

Local Government Act 1972



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

**Minutes of a Finance Committee Meeting held on
Monday 25th November 2024 at 7.30pm in the
Parish Council Office, Langton Green Recreation Ground**

MEMBERS PRESENT

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

MEMBERS OF THE PUBLIC

There were no members of the public present.

OFFICERS PRESENT

Mrs K Neve – Clerk and Responsible Financial Officer (RFO).

1. 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.

2. To receive and approve apologies for absence

Apologies were received from Cllrs Davies (family illness), Lyle (prior commitment) and Tarricone (unwell).

3. Disclosures of Interest

Councillors' ongoing disclosures were noted:
Cllrs Ellery and Rowe have shares in the original Speldhurst shop and post office.

4. Declarations of Lobbying

There were none.

5. Minutes

RESOLVED – That the minutes of the Finance Committee meeting dated 23rd September 2024, copies having previously been forwarded to Members, be approved and signed as a correct record.

6. Public Open Session

There were no members of the public present.

7. Review of Action Points

The Clerk reported that all action points had been completed.

8. Interim Payments

Unity Trust Bank: £183 SLCC Membership for Asst Clerk (CB); £37.50 Ashurst Village Hall for Meeting Room Hire; £19 Langton Green Village Hall for Meeting Room Hire; £42* Knockout Print for Sign for LGRG; £12.15 DD Unity Bank for Monthly Charges; £98.35 Castle Water for Pavilion Water; £364.79 Veolia for Waste and Recycling Collections; £2,339.13 UK Deb Management for Office PWLB; £87.60 Ashford Security for Intruder Alarm Repair; £345.88 Unity Trust Credit Card Bill; £100 TWBC for Mayor's Toy Appeal Donation.

Mastercard: £9 Unity Trust credit card charges (Oct); £9 Unity Trust credit card charges (Nov); *£71.94 WEL Medical Ltd for Defibrillator Pads; *£30.94 Langton Green Service Station for Fuel for Van; £80 KALC Cllr Training; £50* RBL for Lamppost poppies.

Starred items were made under delegated power.

The Clerk raised the number of active signatories on the Unity Trust Bank account and the need to review in due course once Cllr Lyle steps down in May. Cllr Ellery advised that he was still unable to access his account and asked the Clerk to contact Unity Trust Bank to reactivate his access.

9. Clerk's Report

The Clerk reported that the bank reconciliations were up to date and had been checked and signed by a councillor which was noted by the committee, as required by the Internal Auditor. In addition, two VAT claims had been submitted in April and October and the funds had been received.

The outstanding balance for the Public Works Loan Board (PWLB) repayment notice for the office building was £8,666.58. The loan would finish at the end of May 2026, interest being payable twice yearly in May and November.

The rate of employer National Insurance contributions (NICs) would be increased from 13.8% to 15% and reduction of the per-employee threshold at which employers become liable to pay National Insurance (the Secondary Threshold) from 6 April 2025 to £5,000. The Governance committee had provided the figures to be taken into consideration for setting the budget for the next financial year.

10. Financial position to review expenditure vs budget at 15th November 2024

Summary sheets and detailed reports had been circulated prior to the meeting. The Clerk said that the figures included payments up until 15th November which was approximately 8 months into the financial year. The committee reviewed the figures which were in line with expectations.

The Clerk reported that, on his recent visit, the Internal Auditor had found that the Payroll provider had not calculated her salary correctly and she had been underpaid since May. She would contact the Payroll provider to rectify the mistake.

11. Financial position to review expenditure for the Pavilion at 15th November 2024

Summary sheets and detailed reports had been circulated prior to the meeting. Councillors had already agreed to put aside funds into an EMR (Ear Marked Reserves) account for pavilion maintenance when setting next year's budget.

The 6-month renewal of the Community Hub hire agreement had been draft and the Clerk would send this to the Community Hub for their approval and signature.

12. Budget Virements

There were no new budget virements.

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

The Clerk confirmed that all the bank reconciliations had been checked and signed by a councillor, in line with financial procedures.

