.00	0.00	0.00	0.00	4,312.88
% Spent	49%	50%	20%	48%	7%	45%	0%	0%	0%	#DIV/0!	46%
Overspend?	No	No	No	No	No	No	No	No	No	No	No

General Admin											
Item	Room Hire (incl BB)	Stationary Postage Print	Parish Newsletter	Stanleys Own Magazine	Advertising	Annual Parish Meeting	Defib supplies	Website			Totals
Budget	420.00	300.00	550.00	150.00	100.00	50.00	175.00	400.00			2,145.00
Q1 20/21	23.98	17.79	67.20	0.00	0.00	0.00	0.00	90.00			198.97
Q2 20/21	35.97	50.00	100.80	0.00	0.00	2.92	0.00	150.00			339.69
Q3 20/21											
Q4 20/21											
Actuals	59.95	67.79	168.00	0.00	0.00	2.92	0.00	240.00			538.66
% Spent	14%	23%	31%	0%	0%	6%	0%	60%			25%
Overspend?	No	No	No	No	No	No	No	No			No

Subscriptions/Mandatory/Grants											
Item	HALC/Nalc Subs	SLCC Subs	NFDC GIS	Audit Fees	Insurance	Elections	Training	S137 Grants	Wreath	Mag Subs	Totals
Budget	840.00	140.00	105.00	400.00	680.00	250.00	1000.00	250.00	30.00	50.00	3,745.00
Q1 20/21	870.09	0.00	0.00	45.87	678.78	0.00	10.00	0.00	0.00	36.00	1,640.74
Q2 20/21	0.00	126.00	0.00	200.00	0.00	0.00	45.00	250.00	0.00	0.00	621.00
Q3 20/21											
Q4 20/21											
Actuals	870.09	126.00	0.00	245.87	678.78	0.00	55.00	250.00	0.00	36.00	2,261.74
% Spent	104%	90%	0%	61%	100%	0%	6%	100%	0%	72%	60%
Overspend?	Yes	No	No	No	No	No	No	No	No	No	No

Misc & Playground											
Item	Chair's Allow	External Asset Maint	Telephone Box Maint.	Splitwind Pond	Lengthsman		RPII Op Insp	RPII Ann. Insp	Regular Maint	Longer Term Maint. Reserve	Totals
Budget	250.00	250.00	250.00	550.00	1000.00		95.00	100.00	200.00	500.00	3,195.00
Q1 20/21	0.00	0.00	0.00	0.00	0.00		0.00	0.00	14.13	0.00	14.13
Q2 20/21	0.00	0.00	175.84	0.00	0.00		0.00	87.45	0.00	0.00	263.29
Q3 20/21											
Q4 20/21											
Actuals	0.00	0.00	175.84	0.00	0.00		0.00	87.45	14.13	0.00	277.42
% Spent	0%	0%	70%	0%	0%		0%	92%	14%	0%	9%
Overspend?	No	No	No	No	No		No	No	No	No	No

Other & Projects											
Item	Scout Hut Grant	Contingency	Benches	Notice boards	Village Signs	New SID Fund					Totals
Budget	500.00	500.00	1,000.00	1,000.00	1,500.00	1,500.00					6,000.00
Q1 20/21	0.00	0.00	0.00	0.00	0.00	0.00					0.00
Q2 20/21	0.00	0.00	0.00	0.00	1048.22	0.00					1,048.22
Q3 20/21											
Q4 20/21											
Actuals	0.00	0.00	0.00	0.00	1048.22	0.00					1,048.22
% Spent	0%	0%	0%	0%	70%	0%					17%
Overspend?	No	No	No	No	No	No					No

COMMENTS RE AREAS OF OVERSPEND

HALC/NALC £30 overspend will - by year end - be covered by underspends elsewhere in the category

Total Budget

24,516.00

Ex VAT Spend

8,438.92

% Spend to date

34%

(6 mth % should be 50%)

Red Text above indicates likely spend before end 9/2020

BUDGETED INCOME							
Item	NFDC Precept	Vat Refunds	Bank Interest	District Cllr. Grants	County Cllr. Grants	Tfr from Reserves	TOTALS
Budget	23,016.00	0.00	0.00	0.00	0.00	1,500.00	24,516.00
Q1 20/21	11,508.00	1,077.34	2.48	0.00	0.00	0.00	12,587.82
Q2 20/21	0.00	0.00	2.01	0.00	0.00	0.00	2.01
Q3 20/21							
Q4 20/21							
Actuals	11,508.00	1,077.34	4.49	0.00	0.00	0.00	12,589.83

Projected in Budget for 2020/21

Precept	23,016.00
Total Expenditure	24,516.00
Balance *	-1,500.00

* NOTE:- £1500 "overspend" of Expenditure over Precept is to be covered from planned drawdown of reserves
VAT refund from 2019/20 of £1077.34 should avoid need to call on general reserves for overspends.

COPYTHORNE PC – FINANCE ADVISORY COMMITTEE – TUESDAY SEPTEMBER 22ND 2020

Item 5 - Consideration of any recommendations from the RFO of suggested virements between budget lines as required to be recommended to Council

At this point in time, I do not consider that there is any necessity to undertake any virements between the individual budget lines.

I would suggest that a further review is undertaken when I present my report for the nine months to December 31st 2020.

David Rigby
Responsible Financial Officer
Copythorne Parish Council

September 11th 2020

COPYTHORNE PC – FINANCE ADVISORY COMMITTEE – TUESDAY SEPTEMBER 22ND 2020

Item 6 - Initial guidance from the RFO regarding additional allocation from General Reserves of funds to be used for grants made under Local Government Act 1972, Section 137(1).

The 2020/21 Council budget approved by Council on December 10th 2019 included the sum of £250 to be used in respect of grant applications covered by the above legislation.

At the Council meeting on September 8th 2020 the granting of the sum of £250 was approved. It was also agreed to defer consideration of another application until early in 2021.

Should the Council wish to approve further allocations of funds under the above legislation in the current financial year ending March 31st 2021 the funds required will need to be taken from General Reserves. The General Reserves currently stand at circa £8k which is approximately a third of the Council's annual budget. For a council of our size the recommended level of General Reserves is between a quarter and a third of the annual budget.

By way of information, Section 137(1) of the Local Government Act 1972 gives the Council the power to "incur expenditure which in their opinion is in the interests of and will bring direct benefit to their area or any part of it or all or some of its inhabitants.....". Section 137(1) was amended by the Local Government and Housing Act 1989 s 36 so that any expenditure must be commensurate with the benefit to the community. The amount permitted under the Act for 2020/21 is £8.32 per elector on April 1st 2020. The Parish of Copythorne has circa 2200 electors, which would, in theory, allow circa £18,000 to be used.

This Advisory Committee may wish to consider recommending to Council for approval the quantum of an additional sum to be allocated, ahead of any consideration by Council of other applications later in our financial year.

David Rigby
Responsible Financial Officer
Copythorne Parish Council

September 11th 2020