



Garstang Town Council

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Finance Committee Meeting, 11th January 2022 Minutes

Minutes of the Finance Committee held at Garstang Methodist Church, on Tuesday, 11 January 2022 at 7.30pm.

Present

Chairman: Councillor Pearson
Councillors present: Allan, Halford, Mitchell and Pearson.

Also present: Town Clerk/RFO Edwina Parry

43(2021-22) Apologies for Absence

Councillor Atkinson

Councillor Lees was not present

44(2021-22) Declaration of Interests and Dispensations

47(2021-22) Councillor Pearson declared an 'other interest'. He is the Town Councillor representative on Kepple Lane Park Trust and Chair of the Garstang Scouts and Guides Headquarters.

The RFO reported that dispensation forms were on file for Councillors Allan and Halford who had a pecuniary interest as they resided in the parish. The approved dispensation forms allowed them to participate in precept discussions and decisions.

45(2021-22) Public Participation

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

46(2021-22) Receipts and payments account year 2021/22 (Q3)

The Committee are asked to consider and approve the following:

- a) Bank reconciliation year ending 30 December 2021 for the 4 cashbooks (copies of bank statements have been included).
Resolved: The bank reconciliations for the 4 cash books were approved.
- b) Summary receipts & payments to 30 December 2021.
Resolved: The summary receipts & payments report (1 April 2021 to 30 December 2021) was approved.
- c) Detailed receipts & payments budget report (1 April 2021 to 30 December 2021)
Resolved: The receipts/payments by budget report was approved.
- d) List of receipts & payments from the 4 cashbooks (1 April 2021 to 30 December 2021)
Resolved: The list of receipts and payments from the 4 cashbooks (1 April 2021 to 30 December 2021) were approved.

47(2021-22) **Budget 2022/23, Councillor Atkinson in consultation with RFO**

a) **Budget**

Further to the following resolution: 174 a (2021-22): 2022/23 Precept and budget figures: Full Council accepted the recommendation from the Finance Committee to accept the draft budget as outlined on Garstang Town Council: Draft V0.2 Budget 2022/23 which detailed a proposed precept figure of £94,733. Full Council noted that the Finance Committee would recommend a final budget at the Finance Committee meeting on 11 January 2022, ahead of final approval at Full Council's meeting on 17 January 2022. Full Council noted that Wyre Council had not yet confirmed the Tax Base for 2022/23.

The Town Council has received the tax base from Wyre Council for 2022/23, which is 1,838.05 (correspondence circulated on Teams). The implication of this can be seen in the budget pack, on the Budget Summary Sheet.

Based on the tax base, the Chair of Finance is proposing the following changes to the budget:

- (No code yet) Cost centre 206, Community Internal, General Reserves: Increase of £2,000.(in light of the tax base, additional headroom allowed without significantly deviating from figures presented at December's meeting). Overall this would approximately be between 5.5 – 6 months general reserves.
- (No code yet) Cost centre 206, Community Internal, Remembrance Sunday: Increase of £300. £200 PA system in case of additional equipment or contingency, £100 refreshments.

With these changes incorporated this would equate to a precept of £97,033 and a Band D equivalent of £52.79 (an increase of £2.32 [equates to 4.6%] in comparison to last year's Band D equivalent).

Recommendation from the Finance Committee to Full Council:

Full Council are asked to approve the above 2 changes (an increase of £2,300 to the draft precept figure approved on 6/12/2021) as detailed in the budget pack (Draft version V0.4) and approve a precept of £97,033. This is a Band D equivalent of £52.79 (an increase of £2.32 [equates to 4.6%] in comparison to last year's Band D equivalent).

b) **3 Year Budget**

Included within the budget pack is a 3-year budget which the RFO and Chair of Finance have drafted.

Recommendation from the Finance Committee to Full Council:

Full Council is asked to approve the 3-year budget, as detailed in the budget pack.

c) **Changes to Earmarked Reserves**

Further to the following resolution: 180 (2021-22) PC projector for use at Town Council Meetings and events: The Town Council resolved not to

purchase or include a PC projector figure of £500 in the budget for 2022/23.

For reference Councillors can see the current proposed general reserve levels and expected levels within the budget pack.

Recommendation from the Finance Committee to Full Council:

That this £500 remaining from MTWG funds is moved to EMR 325, Reserves Contingency.

48(2021-22) Bank Verifications

Further to the following resolution: 22(2021-22) Receipts and payments account year end 2021/22 (Q2): Further to resolution 5(2021-22), Councillor Atkinson continues to carry out the verifications until the end of 2021. By the end of 2021 the committee would have more clarity on future banking arrangements (Unity) and can hopefully reduce the level of verification required. The Finance Committee agreed to suspend financial regulations 2.2 until January 2022.

To date Councillor Atkinson has completed all of the verifications for this financial year. For transparency, risk management and audit purposes the RFO and Chair of Finance are proposing that another committee member is required to carry out at least one verification this financial year. Going forward another Cllr will need to support the completion of the verifications.

Resolved: The Committee accepted Councillor Pearson's offer of completing the bank reconciliations for January, February and March 2022.

