Horndean Parish Council

NOTICE OF MEETING

A MEETING OF THE FINANCE AND GENERAL PURPOSES COMMITTEE WILL BE HELD ON MONDAY 15 MAY 2017 AT JUBILEE HALL AT 7.30 P.M.

Members of the Committee (Cllr D Evans (Chairman), Cllr L Evans, Cllr M Burridge, Cllr Mrs D Denston, Cllr A Forbes, Cllr D Alexander, Cllr P Little are summoned to attend.

Carla Baverstock-Jones GCILEx, MILCM
Chief Officer

09 May 2017

AGENDA

1. To receive apologies for absence.
2. To receive any Declarations of interest.
3. To open the meeting to members of the public to enable them to address questions to Parish Councillors. *The period of time which is designated for public participation shall not exceed 20 minutes. Each member of the public is entitled to speak once only in respect of business itemised on the agenda and shall not speak for more than 3 minutes. A question asked by a member of public during public participation session at a meeting shall not require a response or debate.*
4. To approve the Minutes of the Finance and General Purposes Committee meeting held on the 27 March 2017.
5. To receive and agree the revised Financial Regulations - HPC.
6. To receive and review the draft Final Accounts for 2016/17.
7. To discuss and review the Earmarked Reserves and make recommendations for any changes to Council.
8. To review the Local Government Pension Scheme.
9. To receive and consider the applications in respect of the following Grants:
    - Horndean Walking Netball - £200
    - Victim Support - £200
    - Blendworth Brass Band - £500.

Item 4

HORNDEAN PARISH COUNCIL

FINANCE AND GENERAL PURPOSES COMMITTEE

MINUTES OF THE FINANCE AND GENERAL PURPOSES COMMITTEE MEETING HELD AT JUBILEE HALL ON MONDAY 27 MARCH 2017 AT 6.30 PM.

PRESENT: Cllr A Forbes, (Vice Chairman) acting Chairman
Cllr D Alexander, Cllr M Burridge (arrival time of 6.55pm), Cllr Mrs. L Evans, Cllr P Little.

IN ATTENDANCE: Carla Baverstock-Jones, Chief Officer, Sarah Guy, Senior Administrator (Minute Taker), Simon Ritson, Responsible Financial Officer.

PUBLIC ATTENDANCE: One member of the public was present.

F&GP 025/16/17 **TO RECEIVE APOLOGIES FOR ABSENCE**

Apologies for absence were received from Cllr D Evans (Chairman).

No apologies for absence were received from Councillor Mrs. D Denston.

F&GP 026/16/17 **TO RECEIVE ANY DECLARATIONS OF INTEREST**

No declarations of interest were received.

F&GP 027/16/17 **PUBLIC SESSION**

The meeting was duly opened.

Mr Stuart, CEO of East Hampshire Citizens Advice Bureau said he had attended the meeting as a courtesy visit, given that he had submitted a grant application form.

F&GP 028/16/17 **TO APPROVE THE MINUTES OF THE FINANCE AND GENERAL PURPOSES COMMITTEE MEETING HELD ON THE 07 NOVEMBER 2016**

It was **RESOLVED** that the minutes of the Finance and General Purposes Committee meeting held on the 07 November 2016 be duly signed as a true record of the meeting.

F&GP 029/16/17 **TO RECEIVE AND CONSIDER THE REVISED FINANCIAL REGULATIONS-HPC**

The revised HPC Financial Regulations were circulated and a discussion took place.

It was **RESOLVED** that

- The HPC Financial Regulations be amended to show any changes as highlighted text, rather than as tracked changes, showing only the new text.
- Paragraph 10.4 be agreed.
- The wording for Paragraph 8 be investigated by the Chief Officer.
- The revised HPC Financial Regulations be sent to the Finance & General Purposes Committee before the Committee meeting, to allow any discussions regarding amendments to take place.

F&GP 030/16/17 **TO RECEIVE AND CONSIDER A REVISION TO THE FORMAT OF THE ORDERS OF PAYMENTS**

A revised version to the format of the Orders of Payments, produced by Cllr Forbes was circulated.

A revised alternative version to the format of the Orders of Payments, produced by the RFO was also circulated.

A discussion took place and it was agreed that the Finance & General Purposes Committee preferred the portrait layout instead of the landscape layout.

It was **RESOLVED** that the revised version of the Orders of Payments, produced by the RFO be agreed with the following amendments

- An additional column be added down the left-hand side of the document showing a list of sequential numbers.
- Font size to be increased.

F&GP 031/16/17 **TO RECEIVE AND CONSIDER THE APPLICATIONS IN RESPECT OF THE FOLLOWING GRANTS**

- Blendworth Church Centre - £600.
- The Bereavement Counselling Charity - £1,000.
- Horndean Community Association – Annual Capital Grant - £3,000.
- Home-Start Butser - £1,500.
- Holy Trinity Church Blendworth - £500.
- Citizens Advice East Hampshire - £2,000.
- Horndean Walking Netball - £200.

The RFO informed Members that the Annual Grant Budget was £8,000 and said that £1,300 had already been committed, earlier on in the year.

BLENDWORTH CHURCH CENTRE
It was agreed to recommend to Council that the grant application request of £600 be awarded. This was proposed by Cllr Mrs L Evans and seconded by Cllr Alexander.

THE BEREAVEMENT COUNSELLING CHARITY
It was agreed to recommend to Council that the grant application request of £1,000 be awarded. This was proposed by Cllr Little.

HORNDEAN COMMUNITY ASSOCIATION
It was agreed to recommend to Council that the grant application request of £3,000 be declined due to their accounts not being up to date. This was proposed by Cllr Forbes and seconded by Cllr Alexander.

The Committee agreed to consider a new grant application in the next financial year for 2017/18, along with their up to date accounts if they wished to submit a new request.

HOME-START BUTSER
It was agreed to recommend to Council that the grant application request of 1,500 be awarded. This was proposed by Cllr Alexander.

HOLY TRINITY CHURCH BLENDWORTH
It was agreed to recommend to Council that the grant application request of £500 be awarded. This was proposed by Cllr Burridge.

CITIZENS ADVICE EAST HAMPSHIRE
The RFO highlighted that the grant application request was in fact for £4,000 as the request was for two years contributions: 2016/17 and 2017/18.

It was agreed to recommend to Council that the grant application request of £2,000 be awarded for 2016/17. The Committee agreed that they would be happy to consider a new grant application in the next financial year for 2017/18, after seeing what plans had been put in place to open a CAB outreach in Horndean.

HORNDEAN WALKING NETBALL
It was agreed to recommend to Council that the grant application request of £200 be rejected due to the group not having a bank account.

The Committee agreed that if the group were to open a bank account, they would consider a grant application in the future.

The meeting closed at 7.30pm

.....
Chairman

.....
Dated

ITEM: 5

HORNDEAN PARISH COUNCIL

FINANCE AND GP MEETING: 15-05-2017

SUBJECT OF REPORT: Financial Regulations Revision

Attached is the draft revised Financial Regulations without the tracked changes that were presented at the previous meeting held on the 27th March 2017.

Included is a new appendix (D) which shows the process of purchase to payment in a flow chart.

Wording needs to be agreed for section 8 re delegated power for the Chief Officer to replace staff.

Report Prepared by Simon Ritson, Responsible Finance Officer

Filling staff vacancies that arise when a member of staff leaves.

It is in the interest of efficient management of the organisation, and its provision of a high quality of service to residents, that staff vacancies that arise because someone has left are filled as soon as possible. To that end, this provision delegates the necessary authority to the Chief Officer.

When a member of staffs leaves the Council the Chief officer is delegated to fill the vacancy that arises without requiring a resolution from the Staff Committee or Full Council provided that:

a. The post is a permanent one
b. The terms and conditions are unchanged except where the Council has agreed a policy regarding new staff, such as NJC contracts no longer being offered to new staff.
c. The job specification remains substantially the same
d. Hours worked remain substantially the same although they may be adjusted by the Chief Officer to suit organisation requirements at the time
e. Hourly pay rates remain substantially the same although they may be adjusted by the Chief Officer to suit organisation requirements at the time. Any significant impact on the budget must be considered.
f. The Chief officer advertises the vacancy in the most appropriate manner.

If the Chief Officer wishes, for reasons of organisation design or otherwise, to alter the post in such a way that the above stipulations are not met, the vacancy should be considered by the Staff Committee and placed before Full Council to make the final decision.

