

FINANCE WORKING GROUP MEETINGS 4th/11th JANUARY 2024, Via ZOOM**Notes of Meeting**

Present: Karen Ripley (Clerk/RFO); Cllr Nick Brown (11/1 only); Cllr Sean O’Hara; Cllr David Todd

1. **Bank Reconciliations** – the Clerk / RFO confirmed that:
 - reconciliations have been completed to 30/11/23 for account 1 (Unity Trust Current account) and account 2 (Unity Trust deposit account).
 - Reconciliation Reports and bank statements have been reviewed by a FWG Member (DT) up to 30/11/23 for accounts 1 and 2.

2. **Budget Monitoring 23/24 – to end December (month 9) 2023** – Members considered the detailed Income and Expenditure Report, Earmarked Reserves, summary of playground upgrade costs including South East Water Grant, and Working Contingency details. The following items were explained / discussed:

| | | | |
|----|----------------------|--|--|
| 1 | 101/4012 | Elections | Not yet billed by RDC for share of 2023 Elections – invoice anticipated. |
| 2 | 101/4027 101/4028 | PWLB LOAN Capital & Interest | One instalment paid – one further instalment due January 2024 |
| 3 | 102/1153 | Grants & Donations Income | £2,300 total = £300 donation from Fair plus £2000 donation for defibs. £1,445 spent on defib Hackwood (see 401/4045) and £555 moved to EMR (Defibs) |
| 4 | 201/4030 201/4031 | Lights electricity Lights maintenance | Refund due on electricity; estimate a small overspend at year-end (approx. £100?) over both codes |
| 5 | 301/4040 | Rec. Ground grass cutting | Overspend of £219 (change of contractor) |
| 6 | 304/4020 | Cemetery Misc. costs | Budgeted for rubbish bin – not able to find contractor to supply, so surplus £900 . |
| 7 | 306/4042 | Pocket Park Maintenance gen. | Winter maintenance due (£260) |
| 8 | 307/4061 | War Memorial Clock Tower | Not currently paying for winding clock - £260 surplus year-end? Recommend making donation to Darvell. |
| 9 | 307/4076 | History Group publications | Currently showing overspend but we have cash to bank from sales (currently £440) plus more to come in, so should clear. |
| 10 | 310/4077 | Grit Bins | Currently full; one fill of all PC bins costs over £1,100 |
| 11 | 313/4063 313/4064 | Station Rd Toilets electricity and water | Looking as though could be a surplus on water, but may be needed for deficit on electricity |
| 13 | 401/4132 | Street Lighting - Capital expend. | Inv. January for Col.4: £3,595. Col.6 o/s: £1,295 = £4,890. EMR: £5,490. (£600 surplus) |
| 14 | 401/4145 | New Defibrillators - Capital | New Defib purchased for Hackwood area from donation, so apparent overspend offset by 102/1153 |
| 15 | 401/4131 | Playground upgrades | It was agreed that a detailed account of SEW grant should be published for transparency. |

3. **Budget Virements** – a total of £4,345 virements from Working Contingency were recommended as follows:

| Virements to Cover Approved Expenditure | | | |
|--|----------|--------------------------------------|--|
| 730.00 | 101/4000 | Admin salaries | Underbudgeted |
| 50.00 | 101/4001 | E/er NIC's | Underbudgeted |
| 60.00 | 101/4023 | Pension contributions | Underbudgeted |
| 150.00 | 308/4000 | Salaries playgrounds | Underbudgeted |
| 250.00 | 305/4000 | Salaries pav/toilets | Underbudgeted |
| 15.00 | 304/4000 | Salaries Cemetery | Underbudgeted |
| 440.00 | 307/4092 | S137 payments | No budget |
| 2,200.00 | 314/4000 | Village Steward | Underbudgeted (set prior to new appointment/contract) |
| 450.00 | 313/4026 | Daily servicing Station Road Toilets | Underbudgeted (significant increase post budget setting) |
| £4,345.00 | | | |

