

Parish Council of Balsall

Approved Minutes of the Finance Committee Meeting held on Wednesday 18th May 2016 at 6.00pm at the Westlake Room, Village Hall, Station Road, Balsall Common

Present

Cllr Will Heard (Chair), Cllr Mark Tattum , Cllr Raymond Ritchie and 2 members of the public to include Cllr Lionel King.

Headings are those set out on the Agenda

1. Apologies

Cllr Liz Macdonald and Cllr Judy Lea

2. Declarations of Interest

None

3. To approve as a correct record Minutes of the Finance Committee Meeting held on 20th January 2016

RESOLVED – That the minutes of the Finance Committee Meeting held on 20th January 2016 are approved and the Chair signed these as an accurate record

4. Matters arising from the Minutes

None

5. Matters arising from the Minutes

- 5.1. Precept recommendation accepted by Full Council
- 5.2. Budget approved by Full Council

6. Internal Audit – To consider Internal Audit report and consider action required

The Internal Audit report was considered. Clerk referred to the grounds maintenance contracts and need to review these as they have been in place now for three years.

It was agreed that the Clerk will obtain specifications for the works with a view to advertising these in the Bugle in the Autumn. The current contractors provide a very good service; however, we must ensure that we are getting the best value.

7. External Audit – To receive an update of external audit and timetable of dates

Clerk confirmed that the documents are being prepared for external audit. We must submit the documentation by 24th June 2016. We must also advertise the Audit to local electors and the earliest that this can be undertaken is 3rd June 2016.

8. Annual Accounts

8.1. To receive details of actual Income and expenditure for 2015/2016 and

8.2. To receive report from Clerk

Clerk went through the report circulated to Councillors. Each budget area of expenditure was reviewed and differences between previous years were explained.

The Income and Expenditure account was reviewed.

RESOLVED – That the Income and Expenditure for 2015/2016 is agreed and the report from the Clerk is approved as attached at Appendix 1

9. Risk Assessment – To consider risk assessment and recommend any changes to Full Council

The current Risk Assessment was circulated and reviewed. Amendments were made to deal with the eventuality of cash being received. Also, VAT was assessed to be a low risk as we simply reclaim VAT. In addition, Inland Revenue was changed to HMRC

RESOLVED – That the Risk Assessment as amended is recommended for approval to the Parish Council as attached at Appendix 2

10. Reconciliations – To sign off bank reconciliations to end of year 2015/2016

RESOLVED – That the Bank reconciliations are approved and signed by the Chair

11. Date for next meeting – The date for the next Finance meeting is 21st September 2016 at 6.00pm the Westlake Room, Village Hall, Station Road

There being no further business the Chair thanked everyone for attending and closed the meeting at 19.06pm

Signed..... Dated.....
Cllr Will Heard
Chair
Balsall Parish Council Finance Committee

31/03/2015		31/03/2016
	Income	
94,643.18	Precept	94,870
110.66	Interest on Investments	103.54
16,735.00	Cemetery	13,080
0	Recreation Ground	0
653.20	Salaries	0
0	Neighbourhood Plan	0
0.00	CCTV	0
0	Village Hall	0
0.00	Grants	2,162
0	Other income	7632.88
24,538.71	Administration	5544.37
1,800	Highways Improvements	0
138,480.75	TOTAL INCOME	123,392.79
	EXPENDITURE	
12,903.30	Administration	22,646.83
21,896.70	Salaries	27,472.12
1,215.00	s.137 Payments	4,315.00
0.00	Capital Spending	0.00
0.00	Tenancies	0.00
9,274.96	Cemetery	13,222.01
0.00	Neighbourhood Plan	258.99
2,863.84	Chadwick End village hall	17,786.14
10,837.67	Recreation Ground	17,979.04
5,342.00	Road Safety & Rights of Way	8,652.08
244.57	CCTV	223.99
0.00	Community/Youth Clubs	8,080.00
0.00	Staffing Committee	0.00
64,578.04	TOTAL EXPENDITURE	120,636.20
110,683.16	Balance as at 01/04/15	189,957.71
138,480.75	Add total income	123,393
249,163.91		313,350.50
64,578.04	Deduct total expenditure	120,636.20
0	stock adjustment	0
0	Transfer to/from reserves	0
184,585.87	Balance as at 31/03/16	192,714.30

