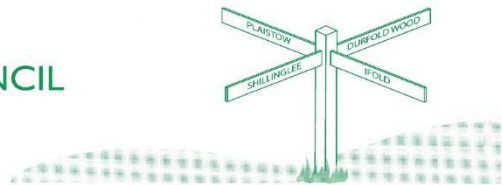


PLAISTOW AND IFOLD PARISH COUNCIL



MINUTES of the Finance Working Group (FWG) of Plaistow and Ifold Parish Council held on **Wednesday 26th October 2022**, via Zoom.

- Present** Cllr. Phil Colmer (Finance Committee Chair); Cllr. Paul Jordan (Chair of the Parish Council); Cllr. John Bushell; Cllr. Rick Robinson and Catherine Nutting (Clerk & RFO)
- Item 1** **Apologies for absence**
Apologies were received from Cllr. Nicholas Taylor.
- Item 2** **Disclosure of interests**
Recommendation: - To deal with any disclosure by Members of any disclosable pecuniary interests and interests other than pecuniary interests, as defined under the Plaistow and Ifold Parish Council [Code of Conduct](#) and the Localism Act 2011, in relation to matters on the agenda.

None received.
- Item 3** **VAT – Qtr. 2**
The FWG **ACKNOWLEDGED** the end of Qtr. 2 HMRC VAT reclaim for the period of 01/07 – 30/09/2022.
- Item 4** **Internal Interim Audit** Actions:
Clerk
The FWG **ACKNOWLEDGED** the forthcoming Internal Interim Audit on 8th November.
- Item 5** **Verification of bank reconciliations for Qtr. 2 (July – September 2022)** Actions:
Cllr. Robinson /
Clerk
(after 9th Nov)
The FWG **ACKNOWLEDGED** the bank statements, corresponding reconciliation statements, cash book and balance sheet for quarter 2 and **AGREED** to **RECOMMEND** these documents to the Finance Committee on 9th November and commend **CLLR. ROBINSON** to **SIGN** the documents, via Secured Signing.

Item 6

Investment

The FWG **CONSIDERED** the balance of the reserve account - £7,169.03 (CB2) - and **AGREED** to **RECOMMEND** to the Finance Committee that the balance be moved to a high interest account.

Actions:
Cllr. Bushell /
Cllr. Colmer /
Clerk

Discussion was had regarding the merits of also moving some of the Council's working capital to a higher interest account, provided it could be released without undue delay. It was agreed that being able to deposit and release money electronically was essential. The Council is cognizant of any large expenditure well in advance and so the risk of moving the money from the Council's current account into a high interest savings account is minimal.

The FWG discussed investing in bonds.

The following actions were agreed: -

The Clerk will

- discuss the matter with the Internal Auditor on 8th November
- Contact the Clerk network for recommendations
- Make enquiries with NatWest, the Council's current banking provider, regarding their high interest account options.

It was agreed that Cllr. Bushell and Cllr. Colmer would undertake some research to put before the RFO and Finance Committee for consideration.

Item 7

To consider the 2022/23 Budget Forecast Comparison spreadsheet at Quarter 2

The FWG **REVIEWED** the Budget Forecast Comparison spreadsheet at Quarter 2 and **NOTED** the highlighted areas of movement.

Actions:
Cllr. Colmer /
Clerk

Column L, Row 18, Subscriptions: - The projected end of year forecast for this budget heading has increased due to the Council's decision to subscribe to Action In Rural Sussex (AiRS) to support the ongoing consideration of the Winterton Hall Trust.

Column L, Row 66, RoSPA Play Area Inspection: - The projected end of year forecast for this budget heading has decreased, due to the removal of the installation safety inspection for the Ifold Playpark. This expense will come at the end of the project, now anticipated to fall within 2023/24.

Column L, Row 77 & 131, Ifold Playpark: - The projected end of year forecast for this budget heading has decreased, owing to the movement of £19,000 into reserves for expenditure in 2023/24. The only anticipated expense against this project within the current financial year (31.03.2023) is regarding the legal fee for the drafting of the lease between the Parish Council and the Kelsey Hall Management Committee (KHMC). The next stage of the project – before the lease is drafted / executed - is a further public consultation, which will advise the future of the project and likely final budget (in terms of desired equipment type). This consultation is due to launch with the publication of the Council’s Christmas edition of its E-Newsletter.

The FWG discussed the prospects of success for an Ifold Playpark, as both the KHMC and Ifold Estates Ltd continue to voice their scepticism for its need. The Council can review the overall project and budget in due course, further to the results of the public consultation. Likewise, it can resolve to defer the project to another financial year, if other budgets have competing urgent expenditure demands.

Column L, Rows 86, 87 & 129, 130, Crouchlands & Foxbridge Development Planning Consultancy: - These large-scale planning applications were not anticipated expenditure within the agreed 2022/23 budget, due to the ongoing issue with Water Neutrality in the area. However, both sites have come forward for development. Artemis Land & Agriculture, who own Crouchlands Farm have a pending application for a ‘Whole Farm Plan’ and have further aspirations for a 600 houses development called ‘Rickmans Green Village’ (yet to be submitted to the Local Planning Authority). Foxbridge have applied for outline permission for a wellbeing and leisure development. The Council has previously resolved to instruct both planning and transport consultants to support it to consider and respond to these planning applications, due to their technicality and complexity and their significance within the Parish and the level of public concern.

The FWG acknowledged that the expenses incurred from instructing experts falls under Reg 11.1(a)(ii) of the Council’s Financial Regulations; namely that all contracts must follow Reg 11 save those contracts relating to (ii) specialist services. The FWG agreed to recommend that the Finance Committee reaffirm this.

