FINANCE COMMITTEE MEETING

MINUTES 9 JULY 2020 – held online

<u>Attending</u>

Chair: Thomas Briggs

Councillors: Laila Turner, Bernie de Haldevang, Mark Wilson, John Thompson

Clerk: Sophie Martin

1. **APOLOGIES** for absence.
   None

2. **DECLARATIONS OF DISCLOSABLE PECUNIARY INTEREST**: NONE

3. **FINANCE & GOVERNANCE RISK ASSESSMENT – for finalisation**
- Discussion principally around need to accommodate correct notes / procedures around online banking process.
- Need to outline payments process for online banking.
- Clerk may not pay his- or her-self. No councillor/signatory my pay his- or her- self. Therefore, Finance Chair must set up any Standing Orders for clerk's salary or any additional payments to Clerk (WFH, expense claims etc).
- While NATWEST cannot accommodate dual access, Internal Auditor endorses approval process by which Clerk set up a schedule of payments each month for date in advance), which is then checked by other online user or signatory for correct amounts and authorised payments and emails back "good to go". This process as long as records are kept is appropriate.
- NB NatWest accounts are not set up for Alerts – SM to double check with business banking.
- Mandate can only be obtained via Branch, but currently stands as per Banking Resolution (Nov 2019)
- Explanation of monthly reconciliation (to include transactions from NatWest for month)
- Mark Wilson enquired about **Quarterly Reconciliation process** – which is in place and was also retrospectively done for all 2019/20 to fill in gaps left following GD departure.
- All complete 2019/20 and prepared Q1 2020/21.
- SM subsequently emailed all the reconciliation documents (to include Reconciliation summary, cashbook for quarter and transactions for quarter - downloaded from NATWEST)

4. **FINANCIAL REGULATIONS UPDATE**
   Main points, as per Risk Assessment discussion (above), being expense approval process and payment processes – particularly online payment process.

Currently as per resolution and current banking mandate, payments can be made online up to £1000. SM questioned this but for security it is felt this should remain unless it becomes an issue further down the line in which case it can be reviewed.

SM communicated key points in terms of expense approval & payment process being:

- o Items will be agreed within the annual budget / line item where possible [provision for un-budgeted items]
- o Specific expenses are agreed at council or via email (with majority vote) and ratified at next council
- o All upcoming payments are ratified at monthly meeting on *Payments & Receipts* annex
- o Online user 1 sets up payments online and schedules for future date and emails to online user 2 or another signatory to check and OK (or amends scheduled payments as necessary). These emails are kept for records.   [SM emailed scheduled payments example sheet (June payments) for understanding of process]
- o All payments will be presented on following month's *Payments & Receipts* annex, together with any known future payments (e.g. DD/SO or uncashed cheques) and monthly balances.

Budget discussion on budget categories and need for degree of flexibility on specific expense items – e.g. +5-10% of budgeted cost.
TB – budget line items should encompass an overall approved amount with specific items allowed as long as outlined (example footpaths budget) with degree of movement.
However, is there a level we should agree for individual expense within the overall projects requiring further approval before payment? Currently it appears to be £250. Questioned whether this is high enough.
LT suggests we leave as is and see how we go for first half of year to be reviewed.

TB will draft outline of budget for next year to be discussed at next meeting.

Proposal to close LNP Account and assimilate balance into General Expenditure account. To be agreed by Councillors.

5. **ITEMS FOR INFORMATION**

6. **NEXT MEETING**   to be agreed.
   NOTE: JT would like quarterly meetings – week before main council meeting. Next should be w/c 7 September for budget discussion and final sign off of Financial Regs.