

**MINUTES**  
**LPC FINANCE, RESOURCES & MANAGEMENT (FRM) COMMITTEE**  
**MEETING**

**2 OCTOBER 2019, 19:30**

*TVA Offices, 1st Floor Library Building, 14 Gresham Road, Oxted RH8 0BQ*

**Attending:**

Cllr John Thompson (JT), Cllr Laila Turner (LT), Cllr Mark Wilson (MW), Cllr Thomas Briggs (TB), Sophie Martin (interim clerk)

**A G E N D A**

**1. MINUTES OF PREVIOUS MEETING**

No comments – all agreed. Signed off by TB.

To be posted on the Parish Council Website by the Clerk.

**2. APOLOGIES** for absence.

Absent Bernie de Haldevang (BdH).

**3. DECLARATIONS OF DISCLOSABLE PERCUNIARY INTEREST:** *To receive any disclosure by members of personal interest in matters on the agenda, the nature of any interests, and whether the member regards the interest to be prejudicial under the terms of the Code of Conduct. Members are reminded of the need to repeat their declaration immediately prior to the commencement of the item in question. Anyone with a prejudicial interest must unless an exception applies, or a dispensation has been issued, withdraw from the meeting.*

None

**4. UPDATE TO FINANCE COMM TERMS OF REFERENCE (ToR)**

Comments and approval of text addressing management of Clerk/RFO.

Initial discussion to add financial (RFO) responsibility for Clerk under contract. Both functions to be managed by Chair and other members of Finance Committee.

TB also suggests adding records retention and procedure – para J.

All happy with wording and amendments.

**ACTION:**

Regarding Permanent Clerk - to make sure that there is a performance review process by the full Council for the Clerk/Responsible Finance Officer

TB to finalise ToR for approval at main Council meeting on 14 October.

“Finance Resources and Management Committee” – all agreed title.

**5. UPDATE ON ANNUAL EXTERNAL AUDIT**

Email from external auditor states they “cannot formerly complete the audit”. TB had already enquired as to reason why. Response back from them said that they couldn’t finalise, because we’d apparently ticked a box on the previous document that said, although it was late, we had posted/filed the initial document on time.

According to statement from PKF Littlejohn we do not have to pay external auditor until it's finalized. However, responses from auditor are unclear.

ACTION: TB to chase for further clarification and report to the full meeting.

Audit notice and documents were posted to the website on 30 September 2019

## **6. GDPR SERVICE AGREEMENT (SATSWANA) AND PAYMENT**

Satswana GDPR agreement – cheque has now been cashed and it's been paid.

Action: TB and SM to look further into need and details of the agreement.

## **7. TENDER AND PROCUREMENT FOR INTERNAL AUDIT SERVICES**

We need to look for a new internal auditor.

Previous auditor, David Chitty, was under voluntary agreement and has agreed that this audit was last one for the parish council. Concern that if we have a volunteer, they may not prioritise our work. TB raised the need for more robust internal audit as Council spending becomes more ambitious.

Catherine de Bruin had suggested a few firms.

Discussion as to what do other parish councils do – do they use voluntary auditors or pay external firms?

### *Action:*

SM to check what is the norm for other small councils and organisations of similar size. SM should also ask TVA who they use.

To look for a few other recommendations and assess cost of hiring individual/firm.

TB to draft ToR / scope of work and obtain prices for service.

To arrange meeting between David Chitty/TB/MW to get sense from him in terms of what is required.

*NB. 1 April to 31 March is our financial year.*

## **8. PERMANENT LPC POSTAL ADDRESS, WEBSITE AND RECORD RETENTION**

TB identified a need to have a permanent mailing address for the Council, the Clerk and individual Council members. Too many documents are being delivered to multiple locations.

PO Box has been looked into and was suggested as preferred method. Everyone agreed.

Physical copies: Suggestion of filing cabinet at Parish Office.

Tandridge planning website now has Mark's address (as Planning Committee lead) for planning communication. Need to remove all reference to previous Clerk and personal addresses from all accounts.

Need for central space to securely store hard copies of critical files until filing system is fully digitalised. MW suggests a chairman's file for live, hard copies of essential documents such as current contracts. All agreed this would be a good course of action.