CCLA – To recommend to Full Council the approval of the signatories on the account to authorise the investment – At the last Finance Committee meeting and confirmed at the October Full Council meeting, councillors had approved the setting up of a Public Sector Deposit Fund with CCLA. A formal minute, authorising the signatories, is required for the application and it was therefore **RESOLVED** to recommend to Full Council the authorisation of Cllrs Curry, Norton and Rowe as signatories.

14. Proposed/Planned/Planned Non-repeating Expenditure

- **Pavilion** – Planned Maintenance of Pavilion.
- **Highways Committee** – No future expenditure was envisaged at this time. A couple of the SID batteries may need replacing; the cost was around £150.
- **Governance Committee** – Future expenditure on salaries, pensions, IT equipment, CCTV, internal and external auditing were included in the projected figures.
- **Amenities Committee** –
 - Pocket Park (grant funded works)
 - Bollards in the Langton Green Recreation Ground (LGRG) carpark: 20 per year at a cost of approximately £5,500 until all the wooden posts in the carpark had been replaced with steel versions.
 - Outer fence around the junior playground: £20,000 (to include installation) in 2026/27.
 - Carpark bay repainting.
 - Maintenance on the LGRG.
 - Playground equipment longer-term plan.

15. Committee and Working Group expenditure – to consider expenditure recommended by committees and working groups and be notified of expenditure made under delegated authority. There was nothing specific to consider at this time that had not already been included in the previous item on proposed/planned/planned non-repeating expenditure.

16. To review the following policies:

There were currently no policies to review.

17. Grant Requests – There were none.

The updated Grants List was noted.

18. Update on the Speldhurst Chapel PWLB – Councillors noted the latest interest rate of 5.55% EIP (equal instalments of principal) (as at 19th November). This meant the initial annual repayment would be £30,857.13 (£13,000 capital and £17,857.13 interest, which would decrease over time). Interest was payable twice yearly (May and November) and the loan would be over 25 years. After the first year, the capital would reduce by £13,000 (£312,000) and next year's interest would reduce to £17,135.63.

The total of legal fees paid to date was £18,308 plus another invoice of £8,000 to come.

The Clerk would contact the insurance company for revised quotation prior to activating the insurance once the sale has been completed. This amount would be reimbursed by Speldhurst Community Shop.

- 19. Budget 2025-26** – The budget recommendations for the precept for 2025-26 were again reviewed prior to recommendation to Full Council. The Precept for the current financial year was £225,680, which had included the increase for the Speldhurst Chapel PWLB.

The recommendations included the following noteworthy, but not full, list of items:

4000 – An increase in salaries to include the increase in NI contributions and were based on a suggested max 5% salary increase.

4028 – An increase in the accounting software costs to include the year end closedown for Income and Expenditure, which was more expensive than for Receipts and Payments.

4052 – A new EMR for potential Pavilion legal fees.

4060 – An increase for computer capital spending for the planned replacement of the current equipment.

4012 – A new EMR for parish office building works.

4201/4207 – A reduction in grounds maintenance costs following the approval of the new contractor.

4208 – A new EMR for CCTV equipment potential replacement.

4210 – An increase to include the additional of quarterly and annual playground inspections.

4211 – An increase and EMR to include the replacement of wooden posts in the car park with steel bollards (20 per year until all are replaced).

4216 – A new EMR for replacement defibrillators.

4276 – An increase in Pavilion utilities costs.

4281 – A new Pavilion maintenance EMR.

4283 - An increase in the cost for licences required for the Pavilion following the dissolution of SPC Pavilion Ltd. There was a different tariff for parish councils, previously a community buildings tariff. The Pavilion Bookings System was also included in this budget heading.

4279 – An increase in waste disposal costs.

The total budget for 2025/26 including the new EMR items totalled £260,361 (£226,986 + £33,375). To cover this by precept only would be a £34,681 increase over the 2024/25 precept of £225,680 or a 15.4% increase.

The committee proposed to use some of the funds included in the 2024/25 precept that had been set aside to cover repayment of the PWLB to reduce the impact for 2025/26. The amount set aside for PWLB repayments in 2024/25 totalled £30,680 (codes 4301 and 4302). Given the timing of the drawdown of the PWLB no repayments would be made in this financial year.

