

Minutes of the Finance Meeting held in the War Memorial Institute on Wednesday 10th April 2019

Present: Councillors Mr A Wight (Committee Chairman), Mr J Priddin (Chairman of the Council), Mr D Walker, Mrs M Jones, Mr D Williams, Mr R Wakelam, Mrs P Ransome, Mr P Blackman, Mr M Rothero and Mr A Bakewell (Youth Representative)

Absent:

In attendance: Mrs S Hughes, Clerk & RFO to the Council

352. Apologies

Apologies were received from Councillors Mr R Bestwick, Dr J Smith-Bellis, Ms C Hinds and Mrs E Davies.

353. Declarations of Interest

There were no Declarations of Interest received.

354. Matters Arising

Min 326/300 - There have been further delays with the Defibrillator being delivered from Welsh Hearts. They seem to have experienced technical and staffing issues, however it has now been delivered to the Clerk who will now liaise with Wynne Construction for the installation.

355. Penyffordd War Memorial Refurbishment Project (Section 106 Agreement)

- i. Invoices have started to come in and payments will need to be processed quite quickly and will not be able to wait for approval at the monthly meetings. The Clerk therefore asked the council to approve the following:
 - That the Clerk be authorised to make payments as and when for this project with approval from 2 bank signatories providing it is under £5,000, which will be reported at the next monthly meeting;
 - and when over £5,000 that the 3 quote process is followed in accordance with the Financial Regulations and the Council is informed/consulted.
- ii. The clerk advised that the updated Terms of Reference has been provided to the WMI.

As part of the amended S106 Agreement it was agreed that the Council would provide update reports to both Taylor Wimpey and FCC on the progress and expenditure. The Clerk sent an email on 9th April advising them that the Planning Application has now been submitted.

Cllr Wakelam stated that he was aware that the WMI will be replacing chairs, tables etc and questioned whether the S106 will be funding items such as these? The Council advised that the S106 money is to be used for the refurbishment of the building and Cllr Williams advised he was aware that the WMI also have funding which will be used for the above mentioned items.

Members agreed that if there were a remaining balance from the £190,000 this would be allocated to a further community building project such as the Youth Club. The Clerk advised that if this was the case the Council would need to ensure that it was reported to FCC and Taylor Wimpey for their information.

RESOLVED:

- i. The Council approved the above payment process.
- ii. The S106 money up to £190,000 will be used for the refurbishment of the WMI building and any unused money will be allocated to a further community building project and would be reported to FCC and Taylor Wimpey at that time.

356. Independent Remuneration Panel for Wales – Members Payments

The Clerk provided the following report: During a recent Clerks meeting with the SLCC the Clerk was made aware, for the first time, that the IRPW payments made to members have to be paid via payroll for HMRC purposes.

As gross payments had already been made to members via bacs/cheque with the responsibility of members reporting this income to HMRC she has taken necessary advice on how this could or should be rectified. She spoke with Payroll, HMRC, Pension Regulator, ACAS (minimum wage) and Auditors.

Payrolls advice is clear and they state that all payments made should be via payroll for HMRC purpose.

On speaking with our internal auditors JDH, their opinion is: the SLCC acts on behalf of councils in both England and Wales and that the payments to members may have to be processed via payroll in England, however, OVW are currently seeking advice and guidance from HMRC for a National Dispensation and until this is received they would not qualify (fail) our audit on this matter.

She had also been informed from a neighbouring Community Councillor who attended a OVW meeting that it was her understanding that dialogue is still ongoing with OVW and HMRC and no definitive decision has been made. Part of what was being discussed was with regard to councillors having to invest in IT, use their phones and basically being self employed at home. Thus the allowance falls below what can be claimed as using space in your home as an office.

A Remittance has been provided to all members who received a payment which clearly states that they are responsible for reporting any payments received to HMRC for the purpose of tax and will also retain any appropriate receipts should they be required by HMRC.

RESOLVED: the above report was received, noted and approved.

