

Garstang Town Council

Minutes of the Virtual Finance Committee Meeting held on 13 October 2020, 7.30pm

Present - Cllrs Allan, Atkinson, Halford, Mitchell, Pearson and Ryder

010(2020-21) Apologies

None

011(2020-21) Declaration of Interests and Dispensations

Item 9a Cllr Ryder pecuniary interest; allotment tenant (did not take part in the discussion or voting)

Item 9b Cllr Pearson; significant other interest, Chair Scout & Guide Headquarters Management Committee (did not take part in the discussion or voting)

Item 9c Cllrs Atkinson and Pearson; significant other interest; Trustees Kepple Lane Trust (did not take part in the discussion or voting)

012(2020-21) Public participation

There were no members of the public present at the meeting.

013(2020-21) Receipts & payments account year 2020/21 (Q2)

The Committee were asked to approve the following:

- a) Bank reconciliation year ending 30 September 2020 for the 4 cashbooks (copies of bank statements have been included).
- b) Summary receipts & payments to 30 September 2020.
- c) Detailed receipts & payments budget report (1 April 2020 to 30 September 2020)
- d) List of receipts & payments from the 4 cashbooks (1 April 2020 to 30 September 2020)

The Clerk had provided the Committee with a statement of receipts and payments for the quarter under each heading of the budgets, comparing actual expenditure to the appropriate date against that planned as shown in the budget.

A copy of the cashbook had also been circulated.

Resolved:

- a) Bank reconciliation month ending 30 September 2020.
Resolved: The bank reconciliations for the 4 cash books were approved.
- b) Summary receipts & payments (1 April 2020 to 30 September 2020)
Resolved: The summary receipts & payments report (1 April 2020 to 30 September 2020) was approved.

- c) Receipts/Payments by budget report (1 April 2020 to 30 September 2020)

Points raised for discussion and to be followed up by the RFO were:

- i. Code 4500 Mayors allowance. Cllrs noted transfer had been made to cashbook4, RFO to check how detailed in accounts - not detailed as a spend in budget.
- ii. Code 4825 Website. RFO pointed out that 169.99 payment had not been deducted from EMR code 330 – RFO to amend.
- iii. Code 4737 computer hardware budget not utilised – RFO to check correct allocation against code 4495 contingency admin where annual computer software and backup renewals had been allocated.
- iv. Code 4590 examined, noting the overspend on budget figure (Budget spend was 210%). The RFO reported that the Lengthsman's lawn mower had not being purchased yet.
- v. General point for forthcoming budget. There could be an increase in grant requests from community groups, due to coronavirus, in 2021. RFO to consider when preparing the budget 2021-22. The RFO advised that the 'Grant awarding' policy be reviewed at January 2021 meeting.

Resolved: The receipts/payments by budget report was approved.

- d) List of receipts and payments from the 4 cashbooks (1 April 2020 to 30 September 2020)

Resolved: The list of payments and receipts from the 4 cashbooks (1 April 2020 to 30 September) were approved.

014(2020-21) Appointment of Internal Auditor

Cllrs noted the following internal audits that had been undertaken for the Council.

Year-end	Auditor	Fee
2020	Jan Finch	£150.00
2019	Jan Finch	£100.00
2018	Jan Finch	£100.00
2017	local lady (MATT)	£68.00

Cllrs noted that there are specialised internal auditors for parish councils for example Town Parish Audit, www.townparishaudit.co.uk.

Cllrs discussed the appointed of an internal auditor for year end 2021.

Resolved: That the RFO ask Jan Finch if she would be willing to undertake the internal audit for year end 2021, for a fee of £150.00. The Committee further resolved that market quotes be sought for 2022.

015(2020-21) MTWG Expenditure against the Reopening High Streets Safely Fund (RHSSF), Cllr Allan

Cllrs noted the report from Cllr Allan.

The format of the MTWG working group was discussed; could the working group have delegated power for expenditure? Cllr Allan explained how the fund money was allocated to from Wyre Council Garstang TC.

Resolved: The management team of the MTWG to examine how to streamline expenditure of the RHSSF budget.

016(2020-21) Risk assessment, quarterly review

The Committee considered the risk register (V1.12) and reviewed points 11,14, 19 and 22.

Resolved: The Committee noted:

- i) Point 11 that the tree surveys [resolution 233(2020-21), 16/3/2020] had been delayed to lockdown in March. The RFO to follow up with the tree consultant and check about the surveys been done at different times of the year.
- ii) Points 14 and 19 (email) to be amended to detail that new email addresses have now been provided. Amend review date to detail annually.
- iii) Point 22 (working alone) this was reviewed, noting that the Clerk was working from home due to the corona virus pandemic. No further action required.

