

Local Government Act 1972



Local Government for Langton Green, Speldhurst, Ashurst and Old Groombridge

**Minutes of a Finance Committee Meeting held on
Monday 9th October 2023 at 7.30pm in the
Parish Council Office, Langton Green Recreation Ground**

MEMBERS PRESENT

Cllrs Ellery (Chair), Cleaver, Rowe and Curry (ex-officio).

MEMBERS OF THE PUBLIC

There were no members of the public present.

OFFICERS PRESENT

Mrs K Neve – Clerk, Mr C May – Responsible Financial Officer (RFO).

1. Election of Vice-Chairman

RESOLVED that Cllr Rowe was elected as Vice-Chairman.

2. To enquire if anyone present intends to record the meeting:

The meeting was recorded by the Clerk for accuracy of the minutes. The recording would be deleted once the meeting minutes are signed off at the next Finance Committee meeting.

3. To receive and approve apologies for absence

Apologies were received from Cllrs Davies (family commitment) and Tarricone (work commitment). Apologies were also received from Cllr Lyle (ex-officio).

4. Disclosures of Interest

Cllrs Ellery and Rowe declared an interest in item 16 – as a shareholder of the Speldhurst Community Shop Ltd.

5. Declarations of Lobbying

There were none.

6. Minutes

RESOLVED – That the minutes of the Finance Committee meeting dated 26th June 2023, copies having previously been forwarded to Members, be approved, and signed as a correct record.

7. Public Open Session

There were no members of the public present.

8. Review of Action Points

The Clerk reported that all action points had been completed or were in progress.

9. Interim Payments

Unity Bank: £230 JLM Pest Control for mouse proofing; £180 Sevenoaks DC for Pavilion licence; £50 Langton Green Village Hall for office rental; £756 Mazars for external audit; £13.88 Langton Green Village Hall for room hire; £235.19 Veolia DD for waste disposal; £9 Unity Bank Credit Card Charges.
Mastercard: £74.39* Viking for toilet roll; £31.00* Amazon for water filters; £11.69* Amazon for Patio Magic; £17.55* Amazon for toilet paper dispenser and paper; £64.58* Amazon for toilet paper. Payments made under delegated authority are marked with an asterisk.

10. Financial position to review expenditure vs budget at 4th October 2023:

Summary sheets and detailed reports had been circulated prior to the meeting. The RFO said that the figures included some payments for October. The committee reviewed the spending to-date which was in line with expectations.

11. Financial position to review expenditure for the Pavilion at 4th October 2023

Summary sheets and detailed reports had been circulated prior to the meeting. The RFO reported that there was going to be a deficit this year which will exceed the money in the EMR (Ear Marked Reserves) RRIM (Repair, Renewal, Improvement and Management) account. The main reason for the deficit was the much higher energy bill and he suggested that the total could be as high as £15,000 which would need to be taken from EMR contingency. He said this was the first year that the council would have to use its reserves.

- **To review the rent for the Pavilion Café** – The RFO reported that the café rental had changed during Covid from being paid in advance to arrears. The café owed one month in this financial year.

12. Budget Virements

There were no new budget virements. The virements approved at the Full Council meeting on 2nd October were noted (Speldhurst Chapel expenditure of up to £10,000 for the services of a building survey, valuation and for legal work; and Pavilion legal expenses of £2,500 from Contingency and up to £5,000 for new furniture for the Pavilion from the RRIM account).

13. Banking and reserves – to consider the present banking arrangements.

The RFO reported that one account was slightly over the Financial Services Compensation Scheme (FSCS) protection but with the current rate of expenditure this would not be for long. The Chair asked the RFO to review the interest rates to see if we can get a better return. The RFO indicated that many Financial Organisations do not deal with parish councils.

- **Government Bonds** – The Chair had asked the RFO to investigate whether the council could invest in Government Bonds. The RFO reported that he had contacted many councils, none had invested in them. The Internal Auditor expressed his concern and advised caution.
- **Earmarked Reserves (EMR)** – In the latest Internal Audit (IA) report the IA pointed out that in his opinion the General Reserves held by the council were too high. The RFO said that the reason was that specific amounts were being held there which could be transferred to EMRs. He suggested renaming the current EMRs held:
Ear Marked Reserves to EMR Playground renewal and repair
Council reserve to EMR Contingency

He then suggested transferring the amount held for Highways in General Reserves to a new EMR Highways £30,000 and transferring the money held for elections (£6,500) to a new EMR Elections.