HORNDEAN PARISH COUNCIL

FINANCIAL REGULATIONS

These Financial Regulations were adopted by the Council at the Meetings held on 22 April 2013, 18 May 2015 17 August 2015 and 16 May 2016.

Record of subsequent changes:

Issue	Date	Adopted at: (ref)	Details of changes
1	22 April 2013	hpc 7748	First Issue
2	19 May 2014	hpc 011/14	Addition to 6.6 and re-word of 5.2. Re-number paragraph 11 correctly
3	15 December 2014	hpc FC 014	Increase in Chief Officers spending limit
4	17 August 2015	Hpc FC	Update in accordance with HALC.
5	16 May 2016	HPC FC	AGM

Introduction

These Regulations are based on the Model Financial Regulations (England) dated January 2016 issued by the National Association of Local Councils which have been amended where necessary to clarify or to codify practices adopted by the Council.

Terms used in these Regulations are defined in Appendix A.

Contents

1. GENERAL 2
2. ANNUAL ESTIMATES (BUDGET) 2
3. BUDGETARY CONTROL 3
4. ACCOUNTING AND AUDIT 4
5. BANKING ARRANGEMENTS AND CHEQUES 5
6. PAYMENT OF ACCOUNTS 5
7. PAYMENT OF SALARIES 5
9. INCOME 6
10. ORDERS FOR WORK, GOODS AND SERVICES 6
11. CONTRACTS 7
12. PAYMENTS UNDER CONTRACTS FOR BUILDING OR OTHER CONSTRUCTION WORKS 7
13. STORES AND EQUIPMENT 8
14. ASSETS, PROPERTIES AND ESTATES 8
15. INSURANCE 8
16. CHARITIES 9
17. RISK MANAGEMENT 9
18. REVISION OF FINANCIAL REGULATIONS 9

Appendix A: Definition of Terms 9
Appendix B: Financial Information Required by the Council 10
Appendix C: Annual Budget and Precept setting Process 11

1. GENERAL

1.1 These financial regulations govern the conduct of financial management by the Council and may only be amended or varied by resolution of the Council. The Council is responsible in law for ensuring that its financial management is adequate and effective and that the Council has a sound system of financial control which facilitates the effective exercise of the Council's functions, including arrangements for the management of risk and for the prevention and detection of fraud and corruption. These financial regulations are designed to demonstrate how the Council meets these responsibilities.

1.2 The Responsible Financial Officer ('RFO') is a statutory office and shall be appointed by the Council. The RFO, acting under the policy direction of the Council, shall administer the Council's financial affairs in accordance with proper practices. The RFO shall determine on behalf of the Council its accounting records, and accounting control systems. The RFO shall ensure that the accounting control systems are observed and that the accounting records of the Council are maintained and kept up to date in accordance with proper practices.

1.3 The RFO shall produce financial management information as required by the Council. Details of these requirements are set out in Appendix B

1.4 At least once a year, prior to approving the annual return, the Council shall conduct a review of the effectiveness of its system of internal control which shall be in accordance with proper practices by a Working Party of three Councillors.

1.5 In these financial regulations, references to the Accounts and Audit Regulations shall mean the Regulations issued under the provisions of section 27 of the Audit Commission Act 1998 and then in force.

1.6 In these financial regulations the term 'proper practice' or 'proper practices' shall refer to guidance issued in Governance and Accountability in local Councils in England and Wales – a Practitioners' Guide which is published jointly by NALC and SLCC and updated from time to time.

1.7 Members of Council are expected to follow the instructions within these Regulations and not to entice employees to breach them. Failure to follow instructions within these Regulations brings the office of councillor into disrepute.

1.8 The council is not empowered by these Regulations or otherwise to delegate certain specified decisions. In particular any decision regarding:

- Setting the final budget or the precept (council tax requirement)
- approving accounting statements
- approving an annual governance statement
- borrowing
- writing off bad debts
- declaring eligibility for the General Power of Competence: and
- addressing recommendations in any report from the internal or external auditors,
- shall be a matter for full council only.

2. ANNUAL ESTIMATES (BUDGET)

2.1 Each Committee shall formulate and submit proposals to the Council in respect of revenue and capital including the use of reserves and sources of funding for the following financial year not later than the end of November each year. The process by which the Council will create its Budget and calculate its Precept is outlined in Appendix C.

2.2 Detailed estimates of all receipts and payments including the use of reserves and all sources of funding for the year shall be prepared each year by the RFO in the form of a budget to be considered by the Council. The RFO shall identify the nature of expenditure, in particular, whether it is an overhead, a legal obligation of the Council, or a discretionary item. Budget estimates should be as accurate as possible and contingency reserves should be included if required.

2.3 The Council shall review the budget not later than the end of December each year and shall fix the Precept to be levied for the ensuing financial year. The RFO shall issue the precept to the billing authority and shall supply each member with a copy of the approved budget.

2.4 The annual budget shall form the basis of financial control for the ensuing year.

2.5 The Council shall consider the need for and shall have regard to a three year forecast of Revenue and Capital Receipts and Payments which may be prepared at the same time as the annual Budget. The budget must consider the effects of the three year plan and of the need to replace capital assets from time to time and should seek to build and maintain earmarked reserves specifically for these purposes.

2.6 The Council may not set a deficit budget but may draw on reserves for one-off purchases or non-recurring expenditure.

2.7 The Council should not set a budget that could, at any point in the year, result in Council funds falling below an amount equal to three months expenditure.

3. BUDGETARY CONTROL and AUTHORITY TO SPEND

3.1 Expenditure on revenue items may be authorised up to the amounts included for that class of expenditure in the approved budget. Items that have been identified, costed and itemised in the Budget are thereby duly authorised. This authority is to be determined by:

- the Council for all items over £5,000;
- a duly delegated Committee of the Council for items over £750; or
- the Chief Officer for any items below £750.

Such authority is to be evidenced by a Minute of an appropriate meeting or by a written Order signed by the Chief Officer. Contracts may not be disaggregated to avoid controls imposed by these regulations.

3.2 No expenditure should be authorised that will exceed the amount provided in the revenue budget for an individual cost centre by more than 5% or £2,000 (whichever is lower), after adjusting for transfers from earmarked reserves, other than by resolution of the Council, or duly delegated Committee. During the budget year and with the approval of Council having considered fully the implications for public services, unspent and available amounts may be moved between cost centres or to an earmarked reserve as appropriate (virement).

3.3 The RFO shall provide the Council, at the end of each quarter of the municipal year, with a statement of receipts and payments to date under each head of the budgets, comparing actual expenditure to date against that planned in the budget, and providing explanations of any actual or expected significant variances.

3.4 In cases of extreme risk to the delivery of Council services, the Chief Officer may authorise revenue expenditure on behalf of the Council which in the Chief Officer's judgement it is necessary to carry out. Such expenditure includes repair, replacement or other work, whether or not there is any budgetary provision for the expenditure subject to a limit of £2,000. The Chief Officer shall report such action to the Chairman as soon as possible and to the Council as soon as practicable thereafter.

3.5 Unspent provisions in the revenue budget shall not be carried forward to a subsequent year unless placed in an earmarked reserve by resolution of the Council.

3.6 No expenditure shall be incurred in relation to any capital project and no contract entered into or tender accepted involving capital expenditure unless the Council is satisfied that the necessary funds are available, or the requisite borrowing approval has been obtained.

3.7 All capital works shall be administered in accordance with the Council's standing orders and financial regulations relating to contracts.

Officers shall ensure that all requests for quotation and contract negotiations consider the each of the items below, and that contracts include, where necessary, terms to cover at least, but not only:

a) What is to be delivered in sufficient detail that neither party shall be in any doubt about what is to be supplied, when it is to be supplied, for what price and by whom.
b) The timescale for delivery, including start and finish dates that are compatible with Council objectives, weather and other considerations such as Council's contracts with Hall hirers. If time is of the essence, this must be clearly understood by both parties and written into the contract.
c) The coordination of contractors, Council staff and other stakeholders such as statutory undertakers, community associations and local people in the planning and execution of works shall be considered and noted in a contract when appropriate.
d) If, as part of a contract to supply public works, a contractor agrees to carry out any necessary public consultations, then the details should be agreed by the Council and other stakeholders such as EHDC and written into the contract
e) The need for stage payments, the triggers for payment, the amounts, the evidence needed to support an invoice for a stage payment and the means of making funds available.
f) Disclose and discuss with suppliers all information and history around a project to ensure that a supplier cannot subsequently maintain that any part of the contract is unreasonable due to a misrepresentation or withholding of information on the part of the council.
g) A clause in every contract for work to be done to the effect that "It is the responsibly of the supplier to ensure that they are fully aware of all factors that may affect the delivery of the agreed supply, including their:

i) full skills and expertise to carry out the work to the agreed quality
ii) ability to provide any equipment needed
iii) understanding of the site where work is to be undertaken including taking account of sub-surface and overhead services that might affect the work,

The contractor, having satisfied themselves that they fully understand the contract and all aspects of the supply for goods and/or services contained therein, shall verify that they are aware that the council will accept no responsibility, and will be liable for no payments if the contractor subsequently decides that are not able to complete a contract for whatever reason.

