



## Minutes: Finance Committee Meeting, 10 January 2022

Present	<b>Cllr Chris Meade (outgoing Chair Finance), Cllr Alison Melvin (Incoming Chair Finance), Lisa Spindler (Clerk)</b> <a href="#">Apologies for absence</a> Cllr Ryan France-Moore
1.	<b><a href="#">Approve Minutes from 15 November 2021 Finance Committee Meeting</a></b> Proposed CM. Seconded AM.
2.	<b><a href="#">Update on RFO recruitment &amp; staff costs</a></b> KR last day was 6.1.22. BPC is advertising for RFO/Dep Clerk on HALC, SLCC, Indeed & Herald. 10 hours/week, £12.30 - £13.10/ hour, (i.e. salary £6.4-£6.8K p.a.; or £23.5 - £25K FTE). Closing date 17 Jan. Interviewing 27 Jan, so hope new recruit will join around 1 March. AM thanked LS for stepping up to cover RFO post during this gap in RFO employment. AM expressed concern that LS is already doing unpaid overtime. She emphasised that LS should be paid for any extra hours involved in covering RFO post (Overtime hours @ standard rate.) So far 11 RFO applicants, but several not local. Agreed will decline non-locals and anyone clearly not meeting job spec 'essentials'. Will meet on 18 Jan by zoom to sift remaining applicants, to determine which shortlisted candidates to be invited to interview, Interview panel will comprise LS, CM and AM (except if LT is selected for interview, will ask Dist Cllr Ashcroft to replace LS on interview panel, as LS knows LT.) Duties for website maintenance have been removed from RFO post. This forms part of decision to reduce new RFO post to 10 hrs/week (compared to 15 hrs/week previous RFO.) Hours reduction saves £3380 p.a. (£13.10 x 5hrs/week x 52). Separate ongoing contract will now be agreed for Website maintenance from 1/4/22. The 'remedial' website maintenance contract with Mary Nolan (to 31 Jan, £20/hour) is producing excellent results. £120 has so far been billed (to end Dec). It was agreed Remedial Contract should be extended to 31 Mar, to include some Sharepoint training/coaching for Councillors by Mary. We will budget for £800 total Remedial web work. It is too soon to determine how many hours required for ongoing web maintenance from April. Forward budget to be clarified when it is clearer how many hours/month work will be needed. <b>Action: LS to update budgets for RFO &amp; Clerk salaries and web contract budgets, per above.</b> Reviews of Staff Remuneration. LS salary is due to be reviewed shortly. This will be done by 1 March, so that RFO and Clerk annual review dates are synchronised. <b>Action: CM, RF-M &amp; AM will meet by 1 March to review Clerk contract (forward job plan and 2022-23 rates of pay).</b>
4.	<b><a href="#">Update on Precept, Current financial position and Ear-Marked Reserves (EMR)</a></b> 2022-23 Precept will be put to council for approval on 11.1.2022 and is ready for submission (2022/23 precept £71,384 which is +3% increase on 2021/22 precept of £69,103.) LS is working hard to ensure BPC's financial position is properly documented, as she resolves the various still-outstanding actions that have accumulated over the difficult last few months. By 8 Feb PC meeting, all normal monthly items (e.g Bank Reconciliation) will be presented as normal – additionally, from Feb, monthly bank balances will be reported. A comparison of 2021 vs 2020 net expenditure will be made available asap for Finance Committee review. As previously noted, Finance Committee wants to more closely monitor income from non-Precept sources (CIL, grants & contracts), as well as monitoring expenditure. By 1 March, EMRs will be fully updated, to tie up any remaining loose ends, and the long-discussed transfer of funds from BPC current to BPC deposit account actioned by 1 March. <b>Action: Auditor to send list of already-EMR items; LS will correct any EMR omissions/errors.</b> <b>Action: LS will provide Finance Committee with an analysis of latest 2021-22 actual expenses and actual income against 2021-22 Plan/Precept.</b>