357. Year End Budget Review

- i. The Clerk provided the Council with copies of the Year End Budget Review, summary, budget monitoring report and bank reconciliation (copies attached to the minutes). These documents were reviewed by the Council and the Clerk asked whether there were any questions or concerns. Cllr Walker questioned the available net balance and asked whether this can be used against other budget headings during the year e.g community buildings/amenities? The Clerk advised that the council could consider and approve by resolution for any unspent and available amounts to be moved to other budget headings or to an earmarked reserve as appropriate ('virement').
- ii. In order to meet the requirements of the financial regulations and internet banking, it is necessary for a programme of regular checks of standing data with suppliers to be followed. This required a member to look through and certify a number of invoices and payment receipts.
- iii. The Clerk informed the Council that the Internal Audit had been prepared and would be submitted on Monday 15th April and returned Thursday 18th April.

RESOLVED:

- i. The Council approved the above which was authorised by a member of the Council other than the Chairman.
- ii. Cllr R Wakelam reviewed a selection of invoices and payment receipts which were certified as correct.
- iii. The report was received and noted.

358. Village Grass Cutting

Cllr Williams explained that this item was requested due to the council having to appoint a contractor last year to undertake additional cuts, however, FCC had undertaken the first cut this week and on speaking with Ian Williams FCC Streetscene, he has advised that they may be able to undertake more regular cuts this year. Cllr Williams therefore proposed that at this stage no contractor is appointed but requested the approval from the council that should FCC not be able to provide the additional cuts that he and the Clerk can liaise and appoint Sherratt Landscapes to undertake grass cutting on a 'as and when' basis.

RESOLVED: the above report was received and noted. The Council approved that should FCC not be able to provide the additional cuts that Cllr Williams and the Clerk can liaise and appoint a contractor up to the value of £230 per cut.

359. Street Orderly

The Clerk advised that it had been brought to her attention that the current street orderly is exceptionally heavy and there may have been a need to provide a smaller/lighter cart for Mr G Davies, however, he has now confirmed that he is happy to continue with the existing cart.

RESOLVED: the above report was received and noted. No replacement cart will be required at present.

360. Salaries Paid By Standing Order

It was previously resolved under Minute 261 that the Council agreed for staff wages to be set up and paid via a Standing Order from the 1st April. The Clerk had prepared the necessary Standing Order Forms from HSBC that require 2 x bank signatories for payments to be processed on the 15th of each month which will always fall after the monthly meeting. However, the Clerk asked the Council for this to be postponed as it has come to light that with the possibility of employee tax codes changing for the new financial year this will in turn affect the monthly payments.

Although the standing orders will not be in place the payments for staff from the 1st April will now be calculated and paid on a fixed monthly average.

RESOLVED: as from the 1st April 2019 employees will be paid per calendar month and the Council agreed that the implementation of the bank standing order be deferred for a couple of months until the new tax codes have been confirmed for the employees.

361. Official Council Email Addresses

Cllr Wight explained that we had received two options and costings for the council to consider which will enable each member to have an official council email address.

Both packages include: Microsoft Office 365 Email Mailbox, 50GB of email storage per user, Anti-malware and anti-spam protection, Shared calendars, distribution groups etc and Access via Web Browser, supported versions of Outlook and mobile devices.

The difference between the packages is the addition of 1 hr of priority remote technical support per month to help end users with device setup, issues etc.

The majority of members welcomed the provision of an official council email address whilst Cllr Williams expressed he would be happy to continue using his personal address.

Cllr Blackman proposed for the council to purchase the Basic Account Management facility which was seconded by Cllr Walker.

RESOLVED: the Council approved that they will purchase official Council email addresses providing the Basic Management Account Package.

362. Bank Balances

Bank Balances as at 10th April 2019	Current	£9,845.52
	Deposit	£308,034.95
	Play Area	£15,986.33

Bank Transfers - N/A

Unpresented Cheques/Payments – N/A

RESOLVED: the above be received and noted.

363. Accounts for Payment

To authorise the following accounts for payment:

CURRENT ACCOUNT

Payment Method	Payee	Details	Amount
int	Flintshire County Council	Street Lighting Charges - Feb 19	£112.41
Int	Staff Cost	Mar-19	£1,133.65
Int	Mrs S Hughes	Stationery, Travel, General Admin etc	£93.66
Int	Smiths Of Derby	Millennium Clock Repairs	£1,448.16
Int	Microshade Business Consult Ltd	Annual Fee for IT Services and DPO Services	£634.80
Int	Compacc Complete Accountancy	Filing of P11D	£35.00
Int	Compacc Complete Accountancy	Payroll Services 2019/20	£176.00

Chq	Flintshire Citizens Advice Bureau	Donation to the Sleep Out Event	£100.00
Int	One Voice Wales	Annual Membership	£305.00
Int	WBRUA	Annual Membership	£25.00
Int - Internet Banking			£4,066.68

RESOLVED: The above accounts be processed for payment and was signed by the Chairman of Council and/or the Chairman of Finance. Payments were also countersigned by two bank signatories.