3.8 Projects using more than £750 of materials and/or 1 man-week of HPC labour should be discussed with both the Chairman of the Council and the Chairman of the Open Spaces committee to determine whether Council should review a particular project. This will ensure that major projects that consume significant amounts of materials and/or HPC labour (usually the Countryside team) should be authorised by Council in advance so that Councillors can review both the nature and cost of the project before it is carried out.

3.9 The salary budgets are to be reviewed at least annually during the preparation of the Budgets for the following financial year and such review shall be evidenced by a hard copy schedule signed by the Chief Officer and the Chairman of Council or relevant Committee. The RFO will inform Committees of any changes impacting on their budget requirement for the coming year in good time.

3.10 Changes in earmarked reserves shall be approved by Council as part of the budgetary control process.

4. ACCOUNTING AND AUDIT

4.1 All accounting procedures and financial records of the Council shall be determined by the RFO in accordance with the Accounts and Audit Regulations.

4.2 The RFO shall complete the annual financial statements of the Council, including the Council's annual return, as soon as practicable after the end of the financial year, but, in any event, no later than May 31st, and shall submit them and written report thereon to the Council.

4.3 The RFO shall complete the Accounts of the Council contained in the Annual Return (as supplied by the Auditor appointed from time to time by the Audit Commission) and shall submit the Annual Return for approval and authorisation by the Council within the timescales set by the Accounts and Audit Regulations.

4.4 On a regular basis, at least once in each quarter and at each financial year end, a member other than the Chairman (or a cheque signatory) shall be appointed to verify bank reconciliations for all accounts produced by the RFO. The member shall sign the reconciliations and the original bank statements (or similar document) as evidence of verification. This activity shall on conclusion be reported, including any exceptions, to and noted by the council.

4.5 The RFO shall ensure that there is adequate and effective system of internal audit of the Council's accounting, financial and other operations in accordance with proper practices. Any officer or member of the Council shall, if the RFO or Internal Auditor requires, make available such documents of the Council which appear to the RFO or Internal Auditor to be necessary for the purpose of the internal audit and shall supply the RFO or Internal Auditor with such information and explanation as the RFO or Internal Auditor considers necessary for that purpose.

4.6 The Internal Auditor shall be appointed by and shall carry out the work required by the Council in accordance with proper practices. The Internal Auditor, who shall be competent and independent of the operations of the Council, shall report to Council in writing, or in person if required by the Council, at the end of each quarter (or as agreed in advance between the Council and the Internal Auditor) and will provide an annual written report in respect of each financial year. In order to demonstrate objectivity and independence, the Internal Auditor shall be free from any conflicts of interest and have no involvement in the financial decision making, management or control of the Council. In order that the Council can demonstrate the independence of the Internal Auditor, the same individual or company should hold the post for no more than eight years.

4.7 Internal or external auditors may not under any circumstances:

- perform any operational duties for the council
- initiate or approve accounting transactions, or
- direct the activities of any council employee, except to the extent that such employees have been appropriately assigned to assist the internal auditor.

4.8 The RFO shall make arrangements for the opportunity for inspection of the accounts, books, and vouchers and for the display or publication of any Notices and statements of account required by Audit Commission Act 1998 and the Accounts and Audit Regulations.

4.9 The RFO shall, as soon as practicable, bring to the attention of all Councillors any correspondence or report from the Internal or External Auditor, unless the correspondence is of a purely administrative matter.

5. BANKING ARRANGEMENTS AND CHEQUES

5.1 The Council's banking arrangements, including the Bank Mandate, shall be made by the RFO and approved by the Council. They shall be reviewed annually by the Council for efficiency and security. To enable this review, the RFO will produce a report covering bank charges paid and interest rates together with any other details as requested by the Council.

5.2 A schedule of the payments, forming part of the agenda for the meeting, shall be prepared by the RFO and, together with relevant invoices, be presented to Council or a duly delegated committee. Policy and Resources is the duly delegated committee. If the schedule is in order it shall be authorised by a resolution of the Council or duly delegated committee and shall be initialled by the Chairman of the Meeting. If more appropriate the details may be shown in the Minutes of the Meeting.

5.3 Cheques drawn on the bank account in accordance with the schedule referred to in paragraph 5.2 or in accordance with paragraph 6.4, shall be signed by two members of Council, and countersigned by the Chief Officer.

5.4 To indicate agreement of the details shown on the cheque or order for payment with the counterfoil and the invoice or similar documentation, the signatories shall each also initial the cheque counterfoil.

6. PAYMENT OF ACCOUNTS

6.1 All payments shall be effected by BACS, debit card, cheque or other order drawn on the Council's bankers, except for utility supplies (energy, telephone and water) which may be made by variable Direct Debit provided that the instructions are signed in accordance with the Bank Mandate and payments are reported to Council as made. Payments under the Chief Officer's delegated £750 (excluding VAT) authorisation limit will be paid on receipt and will be included on the Order of Payments under the 'invoices paid' section for information.

6.2 Cheques or orders for payment shall not normally be presented for signature other than at a council meeting (including immediately before or after such a meeting). Any signatures obtained away from such meetings shall be reported to the council at the next convenient meeting.

6.3 All invoices for payment shall be examined, verified and certified by the Chief Officer. The Chief Officer shall satisfy him/herself that the work, goods or services to which the invoice relates have been received, carried out, examined and approved.

6.4 The RFO shall examine invoices in relation to arithmetic accuracy and shall analyse them to the appropriate expenditure heading.

6.5 If a payment is necessary to avoid a charge to interest under the Late Payment of Commercial Debts (Interest) Act 1998, and the due date for payment is before the next scheduled Meeting of Council, where the Chief Officer certify that there is no dispute or other reason to delay payment, the Chief Officer may (notwithstanding para 6.3) take all steps necessary to settle such invoices provided that a list of such payments shall be submitted to the next appropriate meeting of Council.

6.6 The RFO may provide petty cash to officers for the purpose of defraying operational and other expenses. Vouchers for payments made must include a receipt and shall be forwarded to the RFO with a claim for reimbursement:

a The RFO shall maintain as petty cash float of £100 for the purpose of defraying operational and other expenses. Vouchers for payments made from petty cash shall be kept to substantiate the payment.

b Income received must not be paid into the petty cash float but must be banked and recorded in the accounts, as provided elsewhere in these regulations.

c Payments to maintain the petty cash float shall be shown separately on the schedule of payments presented to Council under paragraph 5.2 above.

7. PAYMENT OF SALARIES

7.1 As an employer, the Council shall make arrangements to meet fully the statutory requirements placed on all employers by PAYE and National Insurance legislation. The payment of all salaries shall be made in accordance with payroll records and the rules of PAYE and National Insurance currently operating, and salaries shall be as agreed by Council.

7.2 Payment of salaries and payment of deductions from salary such as may be made for tax, national insurance and pension contributions, may be made in accordance with the payroll records and on the appropriate dates

stipulated in employment contracts, provided that each payment is reported to and ratified by the next available Council Meeting.

8. Delegated power for Chief Officer to replace staff – wording to be agreed Cllr D Evans, Cllr Forbes and EO.

9. LOANS AND INVESTMENTS

9.1 All loans and investments shall be negotiated in the name of the Council and shall be for a set period in accordance with Council policy.

9.2 The Council shall consider the need for an Investment Policy which, if drawn up, shall be in accordance with relevant regulations, proper practices and guidance. Any Policy shall be reviewed at least annually.

9.3 All investments of money under the control of the Council shall be in the name of the Council.

9.4 All borrowings shall be effected in the name of the Council, after obtaining any necessary borrowing approval. Any application for borrowing approval shall be approved by Council as to terms and purpose. The terms and conditions of borrowings shall be reviewed at least annually. Any borrowing must be authorised by a resolution of the full Council.