Report for Finance Committee – 18th May 2016

Financial Year 2015/2016

1. Total Expenditure for the year is £120,636.20
2. Budgeted expenditure for the year was £117,383 with a further £10,000 being taken from reserves to pay for legal costs relating to Chadwick End Village Hall
3. We have underspent against budget
4. In terms of Budget areas detail is as follows:-
 - a. Personnel – **Budgeted £29,847 – Actual Spend - £31,357.97** - This includes Clerks salary/councillors allowances/pension deficit/training and expenses – We have overspent slightly by the budgeted figure by £1,510.97 mainly due to extra hours worked by Clerk
 - b. Administration – **Budgeted £18,600.68 – Actual Spend £9,138.70** – This year we have purchased two new printers and paid the pension deficit for next year upfront to gain a discount. We also purchased hi-vis jackets for the Balsall Common Festival. Generally we have underspent in most areas. The reason for the underspend is that we have not paid for the premises as the lease took much longer to negotiate and we managed to secure the term to run from the date it was signed thereby saving a year's rent
 - c. Professional services – **Budgeted £16,000 – Actual Spend £9,622.30** – Most of the expenditure relates to HS2 petitioning of £8,825. As we did not spend on other areas budgeted, we have come under budget
 - d. Cemetery – **Budgeted £15,100 – Actual Spend £13,222-** We have not had to spend the budgeted amount for maintenance, however, this year, we plan to introduce new plants by the seated areas
 - e. Recreation Grounds – **Budgeted £16,000 – Actual Spend £17,979** –Overspend is due to installation of new gates and fencing at Willow and Oakley parks. This has cost £7,124 so had this not been undertaken, we would have spent less than the amount budgeted
 - f. Road Safety & Rights of Way – **Budgeted £8,200 – Actual Spend - £8652.00** – This includes the cost of hiring noise monitoring equipment that had not been budgeted for.
 - g. CCTV – **Budgeted £390 – Actual Spend £224** – This relates to the phone line
 - h. Grants – **Budgeted £13,250 – Actual Spend £12,395.00** – We have made grants to the Jubilee Centre, Scouts in Berkswell and Balsall, Hornets Football Club, Rugby Club, Balsall Common Primary School, library and toddler groups
 - i. NDP – **Budgeted £5,000 – Actual Spend £259.00** – This relates to printing and costs of equipment
 - j. Chadwick End Village Hall – **Budgeted £10,000 – Actual Spend £17,786** – Overspend is due to taking counsels opinion and advice relating to funds retained and spent by the Committee members. Due to the number of members and complexity, this has resulted in detailed legal advice
5. Income – Total Income for the year is £123,392.79
6. Budgeted income for the year £112,132.00
7. We received the following income

Precept	£94,870.00
Support grant	2,162.00
Cemetery	13,080.00
Interest	103.54
VAT refund	5544.37
Misc Income (donation Bugle and residual funds received following donation to action against Coal Board)	7632.88

8. In terms of budgeting the details are as follows:-
- Cemetery – **Budget £8,500 – Actual Income £13,080** – This is based on demand and fluctuates yearly
 - Interest – **Budget £100 – Actual income £103.54**
 - VAT refund – Budget £5,000 – Actual Income £5544.37
 - Donation – **Budgeted £0 – Actual income £1,800** – This has been received for Christmas lights on the new tree outside the library
9. The residual funds are from the Action group that took action against the proposal to mine in the area. The funds have been apportioned and paid back to the donors.
10. 2016/2017
11. In terms of cash in hand we have £192,714. Of this sum, the following need to be deducted:
- Earmarked reserves - £23,000 (CCTV)
 - Cemetery legacy (ring fenced reserves) - £12,602.34
 - Reserves allocated to 2016/2017 budget - £119,650 (after deduction of income)
 - Actual precept 2016/2017 - £99,460.70 (includes support grant)
 - Amount to be taken from reserves £20,189.30
 - Amount taken from reserves for new premise costs. Actual cost £20,000, (18,000 conversion and £2,000 running costs) however we have budgeted for £9,000 so £11,000 to be taken from reserves
 - Actual funds available in reserves - £125,922.70
12. The reserves are adequate to meet our statutory requirements to hold a contingency fund

BALSALL PARISH COUNCIL**AREAS WHERE RISK SHOULD BE ASSESSED AND MANAGED (May 2016)****Definition of Risk Management**

Risk is the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and to successfully execute its strategies.