364. Members Items (AOB)

- i. Cllr Walker asked the council to approve the 'write off costs' for the unreturned uniform. The Clerk advised that to date a full invoice has not yet been received, however, it could total approx. £100.

RESOLVED: the Council approved that this will have to be written off as all attempts have been made to have the items returned.

- ii. The Chairman requested that due to the number of projects being conducted by the council at the moment that should any members wish to approach any local companies for financial support that this is done through the Chairman and Clerk.

The finance and ordinary meetings were closed at 9.30pm

Chair..... 8th May 2019

Year End Budget Review 31 March 2019

As can be seen from the figures overleaf the Council's precept for 2018/2019 was £88,227. Receipts for the current year together with the balance brought forward from 2017/2018 have amounted to £387,383.82.

Receipts are higher than predicted due to the following payments being received:

• Donation from Hanson (replacement fence at Millstone)	£800.00
• FCC - Match Funding for Melwood Play Area 17/18	£5,000.00
• Zurich Insurance Claim for Millstone Clock	£858.66
• FCC - S106 Money (War Memorial Refurbishment)	£200,000.00
• DAC Beachcroft - Insurance Claim for Millstone Clock	£449.34

Expenditure this year has only amounted to £53,517.03, which is significantly less than expected, leaving a year-end balance of £333,866.80.

Below is a brief explanation as to why there are over or under spends on the budget headings.

- 1.1 The Council only appointed a Grass Cutting Contractor mid year.
- 1.2 The Council received a grant from FCC for £911.
- 1.3 Shows money unspent which will be held in reserves. Improvements to Melwood Play Area are due to be undertaken in 2019/20.
- 1.7 Over budget due to a car accident damaging the seating and stone wall. The council did make an insurance claim which was successful.
- 1.9 Unspent, however, money is held as a contingency for the Millstone Play Area as this is a community council facility and are responsible for all works and repairs.
- 1.11 Over budget due to increased ASB and the council resolving to purchase an additional CCTV camera.
- 2.4 The Street Operative left employment midway through the year.
- 2.6 Over budget due to employers contribution % increase.
- 2.15 The Council resolved that no additional lighting would be purchased this year and therefore the cost incurred were for installation and storage of the current lights and also decoration of the Christmas tree.
- 2.19 No paid training course were attended during 2018/19.
- 2.21 Only annual hosting has been paid, the council has not required any additional works.
- 2.22 Not all members claimed the mandated payment.
- 3.2 The Council has not received an invoice for the winter street light inspections.
- 3.3 Significantly under budget, however, FCC have commenced the upgrade improvements and the council are awaiting a report and invoice.
- 4.2 The Council have approved the purchase of a new noticeboard and are awaiting planning approval before making the purchase.
- 6 Money has been allocated to the invest of play area improvements to Melwood Play Area.
- 8 Although the council had budgeted a contingency for community transport, this was not required and will not be required for 2019/20.

Although the Year End balance is £333,866.80, there are reserves included in this figure which totals £282,854.97.

Street Lighting from 2015-2018	£33,468.64	Invoice due to be received in early 2019/20.
Melwood Close Play Area Match Fund (2017/18 & 18/19)	£25,000.00	Anticipated that the improvements will be undertaken in 2019/20.
Millstone Play Area	£15,986.33	Due to this being a community council facility, a balance will be held as a contingency for repairs, maintenance and improvements.
Best Kept Prize Money	£100.00	Money to be spent on Corwen Way.
Portacabin for Community facility	£6,500.00	The Council resolved in principle during 18/19 to make a donation to purchase a portacabin as a community facility.

S106 Money	£200,000.00	£190,000 will be spent during 19/20 on the War Memorial Refurbishment. The remaining £10,000 has been allocated to a building survey for the Youth Club.
2 x Noticeboards	£1800.00	The Council resolved to purchase 2 new noticeboards. These will be purchased as soon as the planning application has been approved.