9.5 All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.

10. INCOME

10.1 The collection of all sums due to the Council shall be the responsibility of and under the supervision of the RFO.

10.2 Charges should be levied to cover the cost of all work done, services rendered or goods supplied by the Council and for the use of Council assets by third parties. The rates, which may differ for profit making hirers and non-profit making hirers and may include a supplement for Public Holidays to cover additional expenses, will be set annually by a resolution of the Council. The RFO shall be responsible for the collection of all amounts due to the Council.

10.3 The Council will review all fees and charges annually as part of the budgeting process, following a report of the Chief Officer. This report shall include the charges levied by the Council over the previous three years, for comparison, together with charges made by local providers of similar services if available.

10.4 The Chief Officer has authority to write off any sums considered to be irrecoverable up to £100. Any amount above this should be reported to Council for approval to write off.

10.5 All sums received on behalf of the Council shall be banked intact as directed by the RFO with such frequency as the RFO considers necessary.

10.6 The origin of each receipt shall be entered on the paying-in slip.

10.7 Personal cheques shall not be cashed out of money held on behalf of the Council.

10.8 The RFO shall promptly complete any VAT Return that is required. Any repayment claim due in accordance with VAT Act 1994 section 33 shall be made quarterly with one claim coinciding with the financial year end.

10.9 Where any significant sums of cash are regularly received by the Council, the RFO shall take such steps as are agreed by the Council to ensure that more than one person is present when the cash is counted in the first instance, that there is a reconciliation to some form of control such as ticket issues, and that appropriate care is taken in the security and safety of individuals banking such cash.

10.10 The Chief Officer shall identify and report to Council opportunities to apply for grants or other funds, from other bodies e.g. East Hampshire District Council in respect of Developer Contributions under "Section 106" or CIL. The Chief Officer will present a report giving details of any proposed application for funds including the uses and amounts to Council for its approval before submitting an application. Where time is of the essence, the Chief Officer will consult with the Chairman as to the best course of action who may agree to that an application be made and the Council notified as soon as possible.

11. ORDERS FOR WORK, GOODS AND SERVICES

11.1 An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate such as goods purchased from a retailer. Orders shall carry a unique reference number and copies of orders shall be retained.

11.2 Order books shall be controlled by the RFO.

11.3 All Members and Officers are responsible for obtaining value for money at all times. An officer issuing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of

each transaction, usually by obtaining three or more quotations or estimates from appropriate suppliers, subject to any de minimis provisions in paragraph 12.1.

11.4 The RFO shall verify the lawful nature of any proposed purchase before the issue of any order, and in the case of new or infrequent purchases or payments, the RFO shall ensure that the statutory authority shall be reported to the meeting at which the order is approved so that the Minutes can record the power being used.

11.5 The Chief Officer is authorised to place orders for work, goods and services that are included in the budget and do not exceed £750 or for items of expenditure shown in paragraph 11.1.

12. CONTRACTS

11.1 The Chief Officer shall have a delegated authority to enter into contracts for the following goods and services after ensuring that they represent the best value for money:

a The supply of gas, electricity, water, sewerage, telephone and broadband services,

b Specialist services provided by solicitors, accountants, surveyors and planning consultants.

c Repairs to, or replacement parts for, machinery, equipment or plant,

d Materials that constitute an extension to an existing contract.

e Additional work by the Auditor.

f Goods or materials that are proprietary articles and/or are only sold at a fixed price.

12.2 Contracts less than £750 shall be covered by Section 10.

11.3 Contracts greater than £750 and less than £3,000 require the following:

a The Chief Officer shall strive to obtain three estimates from suppliers setting out details of the work required, the price and a delivery or completion date as appropriate.

b For contracts that require approval by Council, the Chief Officer shall prepare a report with an evaluation and recommendation which shall be sent to Councillors one week before the meeting at which it will presented for consideration and approval so that any requests for further details can be dealt with before the meeting.

c The Chief Officer shall enter into the contract selected and approved by the Council in accordance with its instructions.

11.4 Contracts over £3,000 and below the upper contract price limit as currently specified in Standing Order

Section 30b requires, in addition to the provisions of 11.3 b, c, the following:

(a) The Chief Officer shall obtain at least 3 quotations (priced descriptions of the goods and/or service to be supplied.

(b) In respect of Contracts greater than £10,000, the Chief Officer shall present a Statement of Requirements to Council for approval before obtaining quotations from suppliers.

12.5 Where a contract is expected to exceed the upper contract price limit specified in Standing Order Section 30b and in addition to the provisions of 11.4, a formal tendering process is required as specified in Standing Order Section 30c, d and e.

12.6 The Council shall not be obliged to accept the lowest of any tender, quote or estimate.

12.7 When applications are made to waive financial regulations relating to contracts to enable a price to be negotiated without competition, or when fewer than 3 quotations or estimates have been obtained, the reason shall be embodied in a recommendation to the Council.

13. PAYMENTS UNDER CONTRACTS FOR BUILDING OR OTHER CONSTRUCTION WORKS

13.1 Payments on account of the contract sum shall be made within the time specified in the contract by the RFO upon authorised certificates of the architect or other consultants engaged to supervise the contract (subject to any percentage withholding as may be agreed in the particular contract).

13.2 Where contracts provide for payment by instalments the RFO shall maintain a record of all such payments. In any case where it is estimated that the total cost of work carried out under a contract, excluding agreed variations, will exceed the contract sum of 5% or more a report shall be submitted to the Council.

13.3 Any variation to a contract or addition to or omission from a contract must be approved by the Council and Chief Officer to the Contractor in writing, the Council being informed where the final cost is likely to exceed the financial provision.

14. STORES AND EQUIPMENT

14.1 The officer in charge of each section shall be responsible for the care and custody of stores and equipment in that section.

14.2 Delivery Notes shall be obtained in respect of all goods received into store or otherwise delivered and goods must be checked as to order and quality at the time delivery is made.

14.3 Stocks shall be kept at the minimum levels consistent with operational requirements.

14.4 The RFO shall be responsible for periodic checks of stocks and stores at least annually, for the year-end accounts on the 1st April or as close to that date as possible. These checks will confirm the quantities of material held, their value and hence the total value of material in stock. General stationery stocks should be examined for relevance, but, unless of high value, need not be counted. Any stock that has been held and not used for more than 12 months should be reviewed for possible disposal.

15. ASSETS, PROPERTIES AND ESTATES

15.1 The Chief Officer shall make appropriate arrangements for the custody of all title deeds of properties owned by the Council. The RFO shall ensure a record is maintained of all properties owned by the Council, recording the location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held in accordance with Accounts and Audit Regulations.

15.2 No property, asset or estate shall be sold, leased or otherwise disposed of without the authority of the Council, together with any other consents required by law, save where the estimated value of any one item of tangible movable property does not exceed £250.

15.3 The RFO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date. The continued existence of tangible assets shown in the Register shall be verified at least annually, possibly in conjunction with a health and safety inspection of assets.

15.4 Each Asset will be assigned a unique reference number and the following information will be recorded where relevant and available (see Governance Rules 2010 3.66):

a Date of Acquisition

b Description of Asset

c Cost of Acquisition

d Location

e Responsibility (Custodian)

f Present Use & Capacity

g Current Value

h Charges for use

i Expected remaining life

j Expected cost of replacement if remaining expected life is less than 3 years.

16. INSURANCE

16.1 Following the annual risk assessment shown in paragraph 18, the RFO shall effect all insurances and negotiate all claims on the Council's insurers

16.2 The Chief Officer shall identify all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances and shall promptly notify the Council's insurers and effect any changes to policies that are required.

16.3 The RFO shall keep a record of all insurances effected by the Council and the property and risks covered thereby and annually review it. The RFO shall present a report to Council detailing the review, its result and any recommendations arising.

16.4 The RFO shall be notified of any loss liability or damage or of any event likely to lead to a claim, and shall report these to Council at the next available meeting.

16.5 All appropriate employees of the Council shall be included in a suitable fidelity guarantee insurance which shall cover the maximum risk exposure as determined by the Council.

17. CHARITIES

17.1 Where the Council is sole trustee of a Charitable body the RFO shall ensure that separate accounts are kept of the funds held on charitable trusts and separate financial reports made in such form as shall be appropriate, in accordance with Charity Law and legislation, or as determined by the Charity Commission. The RFO shall arrange for any Audit or Independent Examination as may be required by Charity Law or any Governing Document.

