



## Minutes of the Finance Committee Meeting Tuesday 12 January 2021

Via Zoom commencing at 1.00pm

FC34 / 20 Attendance and Apologies for Absence

**Attendance:** Cllr Booth (Chairman), Cllr Buxton, Cllr Jacklin, Cllr Evans, Cllr Pike

**In Attendance:** R Davies (Clerk and RFO)

FC34 / 20 To approve the minutes of 26 November 2020

The committee reviewed and **resolved to approve** the minutes of the meeting on 26 November 2020 with the typing errors corrected for the date. These will be signed by the Chairman of the committee in due course.

### **Matters arising from the minutes were as follows:**

- The Clerk confirmed that a third quotation for the footpath across the field was still being sought and as this was a significant project the costings would only come to committee once all three had been received
- The Clerk confirmed that final costings for the allotment markers were due for the next finance meeting

FC35/ 20 Public Adjournment

There were no members of the public present.

FC36 / 20 Council Finance Reports

The committee reviewed the actual figures to the end of the 3<sup>rd</sup> quarter against the budget for the year and noted the following:

- Handelsbanken had commenced paying interest on the 35-day account.
- Telephone costs would exceed the budget by circa £100.
- Internal audit fees were below budget levels due to these taking place remotely, so the Clerk did the onsite work normally conducted by the auditor, resulting in the removal of travel charges for the auditor to visit site.
- External audit fees were paid in January for the AGAR 2019-20, fees for 2018-19 remain unpaid and in an EMR as PKF have not completed the work associated.
- Water rates are higher than budgeted and an investigation by Castle Water has been requested by the Clerk. There was no evidence of any leakage.
- Cemetery income to the end of December is below budget, however there are 4 interments in January.
- Allotments rent letters will be sent out this week with payment due by no later than 1 March 2021.
- With the closure of the tennis courts, the income will now be static for the remainder of the budget year unless the courts are able to re-open. Current total income is £20,594 and, based on known outstanding payments, will be a minimum of £21,142 against a budget of £10,050.
- Tennis subscription for LTA has been paid in January and is reduced to £180 for this year v's £330 in previous years.
- £1,800 of rent has been received for the community room which still operates under COVID Secure guidelines so is available to the Eye Clinic and has been offered to the local GP practices if they require vaccination space.
- The Jubilee clock has been serviced for the annual charge of £210 with no additional work required.
- The service income from the Village Hall is due to be paid in January.

- The final invoice for the Christmas lights has been received taking the total expenditure on the event to £4,370. The Clerk is querying the charges for the switch-on event as no actual event took place, although the work is predominantly the same.
- Since the quarter-end a further £5,740 CIL payment has been received and there was a potential additional payment due once RBWM are paid for the work on Dry Arch Road. This will not have to wait until the next payment window.

The committee received an update on the internal and external audits. The internal audit was taking place remotely once again and the Clerk had provided the extensive information to allow the auditor to carry out the work.

Following the external audit for 2019-2020 an interim report had been received due to the outstanding questions on the previous AGAR for 2018-19.

Cllr Pike requested the wording of the report be provided to the committee. The Clerk read it out, and it is copied into these minutes below:

*Except for the matters reported below, on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return (AGAR), in our opinion the information in Sections 1 and 2 of the AGAR is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.*

*We are unable to complete our review work on the AGAR and supporting documentation as a result of correspondence received in relation to 2019/20 and/or prior years. Once we have finalised our review and completed any additional work arising from that correspondence, a final report will be provided with the certificate of completion detailing any qualifications and 'other' matters.*

Cllr Booth enquired regarding the status of the Council's possible liabilities in relation to the Berkshire Pension Fund and the Clerk confirmed that no further information had been received other than confirmation of the Actuarial Valuation which stated no amounts were due to the Fund.

FC38 / 20 Council Budget for 2021-2022

The committee reviewed the revised forecast for the current financial year together with the amended budget proposed for 2021-22 as set out in the paper. This had been prepared to meet the Council's request of an increase of no more than 1% in the Precept demand.

The committee noted the following:

- The latest forecast for 2020-21 was a surplus of £16,129
- A reduction of £10,218 in the proposed budget precept
- Proposed expenditure reductions of £3,000 in each of the capital and revenue projects budgets
- The significant risks and sensitivities attaching to both the forecast and proposed budget as a result of Covid-19 and ongoing litigation
- General reserves (including the aforementioned surplus) are sufficient to fund the proposed in-year budget deficit of £4,218 in 2021-22

Cllr Buxton requested that her concerns over setting a budget to fit a pre-determined percentage increase in the precept be minuted but accepted that in the present exceptional circumstances this was justified. Cllr Booth agreed that budgets would normally be determined on the basis of agreed policies and perceived needs but fully supported the compromise proposed for 2021-22.

The committee **resolved to approve** the proposed budget for presentation to Council.

Cllr Buxton requested that the presentation of the budget to Council clearly identify that the budget increase for a band D house was 62p per year.

Cllr Pike requested that her concern that in preparing the budget CIL funds were not being used to supplement the Precept income be minuted. Cllr Booth responded that such funds could only be used for specific purposes but agreed

that as CIL funds were likely to increase quite significantly in the future Council should give careful consideration to their use. He anticipated a paper from the Operations committee would be submitted to Council shortly.

FC39 / 20 Council Investment Strategy

The committee reviewed the strategy provided by the Clerk/RFO and noted its similarity to other Parish Council strategies. A number of changes were agreed and Cllr Booth requested that a definition be provided for Specified and Non-Specified Investments.

The Clerk took the action to provide this and to amend the draft Strategy prior to it being brought to Council.

Cllr Evans left the meeting at this point.

FC 40 / 20 Any other business

There was none.

FC 41 / 20 Dates of Future Meetings

The next Finance committee meeting in the annual calendar is on 6 April 2021, however it was agreed that an additional meeting would be held on Tuesday, 16 February 2021 at 1:30pm.

Part I of the meeting closed at 2:30pm.