Once the reserved sum is deducted from the year-end balance it will leave the Council with a net balance of £51,011.83 which is higher than predicted.

The Council will be submitting a VAT Claim for 2018/19 of £1807.79.

Note:
Penyffordd Community Council's accounts are produced on a Receipts and Payments basis which requires the council only to consider their actual bank and cash transactions during the year. This falls under the threshold of a value of annual income and expenditure up to £200,000.

The Council are aware of that the Regulations set thresholds to determine the form of accounts that local councils must keep. These are based on the council's income and expenditure (whichever is the higher). The requirements on individual councils change once the council has exceeded or fallen below, the threshold for three consecutive years. 2018/19 will be the first year that the councils accounts have exceeded £200,000.

**Penyffordd Community Council - Summary Accounts
2018 - 19 Financial Year**

Income

	Actual	Anticipated	Difference
Precept	88,227.00	88,227.00	0.00
Bank Interest	169.48	70.00	99.48
Refunds/Other	207,108.00	0.00	207,108.00
Grants/Funds(Play Area)	0.00	0.00	0.00
VAT Refund	2,933.95	2,933.95	0.00
Total	298,438.43	91,230.95	207,207.48

Expenditure

	Actual	Agreed Spend	Balance
Parks & Open Spaces	13,860.11	42,732.00	28,871.89
General Admin etc	11,361.95	20,285.00	8,923.05
Staffing Costs (wages, hmrc, pension)	17,242.49	20,225.00	2,982.51
Street Lighting	1,496.28	37,128.99	35,632.71
Highways & Footpaths	100.00	1,000.00	900.00
Grants	7,000.00	8,000.00	1,000.00
Investing in Youth	0.00	5,000.00	5,000.00
Provision of Balances	2,456.20	6,000.00	3,543.80
Community Transport (contingency liability)	0.00	11,840.00	11,840.00
Total	53,517.03	152,210.99	98,693.96

Note: the above agreed spend includes the reserved funds carried over £27,927 Parks & Open Space, £24,408.99 Street Lighting and £100 Gen Admin

Current Summary

Balance c/f as at 31 March 2018	88,945.40
(+)Income Receipts for 2018/19	298,438.43
(-)Total Expenditure for 2018/19	53,517.03
Gross Balance as at 31 March 2019	333,866.80
Current	9,845.52
Deposit	308,034.95
Millstone Play Area	15,986.33
Reserved - Street Lighting from 2015-2018	33,468.64
Reserved - Melwood Close Play Area Improvements	25,000.00
Reserved - Millstone Play Area Improvements	15,986.33
Reserved - Best Kept Prize Money	100.00
Reserved - Portacabin (Comm Facility)	6,500.00
Reserved - S106 Money	200,000.00
Reserved - 2 x Noticeboards	1,800.00
Net Balance as at 31 March 2019	51,011.83
VAT Costs for 2018/19 Financial Year	1,807.79

Finance Committee - Year End 31 March 2019

Current Acc Bal B/f				£9,845.52	
Date Cashed	Cheque No	Payee	Details	Amount	Uncleared Cheques
				Total	
			Balance Carried Forward	£9,845.52	£9,845.52 Bank Statement Balance
Deposit Acc Bal B/f				£308,034.95	
Date	Type		Details	Amount	
				Total	
			Balance Carried Forward	£308,034.95	£308,034.95 Bank Statement Balance
Play Area Acc Bal B/f				£15,986.33	
Date	Type		Details	Amount	
				Total	
			Balance Carried Forward	£15,986.33	£15,986.33 Bank Statement Balance
			Total Available Balance of All Accounts	£333,866.80	Total Bank Balance Inc £333,866.80 Uncleared Cheques

Balances are as at: 28 Mar 2019 11:37:15

Account name	Account type	Sort code	Account number		Balances
PENYFFO PLAY	COMMUNITY	401601	<u>01285645</u>	GBP	<u>15986.33</u>
PENY COMM COUNC	DEPOSIT A/C	401601	<u>43035867</u>	GBP	<u>308034.95</u>
PENY COMM COUNC	COMMUNITY	401601	<u>91029770</u>	GBP	<u>9845.52</u>