18. RISK MANAGEMENT

18.1 The Council is responsible for putting in place arrangements for the management of risk. The Chief Officer shall prepare, for approval by the Council, risk management policy statements in respect of all activities of the Council. Risk policy statements and consequential risk management arrangements shall be reviewed by the Council during March each year.

18.2 When considering any new activity, the Chief Officer shall prepare a draft risk assessment including risk management proposals for consideration and adoption by the Council.

19. REVISION OF FINANCIAL REGULATIONS

19.1 It shall be the duty of the Council to review the Financial Regulations of the Council at least once every 12 months. The Chief Officer shall make arrangements to monitor changes in legislation or proper practices and shall advise the Council of any requirement for a consequential amendment to these financial regulations.

Appendix A: Definition of Terms

Term	Definition
Internal Auditor	Independent Internal Auditor appointed by the Council "to review whether the systems of financial and other controls over a Council's activities and operating procedures are effective" (NALC Governance rules 2010 para 2.59)
Contract	An agreement between the Council and a supplier that sets out the terms for the procurement of goods or services.
Orders	A single and individual purchase of goods or services. • Goods may be supplied by retailers, wholesalers or distributors and the key characteristic is that they are standard off-the-shelf items that are offered at a published and essentially non-negotiable price. • Services cover one-off procurement such as vehicle servicing or painting a fence.
Project	A programme of work with a defined purpose and start and finish dates. It shall have a clear and agreed purpose and will generally be a new or one-off task.
Class of expenditure	Budget line item, generally a single nominal code item.
Fixed Asset	An asset intended to be used for more than one year costing at least £100.
Capital expenditure	Purchase of a fixed asset

Appendix B: Financial Information Required by the Council

The objectives of these requirements are to provide members with:

A. A clear and complete explanation of the financial aspects of each part of the Council's operations so that decisions may be made in full knowledge of their financial effects.

B. A clear means of monitoring the progress of the Council's finances against the Budget at all points during the year so that any trends that show a deviation from budget can be identified in time for remedial action to be taken.

The Budget will be entered into the Omega accounts system (or otherwise) as a phased or profiled budget showing the quarterly, six monthly and annual or other significant seasonal or project-related receipts and payments in the month that they will occur. Other receipts and payments that occur monthly, such as salaries, or general running costs will be spread equally across the year.

Costs associated specifically with one aspect of the Council's operations are to be reported within that area. For example:

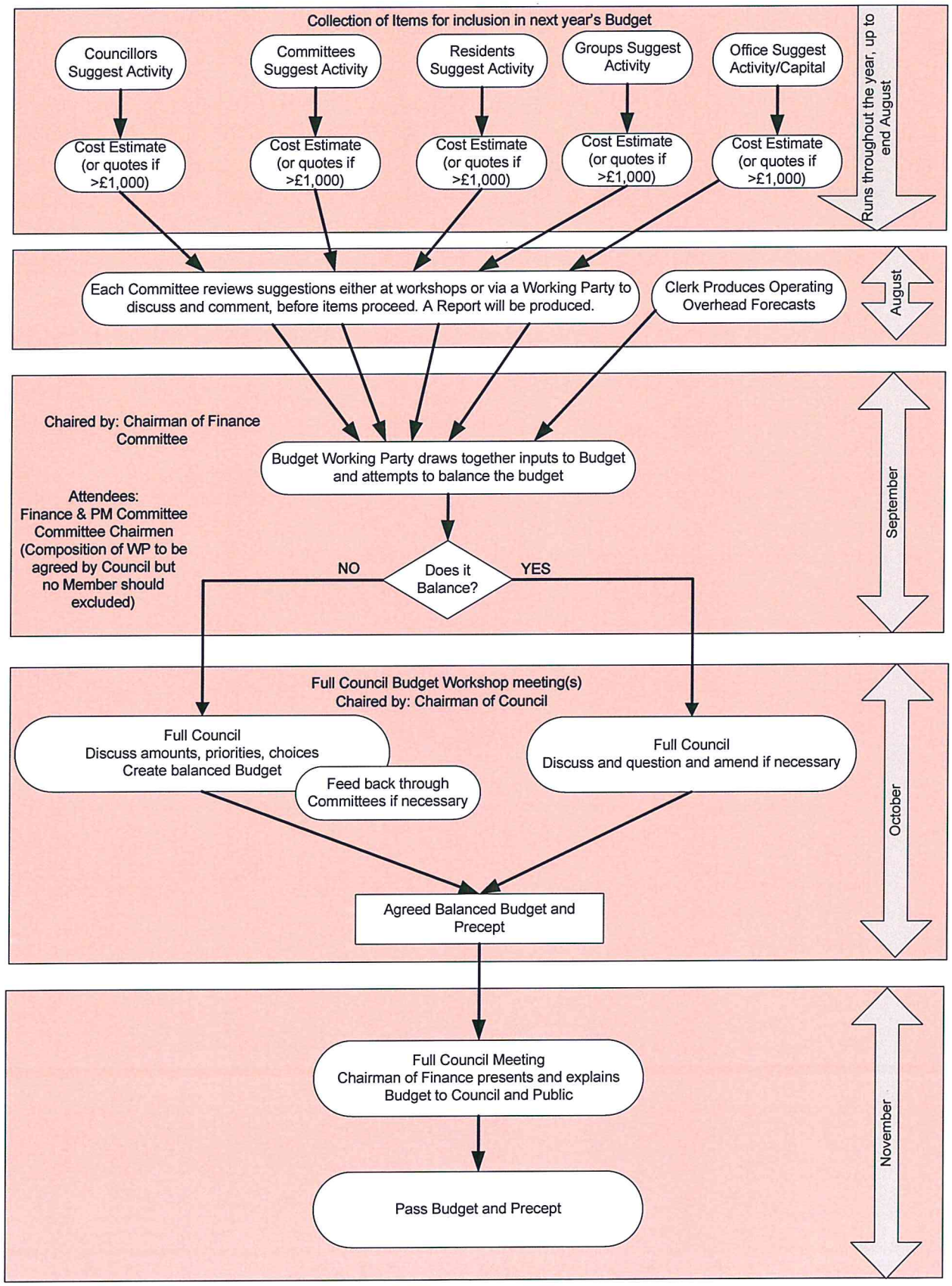
1. Open Spaces Financial Report shall include:
    a) Material and other direct costs
    b) Labour costs of all permanent and temporary staff engaged on Open Spaces work
    c) Storage costs such as the rent of premises
    d) Mobile phones or other indirect costs
2. Property Management Financial Report shall include:
    a) General running costs of Council operated Halls
    b) Caretaker's labour costs
3. Finance and General Purpose Report
    a) General administration
    b) Labour costs of admin staff
    c) Rent and other occupancy costs of the Council offices

Costs that are both significant and can be readily apportioned (such as the insurance relating to outside work of an inherently risky nature) should also be allocated to the appropriate area..