017(2020-21) Asset register

The Committee considered the asset register (V1.17).

Resolved: The Committee approved the register V1.17. The RFO to liaise with Cllrs Allan and Pearson, for confirmation of the gift of noticeboards from former GDP, to be put on RFO file.

018(2020-21) Income fees

Resolved: The recommendations to Full Council is

- a) Allotments rent
Currently as per tenancy agreement, annual increase of £1 (2021; £42)
- b) Scout Hut rent
Currently the rent is £60 (approved Full Council 106 (2019-20)). The tenancy agreement states that the rent is to be reviewed every 5 year period. Next review May 2024.
- c) Kepple Lane Park
Lease agreement states a yearly rent of £1 (if demanded) on the 5th July in each year. The Committee recommend that the Town Council do not 'demand' the rent.

019(2020-21) Date of next meeting

23 November 2020 Budget/precept briefing (not committee) meeting to members of the Finance Committee.

[Note As per minute 085(2018-19) Resolved: Full Council agreed that Cllrs, who were not on the Finance Committee, could attend the briefing meeting and observe the budget briefing meeting].

12 January 2021 and 4 May 2021.

The RFO to seek agenda items from the Finance Committee in advance of the quarterly meetings.

At the meeting on 12 January 2020, review Financial regulations point 10. Orders for Work, Goods and Services and Grant awarding 'policy.

Meeting finished 20.43

Appendix

1) Item 5: Internal Auditor Specification

	Internal Audit Report for Garstang Town Council Financial Year:
<u>Book Keeping</u>	Is the cash book maintained and up to date?
	Is it arithmetically correct and balanced at regular intervals?
<u>Standing Orders and Financial Regulations</u>	Has the Town Council formally adopted Standing Orders and Financial Regulations?
	Has a Responsible Financial Officer been appointed with specific duties?
<u>Payment Controls</u>	Have items or services above the de minimus amount been competitively purchased?
	Are all payments in the cash book supported by invoices, authorised and minuted?
	Has VAT on payments been identified, recorded and reclaimed?
	Is S137 expenditure separately recorded and within statutory limits?
<u>Risk Management</u>	Does the scan of the minutes identify any unusual financial activity?
	Do the minutes record the Town Council carrying out an annual risk assessment?
	Is the insurance cover appropriate and adequate?
	Are internal financial controls documented and regularly reviewed?
	Are cancelled cheques accounted for?
<u>Budgetary Controls</u>	Has an annual budget been prepared in support of the precept?
	Is actual expenditure against the budget regularly reported to the Council?
	Are there any significant variances for the budget? Are these explained?
<u>Income Controls</u>	Is income properly recorded and promptly banked?
	Does the precept recorded in the cash book agree with Wyre Council's notification?

	Internal Audit Report for Garstang Town Council Financial Year:
	Are security controls over cash and near cash adequate and effective?
<u>Petty Cash Controls</u>	Does the Council operate on a petty cash basis?
	If so, is all petty cash spent recorded and supported by VAT invoices/receipts?
	Is petty cash expenditure reported to each Council meeting?
	Is petty cash reimbursement carried out regularly?
<u>Payroll Controls</u>	Do all employees have Contracts of Employment with clear terms and conditions?
	Do salaries and wages agree with those approved by the Town Council?
	Are other payments to employees reasonable and approved by the Town Council?
	Has PAYE/NIC and pension, if appropriate, been properly operated by the Council as an employer?
<u>Asset Controls</u>	Is an Asset Register kept of all material assets owned by the Town Council or in its care?
	Is the Asset Register kept up to date?
	Is there an Investment Register? Is it kept up to date?
	Do asset insurance valuations agree with those in the Asset Register?
<u>Bank Reconciliation</u>	Is there a bank reconciliation for each bank account?
	Is bank reconciliation carried out regularly on receipt of bank statements?
	Are there any unexplained balancing entries in any reconciliation?
	Are there any pre-signed cheques in the Town Council's cheque books?
	Are all bank statements present?
<u>Year End Procedures</u>	Are year end accounts prepared on the correct accounting basis (Receipts and Payments)?
	Do accounts agree with the cashbook and bank statements?
	Is there an audit trail from underlying financial records to the accounts?
	Where appropriate have debtors and creditors been properly recorded?

	Internal Audit Report for Garstang Town Council Financial Year:
<u>Auditor's Report</u>	Do the minutes record that the Town Council considered the Internal Auditor's Report for the previous year and the matters being addressed?
	Do the minutes record that the Town Council considered the External Auditor's Report for the previous year and the matters arising addressed?