5.	<p><b>Update on contract renewals</b></p> <p>Feedback from football club suggests we should expect a request for a reduction in cost. AM &amp; LS have started to prepare 'calendar' of contract renewal dates. <b>Action: Renewal Calendar to be completed/included as regular item in Finance meetings from next meeting.</b></p>
6.	<p><b>Limits of Authority; and processes for authorising quotations &amp; contracts</b></p> <p>It was agreed that Full council committee time can sometimes be wasted by bringing things unnecessarily to council, due to a lack of clarity about Limits of Authority – council meetings should simply summarise decisions made within Clerk's authority limits, rather than ask for authorisation. Councillors need a simple summary of authority limits: situation is confusing because BPC's Standing Orders and Financial Controls Policy each include different information on authority limits. Table 1 summarises the relevant extracts from current policies.</p> <p><b>Action: It was agreed that a simple 'How BPC's Finance works' information will be produced for incoming RFO, and shared with Councillors at March 2022 PCM.</b></p>
7.	<p><b>Energy Costs &amp; Energy Efficiency Bid</b></p> <p>Steep increases in fuel costs should not greatly affect the council in 2022-23, because its tariff is fixed until Feb 23. Thus there is no need to adjust energy budget in Precept. Energy Alton completed its Binsted Pavilion Energy Audit, with various useful energy efficiency recommendations. HCC grant funding is potentially available to fund/ part-fund such work - a bid to HCC is being explored (see Item 8 below). To prepare for this: (i) AM will look for potential energy efficiency contractors; (ii) LS will establish actual readings for 1 Feb 2022 (and obtain Feb 2021 actuals from our EDF online account.)</p>
8.	<p><b>Update on bids submitted, in preparation and being considered</b></p> <p>AM has submitted: (i) bid to Tree Council for hedge plants/etc (£1065); and (ii) Expression of Interest to SDNPA for its Call for Nature Recovery Sites. Likely to hear quickly about outcome of Tree Council bid, but not to get feedback on Nature Recovery EoI until Summer 2022. AM is starting to develop several new bids, including a bid to HCC for Energy Efficiency funding (see Item 7); and to the Community Infrastructure Levy Projects call (closing date 28 February).</p> <p>AM has compiled a table of available grants (on main Excel spreadsheet - available to all Cllrs via Sharepoint). It is agreed that, for transparency and good practice, all bids, wherever possible, will be brought to Full Council (for information) ahead of submission.</p> <p><b>Action: AM to keep Finance Committee advised of developing bids.</b></p>
9.	<p><b>Preparations for Charitable Trust governance and accounting</b></p> <p><b>Finance Committee will develop proposals regarding governance and accounting for Oval &amp; Blacknest Charitable Trust, to bring to March PCM.</b> Aspects to be considered will include:</p> <ul style="list-style-type: none"> <li>• Articles of Association – will need a new legal agreement if original Oval Charitable Trust articles cannot be located – will need to agree which lawyer to use.</li> <li>• How much funding to transfer into Charitable bank account as its balance (need to clarify best practice with HALC &amp; Auditor).</li> <li>• Process for briefing/training Councillors on their roles as Charitable Trustees</li> <li>• Agreement on appointment of any external Trustees.</li> <li>• Operating procedures for how Charitable Trust bank a/c will be managed (We assume as a 'Single Pot', but with clear tracking of Oval vs Blacknest income and expenses.)</li> </ul>
11.	<p><b>Parish council's governance and policies</b></p> <p><b>Updated policies for approval:</b> CM thanked LS for updated policies, which will be brought to 11.1.2022 BPC meeting for approval &amp; publication on website. Terms of BPC's Delegation Scheme also being put on website. <b>Action: LS to publish approved policies on website.</b></p>

	<p><b>Governance:</b> BPC's current Standing Orders specify the following governance arrangements for Working Groups (WGs): there must be at least 3 Councillor members (one as WG Chair). External participants are freely permitted but cannot vote on WG resolutions. As BPC currently has only 5 Cllrs, it causes Cllrs a high workload to be on so many committees. Until BPC increases its Cllr complement, it was suggested that each Committee and WG informally designate who is the #2 (as well as who is Chair), so that the 3<sup>rd</sup> Cllr member acts more as a backup to the #2 (with duties of #2 and Chair to periodically brief #3 member.)</p> <p><b>Action: LS &amp; AM will discuss this suggested approach with other councillors.</b></p>
12.	<p><b>Progress on action points from last meetings</b></p> <p>CM thanked LS and AM for their hard work, that has resolved so many of the Action Points arising from the October and November Finance meetings.</p>
13.	<p><b>Preparing for 5/4 Annual Parish Meeting presentation</b></p> <p>Planning for this event is getting underway (first discussion at Feb PCM). Part of BPC's presentation at this community event will be to (clearly but simply) explain BPC's financial position. Key messages are: that BPC is being financially prudent; and that it is <i>delivering</i> for the community. It was agreed we should use simple visual InfoGraphics, avoiding 'tedious' tables of figures. InfoGraphics need to be completed by end March.</p>
14.	<p><b>Future Finance meeting dates</b></p> <ul style="list-style-type: none"> <li>- Next Finance Meeting Early March (exact date tbc, depending on new RFO start date).</li> <li>- May need a further March meeting with Auditor/others, to organise Charitable Trust.</li> <li>- Will need to hold an Inaugural Trustees meeting in April, and possibly a Finance Meeting to mirror this agenda from BPC's 'corporate' perspective.</li> <li>- Thereafter, anticipated Finance meetings are: mid July (review 1Q actuals); mid Oct (review 1H actuals and discuss 23-24 Precept) and early Jan 2023 (Agree Precept).</li> </ul>

<b>Table 1: Recap of Current Limits of Authority</b>	
Clerk and RFO each have authority to place orders to purchase items and services, within agreed budgets, up to the value of £1000. Above £1000, need Finance Chair authorisation (Financial Controls Policy)	
The Clerk, in consultation with the Finance Chair, is authorised to approve expenditure up to £ 1,000 in cases of emergency. (Standing Order 14.4)	
Urgent decisions required between scheduled council meetings are delegated to the Clerk in consultation with the Chair of the Council - decisions under this delegation will be reported to and recorded in the minutes of the next Council meeting. (Standing Order 24)	
Payments of salaries, personal expenses, sundry office and minor maintenance may be paid without reference to Council. (Standing Order 14)	
The Clerk and Deputy Clerk's mileage, office and other incidental expense claims, must be approved by Chair of Finance and one other signatory (Standing Order 14.3)	
For contracts over £1000, at least 3 quotations shall be obtained. (Standing Order 23)	
The Clerk, after consulting Council Chair and Chair of Finance, may enter into a contract valued up to £1,000 with any person she considers competent for the purpose. Provided that no 'one' person is awarded contracts with an aggregate value exceeding £5,000 in any financial year. (Standing Order 23.2)	
Binsted Parish Council Credit Card can only be used for purchases to a value of £1000. (Financial Controls Policy) [This policy needs adjusting / removing, as Credit card limit is now over £1000.]	
Every bank payment must be signed by the RFO and Chair of Finance, they will be authorised by two Councillors online. (Financial Controls Policy)	