

## Finance Committee membership:

Cllr Amey, Cllr Dunnett, Cllr Eldridge, Cllr Roberts and Cllr Thompson.

## MINUTES OF THE MEETING OF THE HINGHAM TOWN COUNCIL FINANCE COMMITTEE HELD IN THE LINCOLN HALL ON TUESDAY 19 JULY 2022. THE MEETING COMMENCED AT 7.30pm.

### Present

Cllr Eldridge, Cllr Roberts, Cllr Thompson

Clerk – Alison Doe

There were no members of the public present.

#### 1. To Elect a Chairperson

Cllr Eldridge (Chairperson) opened the meeting.

Cllr Eldridge was proposed and seconded as Chairperson and elected as such unopposed.

#### 2. Apologies for absence

Apologies for absence were received from Cllr Amey and Cllr Dunnett.

#### 3. Declarations of interests with regard to items on the agenda and to consider requests for dispensations

There were no declarations of interest made.

#### 4. Public participation

There were no members of the public present and no items were brought forward by Cllrs.

#### 5. Accuracy of the Minutes of the Finance Committee meeting of 15 March 2022

The minutes of the meeting of 15 March 2022 were agreed as correct and signed by the Chairperson.

#### 6. Matters arising from the minutes of the meeting of 15 March 2022

Min 5.1 Bank Signatories: The Clerk confirmed that the bank mandate changes had been made and Cllr Thompson and Cllr Roberts were now authorised signatories.

Min 7 It was confirmed that the government financial protection scheme would only cover £85,000 within any one bank.

#### 7. To review Financial Regulations

The Clerk advised that she had changed footnote number 2, as required as per the notification from NALC. The footnote now reads:

<sup>1</sup> Thresholds currently applicable are:

a) For public supply and public service contracts 209,000 Euros (£189,330)

b) For public works contracts 5,225,000 Euros (£4,733,252)

These new thresholds are applicable from 1st January 2020

The Clerk also advised that she had changed the amount in Paragraph 11.1 (h) to £300 (from (£100)), following a recommendation from the internal auditor that £100 was too low.

The paragraph now reads:

h) When it is to enter into a contract of less than £25,000 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 3 quotations (priced descriptions of the proposed supply); where the value is below **£3,000** and above **£300** the Clerk or RFO shall strive to obtain 3 estimates. Otherwise, Regulation 10.3 above shall apply.

**8. To undertake a review of the budget April – June 2022**

The Clerk had prepared a detailed spreadsheets showing amounts received and spent (April 2022 to June 2022) in £'s and also as a percentage of the allocated budget for each item. Figures were also provided for income received and money spent for items that are not contained within the budget. The Committee discussed the figures provided it was noted that interest on the bank accounts would be higher than anticipated.

No items of concern were raised regarding the budget figures.

It was noted that, of the agreed expected annual receipts of £84,639.43, a total of £39,078.48 had been received (including the first precept payment of £38,500). A total of £5443.67 ad hock income had also been received (including (£4500 Neighbourhood plan Grant funding). Of the agreed £84,881.00 budget for the annual expenditure a total of £21,038.09 had been spent. It was also noted that £8573.83 had been spent on items outside of the budget, this included the repairs to the public toilets following the fire and the Hingham Neighbourhood Plan spending and return (to Groundworks) of unspent grant money.

The closing bank balances for June were noted as:

Account :	£31,179.25
Account 2:	£213,916.14
Account 3:	£38,816.89
Dorm. Account:	£186.80
Total:	£284,099.08

**9. To discuss and agree the reserve figures (following financial year 2021/22)**

The Clerk had updated the figures in the reserves policy for reserves held at the end of the 2021/22 financial year, these figures were considered by the committee.

It was noted that the closing cashbook balance on 31 March 2022 was £269,035.67

Of which £60,510.33 was protected reserves for specific purposes, including CIL money, the public toilet (commuted sum) reserve, money raised for events and the Neighbourhood Plan grant funding underspend which had since been returned to Groundworks. The reserves policy allocated the remainder (£208,525.34) for certain purposes, including the recommended one quarter precept for a general reserve.

It was explained that allocating reserves held at the end of the financial year was a way to designate amounts of money for specific purposes, including unexpected expenditure and projects that the Town Council had agreed were necessary, therefore (based upon the Clerk's estimation of the costs) allocations of the reserves were made to projects already agreed: replacement/upgrading street lighting (£25,000)  
extension of the turning circle at the cemetery (£15,000)  
skate park repairs and resurfacing (£25,000)  
work to the town clock (£20,000).

The reserves policy was agreed as prepared by the Clerk.

**10. To discuss the recommendation made by the internal auditor for Hingham Town Council to have an investment strategy, and agree any actions**

Again, noting that the Financial Services Compensation Scheme only compensates up to £85,000 of funds within any one bank it was agreed that action was required to better protect the Town Council funds. Noting that when the projects to replace street lighting, repair the clock, resurface the skatepark and improve the turning circle in the cemetery had been undertaken and paid for the reserves held by the Town Council would be substantially lower than the present figure. It was agreed that an account should be opened with an alternative bank, the Clerk will seek advise from other Clerks as to the best options available, it was suggested that Unity Trust may be an option but it was noted that there is currently a £6.00 monthly fee payable for an account with them.

It was suggested that any bank considered by the Town Council should be assessed to ensure that they have sufficient ethical credentials, and it would be preferable to be with a well established (and hopefully stable) bank.

Cllr Roberts offered to draft an investment strategy to bring to the next Finance Committee meeting.

#### 11. To agree payment of invoices due/ Accounts for Payment

REF	PAYEE	DETAILS	AMOUNT	VAT	VAT
316	NPOWER	STREET LIGHTING ELECTRIC	£591.46		£98.58
	NPOWER	STREET LIGHTING ELECTRIC	£521.66		£89.94
		TOTAL		£1,113.12	
317	STAFF	WAGES		£886.34	
318	STAFF	WAGES	£1,067.35		
		STAMPS	£19.56		
		TOTAL		£1,086.91	
D	NEST	PENSION		£65.75	
319	COZENS (UK) LIMITED	STREET LIGHT MAINTENANCE		£240.00	£40.00
320	ZURICH MUNICIPAL	ANNUAL INSURANCE		£2,521.35	
D	NORFOLK COPIERS LTD	PRINTER RENTAL		£74.41	£12.40
		<b>TOTAL FOR ALL PAYMENTS</b>		<b>£5,987.88</b>	
		TOTAL VAT		£240.92	

#### 12. To undertake the internal financial check April – June 2022

Transactions were cross referenced between the cashbook, cheque book, minutes, bank statements and invoices. The Clerk confirmed that no cash or cheques had been paid in to the bank account (therefore the receipt book and paying in book were not required for checking). All transactions for income were checked and a random sample of transactions for expenditure were checked. No errors were found.

The meeting ended at 8.30pm

DRAFT