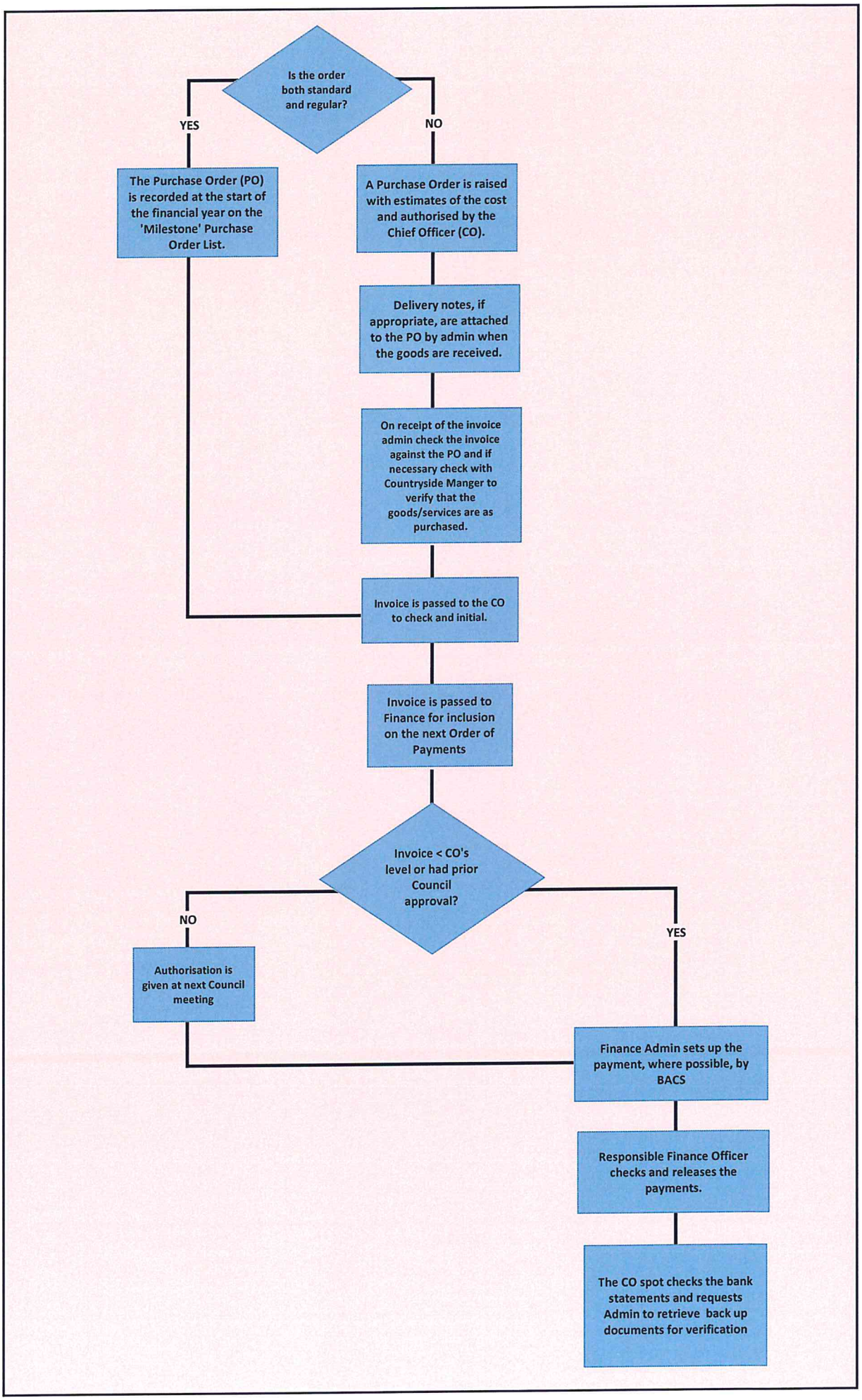
Expenditure directly associated with revenue must be reported separately and not netted off against each other.

The Council's Financial Recording Systems are determined by the RFO (see 4.1 above) who should determine whether the recording systems can be aligned with the requirements stated in this Appendix or if the reports created by the accounts system need to be adapted to comply with these reporting requirements before being presented to Members.

Appendix C: Annual Budget and Precept setting Process



Appendix D: Purchase to Payment Process



Horndean Parish Council

HORNDEAN PARISH COUNCIL

FINANCE & GP MEETING : 15th May 2017

SUBJECT OF REPORT: March 2017 Finance Report

Internal Audit

The draft accounts have been finalised and there is a visit from the Internal Auditor scheduled for May 15th when hopefully they will be signed off.

Asset Register

The asset register has been finalised for the year ending 31st March 2017 and the total value of the assets is £1,075,365.
This is an increase of £75,143 from the previous year mainly due to the new playground equipment that has been installed.

Current Bank Accounts

During March the new Lloyds bank Account was opened and £200,000 was transferred from the Co-op.
All accounts that we hold have been reconciled to the end of March 2017.
At that point in time the balance stood as follows:

Co-op Current Account = £57.7k
Co-op Business Select 14 Day notice = £0k
Cambridge & Counties 45 Day Notice = £131.6k
Lloyds Bank Account = £200.0k

Therefore total bank balance held at the end of March 2017 was £389.4k.
Balances with the Co-op will be monitored regularly to ensure that there is enough in the account to cover running costs but the balance remains below that guaranteed by the Financial Services Compensation Scheme.

Income & Expenditure

The draft year end position after adjustments have been made for items funded from brought forward reserves, showed an underspend of £45.5k.

The main components of this underspend are as follows:

i) Staff Salaries, mainly in the Countryside Team where there were vacancies at the start of the year: £19.5k
ii) Hall Hire, income banked in excess of the target: £8.2k.
iii) Fencing: £5.2k
iv) Tree Work Maintenance, £3.0k.
v) Vehicle Running Costs, £3.3k

Balance Sheet

Current Assets

As at 31st March Current Assets totalled £412.3k
Cash balances, including Petty Cash, totalled £389.6k.
Debtors balances stood at £7.8k, £3.9k for the Rural Payments Agency and £3.9k for money owed for Hall Bookings.
VAT to be reclaimed from HMRC for the period January to March 2017 stood at £14.9k.

Liabilities

As at 31st March Current Liabilities totalled £16.6k most of this, £15.8k being accruals (supplier invoices outstanding).

Earmarked Reserves

See separate report

Report Prepared by Simon Ritson, Responsible Finance Officer

Horndean Parish Council

INCOME AND EXPENDITURE TO MARCH 2017

		Current Month (March			Year to Date (Apr-Mar)			Annual	Funds	From	
		Actual	Budget	Variance	Actual	Budget	Variance	Budget	Available	EMRs	Notes
201	**Central Costs - Finance & General Purposes**										
2000	Admin Salaries	9,526	10,244	718	118,416	122,840	4,424	122,840	4,424		
2050	Staff Travel & Expenses	153	150	-3	1,340	1,800	460	1,800	460		
2060	Staff Training	-356	200	556	1,817	2,400	583	2,400	583		
2070	Medical / Health & Safety Exp.	0	50	50	503	600	97	600	97		
2920	Recruitment	0	0	0	618	500	-118	500	-118		
3052	Janitorial Supplies	32	20	-12	557	240	-317	240	-317		
4011	IT Support	50	200	150	3,546	2,400	-1,146	2,400	-1,146		Includes £1.5k re new website
4022	Postage	56	35	-21	204	420	216	420	216		
4024	Printing	0	100	100	1,732	2,440	708	2,440	708		
4026	Stationery	142	100	-42	1,282	1,200	-82	1,200	-82		
4028	Publications & Books	0	0	0	77	0	-77	0	-77		
4029	Subscriptions	616	425	-191	4,456	4,350	-106	4,350	-106		
4030	Audit	1,730	1,800	70	1,785	2,800	1,015	2,800	1,015		
4035	Professional Fees	960	300	-660	13,962	3,600	-10,362	3,600	-10,362	9,215	Playground Project Management Fees
4040	Insurance	0	0	0	11,712	11,000	-712	11,000	-712		
4062	Public Events	33	25	-8	4,464	4,550	86	4,550	86		
4072	Members Expenses & Training	75	20	-55	428	240	-188	240	-188		
4075	Superannuation fund supplement	550	542	-8	6,600	6,500	-100	6,500	-100		
4078	Office Equipment	0	118	118	1,445	1,350	-95	1,350	-95		
	TOTAL EXPENDITURE	**13,567**	**14,329**	**762**	**174,944**	**169,230**	**-5,714**	**169,230**	**-5,714**	**9,215**	
1000	Precept	0	0	0	364,370	364,370	0	364,370			
1001	Council Tax Support Grant	0	0	0	21,538	21,538	0	21,538			
1043	Donations	3	0	3	49	0	49	0			
1051	Community Benefit Offer	0	0	0	5,000	0	5,000	0		-5,000	Lovedean Solar Farm - transferred to EMR
1060	Information Officer	0	0	0	3,404	3,404	0	3,404			
1090	Interest Received	117	125	-8	1,941	1,500	441	1,500			
	TOTAL INCOME	**120**	**125**	**-5**	**396,302**	**390,812**	**5,490**	**390,812**		**-5,000**	
	NET EXPENDITURE OVER INCOME	**13,447**	**14,204**	**757**	**-221,358**	**-221,582**	**-224**	**-221,582**			
222	**S137 Grants**										
5010	Sundry Grants (Internal Grant)	5,600	6,700	1,100	6,900	8,000	1,100	8,000	1,100		
6510	Litter Picking	473	0	-473	473	0	-473	0	-473		
	TOTAL EXPENDITURE	**6,073**	**6,700**	**627**	**7,373**	**8,000**	**627**	**8,000**	**627**		
	NET EXPENDITURE OVER INCOME	**6,073**	**6,700**	**627**	**7,373**	**8,000**	**627**	**8,000**			