Risk management is the process by which risks are identified, evaluated and controlled.

Each Parish Council should have in place a system to manage risk. The approach is to:

- **Identify the key risks facing the Council**
- **Evaluate the potential to the Council of one of these risks taking place; and**
- **Agree measures to avoid, reduce or control the risk or its consequence**

These procedures shall be reviewed annually and/or earlier should the need arise

The risk rating is measured by Very High (VH) High (H) Medium (M) or Low (L)

Area	Risk	Level	Control
Assets	Protection of physical assets	M	Buildings insured. Value increased annually by RPI. Items in office are secured as office is secured and alarmed. Files and documents are in safe storage Financial information for current year is subject to back-up Regular checks are made by the Parish Council of its assets through weekly inspections at recreation grounds and Cemetery
	Security of buildings, equipment etc	H	Alarms on Office building and secure storage has passcode and alarms. Contents insured.
	Maintenance of buildings etc	M	Buildings currently maintained on an ad hoc basis. Office is maintained by Landlord. Play areas and Cemetery are subject to regular inspections and maintenance.
Finance	Banking	M	Accounts held with at high street bank Insurance cover.
	Risk of consequential loss of income	M	
	Loss of cash through theft or dishonesty	H	The Council does not operate petty cash. All payments received are promptly banked. All payments approved at meeting following provisions of receipts/invoices. Receipted invoices issued for Cemetery. All invoices numbered numerically in order and checked by Committee If we were to receive any cash it has to be banked as soon as possible and kept in a secure place at the office in the meantime.
	Financial controls and records	M	Quarterly reconciliation prepared by Clerk/RFO Reconciliations checked by Chair and signed Regular Finance meetings to report accounts and provide details of income and expenditure Two signatures on cheques. Internal and External Audit Internal Audit undertaken twice yearly

	Comply with Customs and Excise Regulations	L	Use help line when necessary. VAT claims calculated by Clerk. Internal and external auditor to provide double check.
	Sound budgeting to underlie annual precept	M	Finance Committee and Council set budget in January along with setting of Precept. Regular monitoring of expenditure against budget is undertaken. Expenditure against budget reported to Council.
	Complying with borrowing restrictions	L	No new borrowing likely at present.
Liability	Risk to third party, property or individuals	M	Insurance in place. Open spaces checked regularly. Trees investigated when damage reported. Plays areas checked by SMBC and bus shelters checked regularly.
	Legal liability as consequence of asset ownership (especially burial ground and playgrounds)	H	Insurance in place. Burial ground is maintained by contractors who report any matters of concern.
Employer Liability	Comply with Employment Law	M	Membership of various national and regional bodies including Employees Organisation.
	Comply with HMRC requirements	M	Regular advice from HMRC. Internal and external auditor carry out annual checks.
	Safety of Staff and visitors	M	Access to Office restricted to Clerk and Councillors. Members of public only allowed in the front area whilst also occupied by Police Volunteers
Legal Liability	Ensuring activities are within legal powers	H	Clerk clarifies legal position on any new proposal. Legal advice to be sought where necessary.
	Proper and timely reporting via the Minutes	M	Council meets every other month and receives and approves Minutes of meetings held in interim. Minutes made available to press and public via the web site.
	Proper document control	M	Leases and legal documents in Clerk's office. Other data storage to comply with Data Protection Act. Registered with Information Commissioner. Advice on taken where necessary from WALC and SMBC.
Councillor priority	Registers of Interests and gifts and hospitality in place.	H	Register of interest completed. Gifts and hospitality register is present at each Council meeting. <i>To be included as an agenda item in May and October.</i>

This risk management paper was considered by the Council on _____ and will be reviewed again in 12 months

May 2016