4. **Cash Flow**

- a. **Cash balances at 31/12/23** were discussed – following major expenditure on streetlights and playgrounds, £20,000 was transferred from the deposit to the current account in December to cover expenditure, resulting in the following balances: Unity Current Account £6,963.33; Unity Deposit £16,946.78 = £23,910.11. The balance in C&C = £85,869.04.
- b. **Notice for withdrawal of funds from C&C 95 Day Notice Account** – as per emailed discussion (FWG) on 22 December, notice was given to C&C to withdraw £30,000, so the payment will be made to the Unity Current account on 26 March 2024. This amount can be reduced up to two days prior to the withdrawal, but cannot be increased.
- c. **Cashflow January to March 2024** – the RFO reported that due to major expenditure and to avoid cashflow issues, the £25,000 deposit with CCLA had not been initiated yet. It was agreed that this should be put on hold and the situation monitored over the next few months.
- d. **VAT reclaim April-December 2023** – the RFO advised that due to significant expenditure on lighting and playgrounds, we have a particularly large amount of VAT to claim back, and suggested that we claim this now, rather than wait until year-end. It was agreed to claim the £20,182.25 due from April-December 2023. This will help with cashflow and may result in a lower withdrawal from C&C being needed in March.
- e. **Streetlight electricity refund** – following the change to LED and submission of the new inventory, our calculated annual consumption has dropped from 27,000 kwh to 6,000 kwh, significantly reducing our bills. This is backdated to May, and a refund of £1,400 is currently due from NPower. The RFO has requested a refund, rather than just a credit to our account.

5. **Budget / Precept 24/25** – this was considered. Key areas of additional spend and other items were discussed as follows:

- **Village Steward Contract 314/4046** – the fact that increased hours could reduce the need for some additional maintenance costs, where he is able to carry out works, was discussed. It was agreed that an increase of 4 hours, to 16 hours per week should be included in the draft budget – precept increase £7,640 (total £16,640).
- **Daily Servicing Station Road Toilets 313/4026 (cleaning, materials and consumables)** - the current contract is through RDC, but they will not be renewing it for 24/25 (closing or devolving their toilets), so we need to find / manage our own contract. This is likely to be more expensive and so an additional £1,250 added to the precept (total £6,000).
- **Station Road Car Park** – the possibility of installing CCTV was discussed and whether any budget allocation should be made. It was felt that investigations and quotes would be required to check feasibility and costs and if necessary a loan could be considered or use of funds from Earmarked Reserves (there are funds in car park/toilets maintenance). It was therefore decided to recommend that £3,000 be moved from the current year budget/reserves to an Earmarked fund (with balance carried forward at year-end) in order to progress the project and/or cover works or loan repayments if required. The matter will be on the agenda for the PCM for consideration.
- **Salaries (Clerks and Caretaker)** – an increase of £7,700 has been included for salaries and on-costs (Employer’s National Insurance / pension costs) which will allow for up to 5% pay award (nationally set). (The award hasn’t yet been agreed - it is likely to be lower than 5%.)
- **Streetlighting capital expenditure 401/4132** - £1,100 added towards the Earmarked fund for a column replacement programme (many of our columns are over 50 years old).
- **Playground capital expenditure 401/4131**– precept for 24/25 reduced to £1,000 (from £2,000 23/24) towards future repairs / replacements.
- **I.T. / Software / Licences 101/4019** – increased by £650 to cover additional M365 licences for Members (email) and ongoing I.T. support.
- **Cemetery** – no specific allocation for additional works, but there are funds in current budget, and any surplus can be carried forward at year-end.
- **Pavilion** – small amount included, but some funds in current year and Village Steward can complete some of the works.

There is a small increase in the tax base for 24/25 from 1,025.1 to 1,033.7. Members were satisfied with a Precept of £129,287 for 24/25, an increase of 9.66% on 23/24. This represents an increase of £11.02 per year or 21p per week for each council tax paying household (Band D).

23/24 $£116,912 \div 1025.07 = £114.05$ per year (Band D)

24/25 $£129,287 \div 1033.7 = £125.07$ per year (Band D) / £10.42 per month / £2.41 per week

6. **Recommendations** to PCM 22/1/24

- **Budget virement 23/24** - to approve the budget virements as detailed.
- **CCTV for Station Road Car Park** – to allocate £3,000 from the current year reserves to an Earmarked Reserve, towards the costs of installing if feasible.
- **Weekly clock winding** – to consider a donation to Darvell for kindly winding the clock free of charge on a weekly basis.
- **Village Steward** – to increase the Village Stewards hours by an extra four hours, to average 16 hours per week from April.
- **Budget / Precept 24/25** – to approve a Precept of £129,287.

7. **Date of next FWG Meeting** - TBA.