With the money due to be spent on the Speldhurst playground and imminent payment of £15,000 this should bring the General Reserves down to an acceptable level.

RESOLVED to transfer the monies as noted above. These transfers will be advised to Full Council at the next meeting.

14. Committee and Working Group expenditure – to consider expenditure recommended by committees and working groups and be notified of expenditure made under delegated authority. To make recommendations to Full Council where necessary.

The Clerk and RFO advised caution on future spending this financial year as there had been several virements from contingency already.

15. To review the following policies

- **Internal Financial Control** – This policy was reviewed on 3rd April 2023 but since then the question of babysitting expenses had been raised. Councillors recommended that, for clarification, the wording should be amended to “Babysitting expenses are allowed but prior approval by the Clerk is required”.

RESOLVED – That Full Council be requested to approve the amendment to the Internal Financial Control policy as described above.

16 Grant Requests

- **Update on Speldhurst Community Shop PWLB (Public Works Loan Board)** – The RFO reported that latest PWLB draw down figures had not moved much since July when the repayments for the consultation had been calculated. The rate then was 5.66%, the rate now is 5.8%. This means our annual repayment will total £31,850 of which £13,000 is capital and £18,850 is interest which will reduce by about £400 per annum.

17 Budget 2023-24

The RFO and Clerk presented their budget recommendations for consideration of the precept for 2024-25. The committee noted the figures and accepted the estimates, with an additional £2,500 for legal fees (pavilion). The figures presented, which did not include the estimates for the Chapel PWLB (£32,000) or any budget for contingency, totalled £180,000 which is slightly above the current precept. The figures for the Pavilion would be discussed with Cllrs Curry and Lyle prior to the meeting.

To be able to have any flexibility in the next financial year the RFO suggested an increase of 8% would increase the precept to about £195,000 and would give £15,000 contingency (down from last year’s £30,000). If the PWLB is confirmed this would make the precept £227,000 for 2024-25. The Chair will discuss with councillors at the November Full Council meeting what increase in the precept councillors would be comfortable recommending. Given that the figures do not yet include the ongoing losses that are foreseen for the Pavilion, the precept increase that would be required to balance the budget would be even higher than 8%.

18 Credit Card Limit – to consider increasing the credit card limit.

The Clerk reported that the credit card limit was currently £2,000 and there had been a few occasions when we have had to wait until the credit resets for the next month and therefore an increased was requested. **RESOLVED** – That the credit card limit be increased to £2,500.

19 Staff and Training

There was nothing to note.

20 Items for Information

- Date of next meeting Monday 20th November 2023.

- Following the resignation of Cllr Scarbrough, at least one new member of the Finance Committee was required. This would be put on the next Full Council agenda.

There being nothing further to discuss, the meeting closed at 8.59pm.

Chair

Finance Committee Action Points

Action Number	Action	Owner	Date created	Status
15/23	Contact Energy Broker re energy prices for 2024	Clerk & Cllr Curry	26/06	Complete
16/23	Review how reserves are recorded and make recommendations to Finance Committee	RFO	26/06	Complete
17/23	Add FC agenda item for approval of expenditure limit increases for Fin Comm to £7,500	Clerk	26/06	Complete
18/23	Add FC agenda item for approval of delegated emergency expenditure limit to £5,000	Clerk	26/06	Complete
19/23	Add FC agenda item for approval of grant to Speldhurst school for £10,000	Clerk	26/06	Complete
20/23	Pay grants awarded	Clerk	26/06	Complete
21/23	Follow up dissolution of SPC Pavilion Ltd so that we can apply to TWBC for 0% rateable value.	Clerk	09/10	
22/23	Look at interest rates of accounts to see if a better rate of return can be achieved.	RFO	09/10	
23/23	Include item on FC regarding caution on future expenditure.	Clerk	09/10	
24/23	Provide estimate of annual energy bills.	Cllr Curry	09/10	
25/23	Include Precept 2024/25 on next Full Council Agenda.	Clerk	09/10	
26/23	Include the renaming and transfers of the EMR on next Full Council Agenda.	Clerk	09/10	
27/23	Include Committee membership on next Full Council Agenda.	Clerk	09/10	
28/23	Include Internal Financial Control policy alterations for approval on next Full Council Agenda.	Clerk	09/10	