



## **BRIERCLIFFE WITH EXTWISTLE PARISH COUNCIL** **FINANCE MEETING**

**held on Tuesday, 20th July 2011 at 7.30pm**

Present: Councillors Frost (Chair), Bailey, Meeks, and Prince; Clerk (Steve Watson),  
Responsible Finance Officer (RFO - Lianne Abram)

### **1. Appointment of Chair and Vice Chair for the 2011 Municipal Year**

**RESOLVED: That Councillor Frost would be the Finance Committee Chair and Councillor Lishman would be the Vice Chair for the 2011 Municipal Year.**

### **2. Apologies**

Apologies were received on behalf of Councillors Lishman and Thomas.

### **3. Minutes of the Previous Meeting**

The Minutes of the meeting held on the 1<sup>st</sup> February 2011 were agreed as a correct record.

It was noted that the Lengthsman's contract was for 48 weeks in any calendar year, this was to meet with statutory leave requirements of a minimum of 4 weeks leave in any year. The claim for £258 for grit from the Borough Council has been received.

### **4. Internal Audit Report**

The internal Audit report identified that incorrect cheque number had been recorded in the cash book, it was agreed that this was a simple administrative error and that extra due diligence would be used in future.

The report suggested that the VAT reclaim should include all VAT receipts as a list and not be 1 large amalgamated VAT reclaim for the total amount. The Responsible Finance Officer (RFO) explained that this had been attempted twice with Her Majesties Revenue and Customs (HMRC), but they had only provided forms to make the claim in one amount and notified that they only needed individual amounts if they felt this was necessary. The RFO will contact HMRC to see if a different process can be used in future years.

The report noted that a Balance Sheet was included that was not necessary, the RFO explained that all information had been included for transparency but will not include a balance sheet in next year's return.

The report noted that the Bank balance Insurance cover was too low and cover needed to be increased to £40,000, the RFO will contact the insurers and rectify the position, though this is likely to increase the Council's insurance costs and incur an administrative charge. It was suggested that a few quotes for new insurers should be sought to ensure value for money.

The report stated that there needs to be a review of the effectiveness of the Internal Audit Report, it was stated that the report had been approved at a Full Council Meeting and members were unsure how to action this recommendation. It was agreed that the RFO would contact the Auditor for clarification.

The Minutes referred to the Annual General Meeting of the Council rather than the Annual Meeting. There were also a few minor issues with minutes and that this was usually when the Clerk had been unavailable and a volunteer had taken the minutes. The issue should be rectified now the Clerk position has been filled.

**RECOMMENDED: That the RFO contact HMRC regarding the VAT return, contact the insurers and increase the bank balances cover to £40,000 and seek out insurance quotes and contact the Internal Auditor for clarity on the recommendation on effectiveness.**

## **5. Analysis of Cost Centres**

A cost centre report was provided by the RFO that included income and expenditure up to the 30<sup>th</sup> June.

Allotments – one tenant who had been recommended to receive a notice to quit at the last Allotment Meeting and approved at the Parish Council meeting had in fact paid the rent prior to the Meeting of the Parish Council. It was therefore suggested that this rent is accepted and the notice to quit is rescinded.

The RFO explained how rents are currently determined and that the process is not efficient. It was noted that it has been agreed previously that next year bills will be distributed in March with a rents day in April with an end day for rent payments of the end of April.

The maintenance budget is heading for an overspend as a cost of £750 that had occurred last year had been paid this year, the budget had an underspend of £750 last year.

**RECOMMENDED: The Maintenance Budget is increased by £750 from reserves and that the notice to quit for the allotment tenant who paid prior to the decision being taken is rescinded.**

It has been previously agreed that the Allotment budget would pay for Allotment committee room hire.

**RECOMMENDED: That any underspend in the Allotment Budget at year end is vired to room hire up to the costs of the Allotment Committee expenses for hire of the Community Centre.**

The income from interest on the Deposit Account was likely to be low this year.

**RECOMMENDED: The RFO investigate better rates of interest and to include the Co-op Bank which offers special rates for Parish Accounts and the Leeds Bank and report back to the next Finance Meeting.**

Currently the Turning Circle Garages do not have a specific code, it was suggested that code 10 is used but that 3 budget codes are set up for the Turning Circle Garages. Douglas Road income is to be recorded under budget code 9.

It was noted that the salaries budget is heading for an overspend already and needs a review. It was suggested that the salaries are reviewed separately as future budgets need to take account of any salary increases. The RFO will supply Councillors with information from Lancashire Association of Local Councils (LALC) on salary rules and procedures.