Horndean Parish Council

INCOME AND EXPENDITURE TO MARCH 2017

		Current Month (March			Year to Date (Apr-Mar)			Annual	Funds	From	Notes
		Actual	Budget	Variance	Actual	Budget	Variance	Budget	Available	EMRs	
301	**Napier Hall**										
3001	Rates	0	0	0	3,098	3,130	32	3,130	32		
3002	Utilities	163	223	60	2,511	2,610	99	2,610	99		
3008	Licensing	0	0	0	732	1,140	408	1,140	408		
3009	Repairs and Maintenance	1,418	250	-1,168	4,362	3,000	-1,362	3,000	-1,362		
3052	Janitorial Supplies	35	6	-29	93	50	-43	50	-43		
3055	Caretaker Salaries	827	915	88	8,186	10,870	2,684	10,870	2,684		
3060	Telephones	28	37	9	367	400	33	400	33		
	TOTAL EXPENDITURE	**2,471**	**1,431**	**-1,040**	**19,349**	**21,200**	**1,851**	**21,200**	**1,851**		
1075	Halls Income	2,277	1,700	577	24,362	20,400	3,962	20,400			
	TOTAL INCOME	**2,277**	**1,700**	**577**	**24,362**	**20,400**	**3,962**	**20,400**			
	NET EXPENDITURE OVER INCOME	**194**	**-269**	**-463**	**-5,013**	**800**	**5,813**	**800**			
305	**Jubilee Hall**										
3001	Rates	0	0	0	1,839	1,860	21	1,860	21		
3002	Utilities	453	155	-298	2,636	1,860	-776	1,860	-776		
3008	Licensing	0	0	0	282	130	-152	130	-152		
3009	Repairs and Maintenance	294	337	43	2,848	4,000	1,152	4,000	1,152		
3052	Janitorial Supplies	2	12	10	133	100	-33	100	-33		
3055	Caretaker Salaries	1,500	933	-567	11,094	11,163	69	11,163	69		
3056	Security	0	0	0	588	550	-38	550	-38		
3060	Telephones	22	62	40	560	700	140	700	140		
	TOTAL EXPENDITURE	**2,271**	**1,499**	**-772**	**19,980**	**20,363**	**383**	**20,363**	**383**		
1075	Halls Income	2,278	1,700	578	24,687	20,400	4,287	20,400			
	TOTAL INCOME	**2,278**	**1,700**	**578**	**24,687**	**20,400**	**4,287**	**20,400**			
	NET EXPENDITURE OVER INCOME	**-7**	**-201**	**-194**	**-4,707**	**-37**	**4,670**	**40,763**			

Horndean Parish Council

INCOME AND EXPENDITURE TO MARCH 2017

		Current Month (March			Year to Date (Apr-Mar)			Annual	Funds	From	
		Actual	Budget	Variance	Actual	Budget	Variance	Budget	Available	EMRs	Notes
310	Tyfield House										
3001	Rates	0	0	0	4,308	4,360	52	4,360	52		
3002	Utilities	183	129	-54	1,704	1,460	-244	1,460	-244		
3009	Repairs and Maintenance	0	212	212	2,009	2,500	491	2,500	491		
3012	Rent	0	0	0	13,681	13,600	-81	13,600	-81		
3020	Cleaning Salaries	94	0	-94	396	0	-396	0	-396		
3052	Janitorial Supplies	3	37	34	3	400	397	400	397		
3056	Security	0	1,000	1,000	717	2,500	1,783	2,500	1,783		
3060	Telephones	146	237	91	1,979	2,800	821	2,800	821		
	TOTAL EXPENDITURE	**426**	**1,615**	**1,189**	**24,797**	**27,620**	**2,823**	**27,620**	**2,823**		
	NET EXPENDITURE OVER INCOME	**426**	**1,615**	**1,189**	**24,797**	**27,620**	**2,823**	**27,620**			
315	Lucky Lite										
3001	Rates	0	0	0	2,299	2,330	31	2,330	31		
3002	Utilities	0	50	50	368	400	32	400	32		
3009	Repairs and Maintenance	181	60	-121	209	500	291	500	291		
3012	Rent	520	505	-15	6,015	6,060	45	6,060	45		
	TOTAL EXPENDITURE	**701**	**615**	**-86**	**8,891**	**9,290**	**399**	**9,290**	**399**		
	NET EXPENDITURE OVER INCOME	**701**	**615**	**-86**	**8,891**	**9,290**	**399**	**9,290**			

Horndean Parish Council

INCOME AND EXPENDITURE TO MARCH 2017

		Current Month (March			Year to Date (Apr-Mar)			Annual	Funds	From	Notes
407	Countryside Sites	Actual	Budget	Variance	Actual	Budget	Variance	Budget	Available	EMRs	
3100	Granary	0	0	0	84	0	-84		-84		Oaks Coppice Fencing = £1,046 Jays Close Picnic Table = £631 Jays Close Shrubs = £553 Godwin Crescent Fencing = £197 Eskdale Close Paving = £14 Shepherds Close Fencing = £22 Ashley Close Fencing = £4 Gavel Board = £70 Yews Knotwood Treatment = £160 Oaks Coppice Treework = £1,000 Sand = £4
6005	Habitat Management Improvement	0	0	0	0	0	0	0	0		
6010	Catherington Down	18	0	-18	90	0	-90	0	-90		
6020	Catherington Lith	0	0	0	168	0	-168	0	-168		
6050	Dell Piece	0	0	0	533	0	-533	0	-533		
6060	Hazleton Common	0	0	0	62	0	-62	0	-62		
6110	Parsonage Field	0	0	0	0	0	0	0	0		
6160	Other Sites	4	500	496	3,703	6,000	2,297	6,000	2,297		
	TOTAL EXPENDITURE	**22**	**500**	**478**	**4,640**	**6,000**	**1,360**	**6,000**	**1,360**		
1005	HLS Payments	3,931	3,932	-1	7,863	7,863	0	7,863			
1030	Rural Payments Scheme	0	0	0	3,893	3,116	777	3,116			Interpretation Panels = £3,731 Oaks Coppice Fencing = £1,000 Jays Close Hedge = £674 Jays Close Table = £638 Oaks Coppice Pond = £1,000 TOTAL = £7,043
1035	Catherington Down	0	0	0	750	500	250	500			
1038	Councillor Contributions	0	0	0	7,043	0	7,043	0			
	TOTAL INCOME	**3,931**	**3,932**	**-1**	**19,549**	**11,479**	**8,070**	**11,479**			
	NET EXPENDITURE OVER INCOME	**-3,909**	**-3,432**	**477**	**-14,909**	**-5,479**	**9,430**	**-5,479**			

408	Amenity Sites										
3150	War Memorials	0	0	0	170	170	0	170	0		
6052	Deep Dell	116	0	-116	116	0	-116	0	-116		
6070	Jubilee Field	136	0	-136	987	0	-987	0	-987		
6115	Five Heads Recreation Ground	0	0	0	149	0	-149	0	-149		
6120	St Giles Churchyard	116	0	-116	116	0	-116	0	-116		
6122	All Saints Church	0	0	0	5,899	1,000	-4,899	1,000	-4,899		Lych Gate Repairs
6130	Village Centre	111	0	-111	197	0	-197	0	-197		
6160	Other Sites	0	174	174	0	2,000	2,000	2,000	2,000		
6180	Football Pitches Maintenance	0	2,000	2,000	804	3,000	2,196	3,000	2,196		
6205	Car Parks	0	100	100	0	300	300	300	300		
6580	Play Equipment	28,899	534	-28,365	155,689	6,375	-149,314	6,375	-149,314		Includes £153,399 re new Playground Equipment
6582	Playground Checks Salaries	221	140	-81	1,603	1,625	22	1,625	22		
	TOTAL EXPENDITURE	**29,599**	**2,948**	**-26,651**	**165,730**	**14,470**	**-151,260**	**14,470**	**-151,260**		
1025	Football Pitches	168	174	-6	2,011	2,011	0	2,011			Lych Gate Repair = £500 Deep Dell Play Area =£3,000 Jubilee Bench = £589 Flowers for Village = 3130
1038	Councillor Contributions	130	0	130	4,219	0	4,219	0			
1050	Developer's Contribution	15,799	0	15,799	140,617	0	140,617	0			EHDC Funding for the new PlayGround
	TOTAL INCOME	**16,097**	**174**	**15,923**	**146,847**	**2,011**	**144,836**	**2,011**			
	NET EXPENDITURE OVER INCOME	**13,502**	**2,774**	**-10,728**	**18,883**	**12,459**	**-6,424**	**12,459**			