49(2021-22) Finance and Amenities Committee

The Town Council has a number of key assets which it needs to ensure it has long term and short-term strategic maintenance plans in place for, these assets are namely:

- Moss Lane Park
- Kepple Lane Park
- The Pat Seed Garden
- The War Memorial
- Hereford Avenue Allotments
- Scout Hut

In order to ensure these are assets are inspected annually and suitable short-term and long-term maintenance plans are in place the proposal is that the Finance Committee would take responsible for the strategic management of the council's amenities. This is due to the fact that there is an inherent link between the finance committees financial and risk management responsibilities and the management of the council's amenities (including but not limited to tree surveys, insurance, risk assessments, leases, annual inspections, cost implications of repairs and replacement).

Recommendation from the Finance Committee to Full Council:

That the Finance Committee becomes the Finance and Amenities Committee with the following terms of reference:

- All matters appertaining to economic and budgetary policies and delivery including any matter with a fiscal impact not specifically falling within the remit of any other Committee.
- All matters appertaining to Parish Council assets; actively maximise the benefits of the assets to residents balancing against costs.
- All matters appertaining to Financial Regulations and any other Finance and Amenities related policies.

50(2021-22) Kepple Lane Park

On the 20th December 2021 the Clerk received notice from Kepple Lane Park Trust that the Trust will terminate the lease as of the 1st April 2022:

In years prior, the annual maintenance would take place in early February to prepare the park for the coming year. However, this year due to the council's resolution relating to VAT (138(2021/22)) and the fact that Kepple Lane Park Trust has decided to terminate the lease as of 1st April 2022 (after the annual maintenance would have usually taken place) the Town Council needs to decide how it wishes to proceed with regards to the 2022 annual maintenance. Historically, the annual maintenance has been carried out by Garden Inspirations and mulch has been provided by a local provider in Nateby. The costs for the 2021 annual maintenance where as follows:

- Garden Inspirations – Net 2,920.00, VAT 584.00, Gross 3,504.00
- Woodchip £300

Recommendation from the Finance Committee to Full Council:

In order to ensure in this interim period that the park is still maintained to the current standard, the Committee propose that:

- a) Further to 138(2021/22), the Town Council will not place any orders with Garden Inspirations and the Woodchip provider and that Kepple Lane Park Trust will place the orders, if they wish for the annual maintenance to take place.
- b) If Kepple Lane Park Trust place the orders, the Town Council give delegated authority for the RFO, in consultation with the Chair of Finance and Mayor, to transfer the net amount for both invoices, in total up to a maximum of £4,000 from 321 EMR Kepple Lane Park to Kepple Lane Park Trust. The funds will be transferred upon receipt of proof of completion of work and receipt of invoices, which must be provided by close of play on the 18th March 2022. This process is proposed, as Council rescinded resolution 57(2020-21), on 6/12/2021 minute ref 175(2021/22).

51(2021-22) Appointment of Internal Auditor

As per the Financial regulations 2.4 – 2.8, the Committee considered the following:

- a) Recommend an Internal Auditor to Full Council to approve at the meeting on 17/1/2022, based on the summary table, collated from Section 4 Best Practice Guidance For Internal Audit, JPAG The Joint Panel on Accountability and Governance, Practitioners' Guide, March 2021.

b) Approve the Internal Audit Report to be used for Garstang Town Council Financial Year: 2021/22 as circulated.

Background

For the year ends 2021, 2020, 2019, 2018 and 2017 the audit has been carried out by Jan Finch, (retired Town Clerk to Preesall Town Council). The fee for the audit for year end 2021 was £150.000.

Recommendation from the Finance Committee to Full Council:

a) Approve Supplier B at a cost of £220, to carry out the Internal Audit for the Year end 2021. That the letter of engagement is delegated to the RFO in consultation with the Chair of Finance. The recommendation is based on the summary report compiled by the RFO, collated from Section 4 Best Practice Guidance For Internal Audit, JPAG The Joint Panel on Accountability and Governance, Practitioners' Guide, March 2021.

b) Approve the Internal Audit Report to be used for Garstang Town Council Financial Year: 2021/22 as circulated.

52(2021-22) Risk Register, quarterly review

The Committee considered the risk register and noted point 23: Risk assessments were still outstanding. The RFO reported that she would be raising this at the Personnel Committee on 26/01/2022.

Resolved: The Committee approved the risk register.

53(2021-22) Asset Register

The Committee considered the circulated asset register.

Resolved: The Committee approved the asset register.

Standing item: outstanding resolutions

54(2021-22) New bank signatories for the Royal Bank of Scotland account

The RFO has to process Councillor Pearson's documentation and start the process with Councillor Atkinson.

55(2021-22) Variiances

Minute 5(2021-22), 13/7/2021 refers Variiances were discussed and how they were detailed.

Resolved: Councillor Atkinson and RFO to review how the figures are presented.

56(2021-22) Unity bank

The Unity bank is now open.

The RFO will now close cashbooks 1 and 2 (HSBC current and deposit account) and transfer the monies into cashbook 3 (Royal Bank of Scotland current account and the newly opened Unity bank, taking into account the £85,000 limit of Financial Services Compensation Scheme (FSCS).

57(2021-22) Risk assessments

17 Risk Assessments have now been completed by the Clerk. This is one of the highest priorities for the Clerk.

Minute 7(2021-22), refers 31/7/2021. The Committee further resolved that once the risk assessments had been completed, the Chair will review the fall back actions of the risk register and bring back to October's meeting.

58(2021-22) Date of next meeting

26 April 2022

The Meeting Finished at: 8.13pm