**RECOMMENDED:**        **A separate meeting of all Councillors is held without Officers to address a mechanism for salary reviews, including hours and salary scale points, with this year's review being done as soon as possible. Reviews to take place in February each year at the budget setting process.**

The Briercliffe Residents Association has agreed to sponsor a Parish Sign at a cost of £100, a further 5 people may be willing to sponsor signs. The General Maintenance heading is currently being used to record the costs of the Parish Signs and it was agreed that a specific budget heading is needed. Currently the signs have cost £425 due to lot of materials being provided free of charge. Approval has been given to sponsor the Flower Show at £10. There is currently no budget set for grants to community groups, it was agreed that a budget figures needs to be agreed.

**RECOMMENDED:**        **That a Strategic Planning meeting is asked to consider funding of Parish Signs and consider an amount that should be budgeted for each year. This will include a budget for sign installations and an on-going maintenance budget.**

There is no budget set against the Lengthsman and the Parish Signs need a specific budget heading and a figure agreeing rather than using the sponsorship heading.

**RECOMMENDED:**        **That £2,000 is vired from the precept to the Allotment Lengthsman heading for Administration and £4,224 is set as a budget for Lengthsman Labour with £1,776 set for materials.**

It was agreed that the precept would be reviewed in the autumn following a full review of next year's budget requirements.

The Professional Charges budget is a little overspent due to an increase in insurance costs.

The Clerk currently has an expenses budget of £50 which is not needed due to petty cash being available.

**RECOMMENDED:**        **That £50 is vired from Clerk Expenses to RFO Expenses to redress the budgets.**

The Room Hire budget may overspend due to the increased costs of the Allotment meetings being at the Centre. It was agreed that a Community Centre report and a Bowling Club report should be provided to every Parish Council meeting as they are Council assets and potential liabilities. The Community Centre Agreement will be reviewed in private at the end of the next Parish Council meeting and both agreements need to be included on the Risk Register.

**RECOMMENDED:**        **That the Clerk's Training Budget is moved to cover the overspend on computer and software and that the postage and stationery budget of £140 is move to Petty Cash.**

The Miscellaneous budget heading includes the costs of the Duke Street Flag Pole and flags.

The printing budget covers 2 newsletters and is £333.33 as does not include the VAT element. Advert income needs to be increased to cover some of the newsletter costs.

**RECOMMENDED:** A Newsletter Budget of £640 is set for 4 editions each year. That adverts on the website are investigated further to provide additional income.

## **6. Allotment and Garage rent increases**

It was agreed that Allotment and Garage increases would be discussed in a separate meeting of all councillors.

**RECOMMENDED:** That Allotment rent increases are based on a flat rate percentage increase in future rather than having a reference to square meterage.

## **7. Lengthsman Project and Worklist**

It was reiterated that all Lengthsman jobs must go through the RFO who will provide a work schedule of 8 hours per week. Invoices from Greenwood are to be separated out into Lengthsman jobs and Allotment jobs.

## **8. Precept and Maintenance grant**

There was no report, however it was agreed that the precept system needs to be reviewed as a part of the whole budget setting process.

## **9. Garage Colony Deposits and 'up front' rents amounts**

**RECOMMENDED:** That garage colony rents are set at £10 per week to be paid monthly by standing order into a separate bank account for ease of accounting. A deposit of £100 and 10 weeks rent must be paid in advance before taking use of a garage. A rental agreement needs to be drawn up and rental will be on an annual basis but can be terminated by either party with notice.

## **10. Fee Setting**

The Parish Council bought the legal rights to set and charge the Planning Fees for the Harrison Street garage site.

**RECOMMENDED:** That the Planning Permission fees will stay as they are, the issue of non-payment of fees will be addressed and fee increases will be considered in the autumn. A Garage Pack will be devised that outlines responsibilities when taking on a garage. The RFO to set up a budget code for Planning Permission income.

## **11. Any other business**

The cost of printer cartridges was raised as it was suggested that it would cost the Parish £268 per year for inks, though the actual cost based on current ink usage is more likely to be £172. It was also explained that each Parish meeting produced a considerable amount of paperwork. Cheaper, non branded inks were available that would cost £28 for the year. The Clerk was reluctant to use non branded inks as they can produce inferior printing, potentially damage the printer and invalidates the printer's warranty. The current printer is the property of the Clerk and not the Council.

**RECOMMENDED:** That the Clerk switch to none branded cheaper ink and if this damages the printer this will be replaced by the Parish.

**Date of next meeting**

A Finance Planning Working Group is to be held on Tuesday 26<sup>th</sup> July at 6:30pm venue to be confirmed.