

**Minutes of the Finance and Administration Committee Meeting
16 February 2016 in the Bianchi Room, Otterbourne Village Hall at 7.30 pm**

Documents: emailed with the Agenda and presented to the Chair at the meeting.

Code of Conduct; Standing Orders; Financial Regulations; Publication Scheme; Data Protection notice; Legal Powers and Duties; Planning Protocol; Annual Investment Policy; Guidance for Committees; Complaints Procedure; Recruitment and Selection Procedure; Press and Media Communications Policy; Protocol for Reporting in Meetings; Statement of Investments; Assets Register; Hiscox Insurance Schedule; Statement of Accounts, Reserves and Investments; BDO Risk Assessment and Management schedule; Risk Identification and Internal Control Mechanisms; Governance and Accountability in Local Councils in England and Wales – A Practitioners’ Guide; Internal Auditor Control Checklist; Annual Return Section 2 Governance Statement. Petty Cash Book; Payments and Receipts Ledger; Invoices File; Bank Statements.

Present: Cllr Kelly (Chairman); Cllrs Jones; Acton; Stirrup; Barton-Briddon; Romero; Clerk/RFO

1. **Apologies for absence:** Cllrs Rodford and Stansbury
2. **Declaration of Interest:** None received.
3. **Governing Documents/Policies/Procedures**
To review all documents/policies/procedures.

All documents, policies and procedures were agreed as not needing amendment except for:

Financial Regulations

Agreed amendments (in italics) to Contracts Clause 11.1 h) as follows:

- h) When it is to enter into a contract of less than £60,000 in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are excepted as set out in paragraph (a) the Clerk or RFO shall obtain three quotations (priced descriptions of the proposed supply); where the value is below £500 *but* above £250 the Clerk or RFO shall strive to obtain three estimates, save where there is a degree of urgency, in which case the *upper limit* may be increased to £750. Otherwise, Regulation 10 (3) above shall apply. With such action the order must be countersigned by the Chairman of the Finance Committee, or in his absence by the Chairman of the Council.

To update Financial Regulations as agreed and forward for website.	Clerk
To Agenda all documents for adoption by full Council at 15 March meeting.	Clerk

4. **Asset Register and Insurance**
To review cover of assets; including Fidelity Guarantee and Public Liability.

Asset Register

This was up-to-date, in line with the Insurance Schedule and approved. Disposal of 7 public benches and purchase of 7 new ones had been detailed on the Register and for the insurance.

Insurance

The insurance provider had changed to Hiscox in 2014, but was still via insurance brokers Came and Company. The contract included a 3 year tie-in until end September 2017; Excess of £250 for claims; annual Index linking; 5% discount as no claims bonus.
Fidelity Guarantee: Agreed £150,000 was sufficient to cover requirements.
Public and Employer’s Liability: Agreed £10 million was sufficient for requirements.

5. **Accounts, Reserves, Banking, Investments**

To review all accounts; budget analysis, forecast balance to end of 2015/16 year; c/f projects to 2016/17; allocation of reserves and investments, banking arrangements and investments.

Forecast balance to end of year: this was estimated at £1,922 allowing for February and March monthly income and expenditure, projects still to complete as detailed and £4,000 held as potential requirement for the pavilion boiler. It was agreed amounts for the following projects still to complete would be carried forward to the 2016/17 budget: Pavilion Maintenance £1,200; Play Park £810; HR Barrier £2,500 and Pavilion Boiler replacement £4,000.

Accruals to be carried forward as follows: Youth Facilities Project £1,032; Dual- use Waste Bins £280; Dog and Litter Bin emptying £720; PO Box £358.

It was agreed £1,500 of the forecast balance to end of year would be carried forward and allocated to Replacement of Assets, in particular used towards items in the 2016/17 budget under Other Expenditure which required a draw down from Reserves. It was agreed to c/f the remaining forecast balance (estimate £422) unallocated in the Treasurer's account.

Reserves and Investments comprised: £25,455.79 on 12 month term with Lloyds Bank maturing 10/02/17; £11,500 on 3 month term with Lloyds Bank maturing 22/04/16. It was agreed to allocate the £36,955 as follows: Emergency Contingencies £10,000; Clerk's Gratuity £2,405 (an addition of £240); Replacement of Assets fund £24,550 (an addition of £214); plus amounts held in the Treasurer's account of £4,000 for the pavilion boiler and £1,500 for 2016/17 projects listed under Other Expenditure (total Assets fund £30,050).

To Agenda for approval at the 15 March Council meeting	Clerk
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6. **Assessment of risks and internal control systems**

To assess the risks facing the Council and review the mechanisms in managing the risks.

All documents were reviewed and agreed except for the following amendments in italics to the Risk Assessment and Management document:

Salaries	Wrong salary/ hours/rate paid	M	Check salary to minute, check hours to contract <i>and</i> <i>rate to NALC.</i>	Member to verify	<i>Salary rate per hour to be checked at Precept meeting.</i> Calculations received monthly by Finance Chair.
<i>Workplace Pensions</i>	<i>Provision/set up for implementation by due date</i>	<i>L</i>	<i>Staging Date minuted.</i> <i>Requirements for implementation noted.</i>	<i>Member/ Clerk to examine</i>	<i>Agenda item for 19 July 2016 PC meeting for follow-up.</i>

To update document, Agenda for adoption and diarize for Precept meeting. To examine and work towards implementation of pension scheme	Clerk Clerk/Staff Committee
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7. **External Audit - Annual Governance Statement**

To consider Statements 1-9 on the Annual Return to meet requirements for External Audit.

Councillors assessed and affirmed Statements 2 – 9 with regard meeting their responsibilities for the 2015/16 audit. Statement 1: the end of year accounts would be reviewed and approved when prepared.

To Agenda ref Statements 1 – 9 for 19 April PC meeting	Clerk
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Meeting closed 8.30 pm.