Horndean Parish Council

INCOME AND EXPENDITURE TO MARCH 2017

		Current Month (March			Year to Date (Apr-Mar)			Annual	Funds	From	
		Actual	Budget	Variance	Actual	Budget	Variance	Budget	Available	EMRs	Notes
470	Other Open Spaces Costs										
4062	Public Events	397	0	-397	415	1,000	585	1,000	585		
6500	Countryside Team Salaries	9,724	10,497	773	111,750	125,865	14,115	125,865	14,115		2 x staff vacancy, April to June 13
6501	Countryside Agency Staff	0	0	0	1,391	0	-1,391	0	-1,391		
6510	Litter Picking	1,121	140	-981	2,962	2,300	-662	2,300	-662		
6530	Dog Waste Bins	1,170	950	-220	5,622	3,800	-1,822	3,800	-1,822		
6590	Materials & EquipmentMaintenance	22	100	78	499	1,200	701	1,200	701		
6591	Rangers Equipment	0	60	60	691	500	-191	500	-191		
6592	Rangers Equipment Hire	76	125	49	76	1,500	1,424	1,500	1,424		
6620	Vehicle Running Costs	670	620	-50	3,699	7,000	3,301	7,000	3,301		
6624	Waste Removal	166	250	84	2,499	2,450	-49	2,450	-49		
6636	Grass Cutting	0	0	0	16,000	15,800	-200	15,800	-200		
6638	Fencing	25	4,000	3,975	1,807	7,000	5,193	7,000	5,193		
6640	Training for Countryside Team	0	300	300	2,223	2,500	277	2,500	277		
6648	Tree Work & Maintenance	3,836	1,500	-2,336	4,970	8,000	3,030	8,000	3,030		
6650	Uniform for Countryside Team	49	60	11	634	500	-134	500	-134		
6651	Personal Protection Equipment	-328	60	388	522	500	-22	500	-22		
6661	Open Spaces, Capital items	1,238	500	-738	1,943	2,000	57	2,000	57		
	TOTAL EXPENDITURE	**18,166**	**19,162**	**996**	**157,702**	**181,915**	**24,213**	**181,915**	**24,213**	**0**	
	NET EXPENDITURE OVER INCOME	**18,166**	**19,162**	**996**	**157,702**	**181,915**	**24,213**	**181,915**			
	GRAND TOTAL EXPENDITURE	**73,296**	**48,799**	**-24,497**	**583,406**	**458,088**	**-125,318**	**458,088**		**9,215**	
	GRAND TOTAL INCOME	**24,703**	**7,631**	**17,072**	**611,747**	**445,102**	**166,645**	**445,102**		**-5,000**	
	GRAND TOTAL NET EXPENDITURE OVER INCOME	**-48,593**	**-41,168**	**-7,425**	**28,341**	**-12,986**	**41,327**	**-12,986**		**4,215**	
	ADJUSTMENTS FOR EMRs										
	EXPENDITURE			0	-9,215		9,215				
	INCOME			0	5,000		5,000				
	RESTATED AFTER ADJUSTMENTS										
	GRAND TOTAL EXPENDITURE	**73,296**	**48,799**	**-24,497**	**574,191**	**458,088**	**-116,103**	**458,088**			
	GRAND TOTAL INCOME	**24,703**	**7,631**	**17,072**	**606,747**	**445,102**	**161,645**	**445,102**			
	GRAND TOTAL NET EXPENDITURE OVER INCOME	**-48,593**	**-41,168**	**-7,425**	**32,556**	**-12,986**	**45,542**	**-12,986**			

Horndean Parish Council
Detailed Balance Sheet
Month No: 12 (March 2017)

Date :- **31/03/2017**

A/c	Account Description		Actual		
	Current Assets				
101	Debtors		7,772		
105	VAT Control A/c		14,927	22,699	
110	Prepayments		0	0	
200	Co-op No. 1 Account		57,692		
201	Co-op Business Select 14 Day		0		
204	Cambridge & Counties Bank		131,687		
210	Lloyds Bank Current Account		200,000		
220	Petty Cash		250	389,629	
		Total Current Assets			**412,328**
	Current Liabilities				
510	Accruals		15,780		
530	Hall Income Deposits		300		
560	Receipts in Advance		532		
		Total Current Liabilities		**16,612**	
		Net Current Assets			**395,716**
		Total Assets Less Current Liablities			**395,716**
	Represented By :-				
300	Current Year Fund		28,337	**28,337**	
310	General Funds		213,546	**213,546**	
325	IT Equipment EMR		1,500		
326	Vehicle Replacement EMR		5,000		
329	Napier Hall Improvements EMR		27,350		
334	The Granary- Preserv&Maint EMR		6,000		
338	Lith Avenue/Lane EMR		7,000		
340	Jubilee Hall Extension EMR		41,125		
341	New Playground Fund EMR		36,858		
342	Equipment Replacement EMR		10,000		
343	Legal Costs EMR		10,000		
344	Election EMR		4,000		
345	Lovedean Solar Farm EMR		5,000		
		Total Earmarked Reserves		**153,833**	
		Total Equity			**395,716**

Item 7

HORNDEAN PARISH COUNCIL

FINANCE & GENERAL PURPOSES : 15-05-2017

SUBJECT OF REPORT: Earmarked Reserves

Earmarked Reserves

As at the 31st March 2017 Earmarked Reserves stood at £153.8k.

The attached spreadsheet shows the breakdown of this Earmarked Reserves total as at 1st April 2017 in Column A.
A number of principles were discussed and agreed during the budget setting process in the autumn of 2016 but as we now have the final brought forward figures it is time to review and amend as appropriate.

Column B represents the changes to Earmarked Reserves agreed in the Budget for 2017-18
Column C shows the change to the General Funds required to balance the Budget agreed in the budget process.

The table at the foot of the spreadsheet shows that we currently hold just over one year of running costs in Reserves split between General Reserves (6.7 months) and Earmarked Reserves (5.3 months).

Points to consider:
i) The absolute levels of General and Earmarked reserves. Do we need to realign?
ii) Are there any additional Earmarked reserves that need to be created?

Report Prepared by Simon Ritson, Responsible Finance Officer

EARMARKED RESERVES 2017-18		BF Mar-17 Bal. Sheet	Bgt Adj	Bgt Adj	BF Adj Bal Sht	Notes
		A	B	C	D	
Omega Code						
310	General Funds	241,883		-20,443	221,440	funds required from General reserves to balance the 2017-18 budget
325	IT Equipment	1,500	1,500		3,000	to be increased each year by £1,500 to reach £6,000 in preparation for replacement in 2019/20
326	Vehicle Replacement	5,000	5,000		10,000	to be increased each year by £5,000 to reach £25,000 in preparation for replacement in 2020/21
329	Napier Hall Improvements	27,350			27,350	
330	Staff Contingency	0	6,438		6,438	13/12/2016 to 31/03/2017 salary of 5th member of Countryside Team (transfer from I&E)
334	The Granary	6,000			6,000	
338	Lith Avenue re-surfacing	7,000			7,000	
340	Jubilee Hall Extension fund	41,125			41,125	
341	New Playground Fund	36,858			36,858	
342	Equipment replacement fund	10,000			10,000	
343	Legal Costs	10,000			10,000	
344	Election	4,000	1,000		5,000	to be increased year on year to reach £6,000 for next Election
345	Lovedean Solar Farm	5,000			5,000	
346	Fencing	0	5,000		5,000	to be increased year on year for major fencing projects (transfer from I&E)
347	Tree Maintenance	0	4,000		4,000	to be increased year on year to prepare for a bad winter (transfer from I&E)
348	LychGate Repairs	0	500		500	to be increased each year by £500 to reach £5,000 in preparation for repair works in 2027-28
	TOTAL OF EARMARKED FUNDS	**153,833**	**23,438**	**0**	**177,271**	
	GRAND TOTAL	**395,716**	**23,438**	**-20,443**	**398,711**	

Precept + Council Tax Support Grant 2017-18	385,777
No.of Months Running Costs in Total Reserves	12.4
No.of Months Running Costs in General Reserves	6.7
No.of Months Running Costs in Earmarked Reserves	5.3

For F&GP - Monday 15th May 2017