The total costs associated with the purchase of Speldhurst Chapel (legal fees, stamp duty, registration fees and general disbursements) would exceed the £25,000 that had been included in the PWLB loan total of £325,000 to cover costs. Final details were still awaited but based on the preliminary numbers around £7,000 of the £30,680 would need to be utilised to cover costs over and above £25,000. This would leave £23,680 of the PWLB total set aside to be used to reduce the impact of the increase for 2025/26.

£15,000 would be used for the EMR for Pavilion Building Maintenance rather than include this amount as part of the 2025/26 precept. The balance of the £23,680 would be used to top up the EMR for playground equipment which would not affect the precept as it was an existing EMR.

This approach would reduce the increase in precept for 2025/26 from £34,681 to £19,681 which was equivalent to 8.7%. And of the £19,681 increase, £8,714 related to payroll costs due to the change in employer National Insurance contributions.

It was noted that, year to date, there was a surplus of income over expenditure of £98,585 which included the money set aside for the PWLB. Therefore, the actual surplus was £67,905. If costs to the end of March 2025 exceeded this amount the general reserves would be reduced. If costs were less, this would increase the general reserves. General reserves at the end of March 2023 were £118,742. At the end of March 2022 general reserves were £145,910.

It was **RESOLVED** to approve the budget proposals and new EMRs and recommend an increase of 8.7% in the precept to £245,361 to Full Council at the December meeting.

20. Governance Risk Assessment – Fraud

The committee noted the Risk Assessment on Fraud that Cllr Curry had carried out which showed the measures and procedures currently followed were robust. The Risk Assessment would be presented to the Governance Committee.

21. Staff and Training

It was noted that the Clerk and Assistant Clerk (KH) had attended the Clerks' Conference on 12th November (£84 incl VAT per person) and Cllr Turner had attended the Climate Change Conference on 5th November (£84 incl VAT).

22. Items for Information

- The Clerk advised that a grant application had been received from Speldhurst Church for repairs to the Clock Tower. The application would be included on the December Full Council agenda as it arrived after the deadline for this agenda. She would advise councillors of any balance remaining in the grants budget.
- Date of forthcoming meetings:
 - Monday 10th March 2025
 - Monday 9th June 2025
 - Monday 8th September 2025
 - Monday 25th November 2025

There being nothing further to discuss, the meeting closed at 9.35pm, councillors having agreed to extend the meeting beyond the two-hour time limit.

Chair

Finance Committee Action Points

Action Number	Action	Owner	Date created	Status
17/24	With regard to the change from R&P to I&E there are differences to the carried forward balances from the 2023/24 AGAR to the 2024/25 AGAR, follow up with the auditors to ascertain how this should be processed.	Clerk	23/09	Complete
18/24	Look into investing with CCLA Investments Ltd and review Internal Financial Control System and Investment Policy to clarify the investment protection requirements	Clerk	23/09	Complete
19/24	Put Finance Committee Terms of Reference on Full Council Agenda.	Clerk	23/09	Complete
20/24	Present draft budget at the next Finance Committee meeting.	Clerk	23/09	Complete
21/24	Carry out Governance Risk Assessment on Fraud.	Cllr Curry	23/09	Complete
22/24	Send meeting invitations to councillors for dates of forthcoming Finance Committee meetings.	Clerk	23/09	Complete
23/24	Request user access for Cllr Ellery in Unity as signatory.	Clerk	25/11	
24/24	Contact Payroll provider to rectify Clerk's salary underpay.	Clerk	25/11	
25/24	Send Community Hub new 6-month hire agreement.	Clerk	25/11	
26/24	Include item on Full Council to recommend the authorisation of Cllrs Curry, Norton and Rowe as signatories for the CCLA Public Sector Fund application.	Clerk	25/11	
27/24	Contact insurance company for revised quotation on Speldhurst Chapel.	Clerk	25/11	
28/24	Forward copy of CCTV contract to Cllrs Curry and Ellery.	Clerk	25/11	
29/24	Present budget proposals to Full Council for confirmation.	Clerk	25/11	
30/24	Present risk assessment on fraud to Governance Cttee.	Clerk	25/11	
31/24	Advise Full Council of any balance in grants budget.	Clerk	25/11	