At the beginning of 2022/23, the Council had an agreed ring-fenced reserve of £15,000 to support the anticipated Crouchlands Farm planning application (when it arrived). Within the current financial year, the Council has moved this reserve into actual expenditure. The Council has currently budgeted a £10,000 ring-fenced reserve in 23/24 for these planning applications. This reserve amount will be kept under review.

The current projected end of year forecast for both budget headings reflects the quotes received to date from the two consultants. The FWG noted that the budget does not yet reflect the anticipated costs for the 'Rickmans Green Village' application. The Qtr.3 budget review will provide a more accurate reflection of the true costs once the experts have submitted their invoices.

The FWG noted that the Clerk will submit overtime for September 2022, to reflect the Council's decision that she works full time hours, in part due to the increased workload generated by these planning applications.

Cllr. Bushell queried if all the Village Maintenance budget headings (Column F, Rows 62 – 74) were required, particularly as many have no expenditure against them 50% through the year. The RFO explained that much of the anticipated expenditure comes at the end of the financial year e.g., the invoices for litter bin emptying and tennis court cleaning. The grass cutting budget is based on an annual quote for 12 months; and the Council will shortly be considering quotes for the required tree surgery works around Coxes Pond and the Plaistow Village Green, further to the recent Tree Condition Survey.

The FWG noted the Council's negative general reserves of **-£35,802.04** and that, for the first time, the general reserves cannot be covered by the remaining loan amount (£34,739.73).

The Council does have £48,800 in specified ring-fenced reserves, including the following year's loan repayment.

Without the loan amount, the Council has forecasted end of year reserves, as at 31.03.2023 of £12,997.96. Including the loan amount, the Council's anticipated end of year reserve position is £47,737.69, which is in accordance with best practice representing 50% of its annual Precept.

Nevertheless, within the first two quarters of this financial year, the Council's end of year reserve position has decreased (from £32,277.74 to £12,997.96 – without the loan). Each year the loan is paid back, the Council needs to build its reserves to ensure that it has sufficient reserves at the end of the loan's life (2026).

The FWG agreed to **RECOMMEND** the 2022/23 Budget Forecast Comparison spreadsheet at Quarter 2 to the Finance Committee. However, draw attention to the downward trend of the Council's reserves.

Item 8

Winterton Hall

The FWG **NOTED** an update from the Clerk regarding the ongoing work with the Winterton Hall Management Committee (WHMC) to consider the future of the Charity and administration of the Trust.

Action:
Clerk / Cllr.
Colmer

On 11th October, the Clerk delivered training to the WHMC and a few Members of the Council regarding:

- The current make-up of the unincorporated Trust
- Responsibilities of the Management Trustees (WHMC)
- The role of the Council as Custodian Trustee
- Options for limiting trustee's personal liability including under legislation, insurance and becoming a Charitable Incorporated Organisation (CIO)
- Ways in which the PC can (and currently does) support the charity, including financial support and VAT considerations
- The Parish Council becoming the Sole Trustee.

The pressing concerns for the WHMC are: -

- The personal time burden to manage and maintain the hall. Ideally, the WHMC would like to outsource the day-to-day premises management to a Caretaker. Currently, the WHMC does not have anyone to take over the role of Treasurer. The WHMC would like to outsource the financial management to an accountant.
- The current, technical unlimited liability of trustees.
- Limited interest within the community to join the WHMC.
- Few users (Pre-School, Parish Council and one other weekly exercise class).

The Council is a member of AiRS and can arrange specialist support for the WHMC with a Village Hall expert; however, in the first instance, the WHMC need to understand the Hall's financial

situation and the annual fundraising requirement to afford a Caretaker and/or Treasure. The Hall has sufficient reserves for 2+ years, but this would be impacted if they incur additional regular costs. The annual cost to maintain the aging building is increasing, with large expenses required most years. Currently, the roof requires repairs quoted as £9,366+ VAT.

Cllr. Colmer and the Clerk have been supporting the WHMC to undertake a financial review of the hall's annual income and expenditure and are meeting with the WHMC to consider the figures on 27th October.

The Clerk reminded the FWG that the Parish Council has the lawful power to provide financial support to the hall; and currently does so (annual grant and support with maintenance costs). The Clerk advised that regardless of the Parish Council's future relationship with the Winterton Hall (either remaining as Custodian Trustee, or becoming the Sole Trustee, or simply as the hall's local Parish Council with no additional connection) it has no financial responsibility towards maintaining the Charity. However, the Parish Council would need to be mindful of the over-arching community ramifications if the Charity were to fail. The Clerk stated that the Parish Council may need to consult the community before making further decisions.

The FWG briefly discussed the prospect of the Council allocating two Councillors to sit as trustees on the WHMC, one of whom could become the Treasurer. However, it was agreed that more information was needed about the role (time commitment) before anyone could consider nominating themselves.

The FWG considered recommending to the Full Council that it moves all its meetings to the Winterton Hall, especially as the Kelsey Hall is busy and the Parish Council is unable to schedule meetings there easily.

Item 9

Budget setting

The FWG **AGREED** to **RECOMMEND** to the Finance Committee that the FWG meet on 5th January 2023, via Zoom, to support the budget setting process and report back to full Council on 11th January 2023.

Item 10

Meeting Dates

Actions:

The Finance Committee will meet on 9th November 2022, to consider the Working Group's recommendations outlined above.

Clerk

The end of Qrt.3 meeting will take place on 11th January 2023 at Winterton Hall, Plaistow, **19:00**.

There being no further business to discuss the Chair closed the meeting at 21:05