Agreed on PO Box option – for collection – to be agreed at main meeting on 14 October.

Discussed DropBox central cloud storage for all soft copies. This is already paid for. SM to circulate link to central folder for all to have access to documents.

All councillors should send the Clerk final, agreed documents for filing on Dropbox. To be agreed at main meeting.

Action Points :

SM to set up PO Box. SM to double check on who has access to PO Box – i.e. anything addressed to any member of Limpsfield Parish Council should go to PO Box.

*All addresses should then be changed, not least bank account address. To confirm this is possible with NatWest*

## **9. UPDATE ON CIL PROJECTIONS AND FUNDING**

TB contacted Brian Thompson at TDC regarding CIL. Jane Roberts & Jeremy Fisher are other contacts.

TB asked how accurately TDC and therefore LPC can estimate CIL contributions? Answer: not very accurately mainly because even when planning is approved, some negotiations may still apply... not least that if and when the project starts, TDC reliant on if and when they actually pay. There are too many variables to accurately predict future CIL payments.

TDC is improving its CIL monitoring capabilities.

TDC has sent spreadsheet is provided for us to track projects who have paid the levy and when others are due (in the short term). Lat payment for FY 19/20 CIL payment noticed and to be paid imminently. FY 2020-2021 - £1400-£1500 is all TDC can tell us at this point.

CIL funding must be ring-fenced. We have 5 years to spend CIL money earmarked for our Parish. Spending is restricted to improvements needed that are a result of increased development in the area.

TB to research other parish councils and what they've done with this. NB. We can team up with other areas. CIL funding doesn't have to be spent in the parish but can be spent in another parish e.g., Oxted.

MW: Can we confirm we're getting 25% (other Parish Councils get 15%).

Main TDC CIL fund: TDC is frustrated that parish councils aren't asking for part of the larger pot. It's not being used because parish councils aren't applying because the threshold £100,000 is too high and other administrative burdens. TDC is currently revising CIL bidding rules and will seek TDC approval in December.

The CIL team is very helpful but extremely busy at the moment. They told TB that they would prefer not to make a presentation at the meeting on the 14<sup>th</sup>. Finance Comm members agreed a meeting at a later date after CIL bidding new rules were proposed would be better.

*DISCUSSION: We could look at some projects that could be combined into a single application, e.g. Pedestrian Safety in Limpsfield. Potential to bundle Bluehouse Lane zebra crossing and pedestrian crossing outside Limpsfield C of E School under the current funding rules. Highways should first do an evaluation on whether Zebra crossing is viable for Bluehouse lane.*

Action Points:

TB to clarify CIL allocation, percentage and any other issues plus potential for TDC funding at next Parish Meeting.

To create spreadsheet with approved and pending planning applications to start tracking projects that are liable for CIL.

## 10. DRAFT BUDGET 2019/20, RESERVES AND BUDGET PROCESS

### 10.1 Reserves

**CIL account:** (approx. £10,000) has to be a ring-fenced account, but council should agree some level of reserves or contingency.

**Playground account:** Based on discussion with Bob Harvey it is understood that funds are from Lottery funding remainder and inclusion of reserves (£800) from old playground fundraising account. Currently includes a fund for decommissioning playground, which could be required after expiry of the 10-year lease (£17,000).

The Council need to determine if these funds be used for anything other than the playground and also the mount required for decommissioning. The lease with the NT requires that LPC needs to return it to common land. If decommissioning costs are lower and funds can be used for other items, then additional funds are available for other spending priorities. It is noted that the Chart residents are keen to ensure they receive fair share of Council spending.

TDC maintains the playground.

Action points:

TB to get an idea for the actual cost of decommissioning.

Committee to define what that money is for and how it can be used and this needs to be documented. To agree if this account be designated for Limpsfield Chart related expenses?

**General reserve:** previous Finance Comm decision to set reserves at a minimum of 50% of precept, building to 100% by end of Council term in 2022/23. Reserve is currently at 50% and future budgets will set aside funds to build to the 100% target. No need to change the recommendation for the reserve but should be revisited next year. Not proposing any change to the reserve account at this point. Changes to reserve must be approved by full council.

### 10.2 BUDGET for FY 19/20

TB presented 3 budgets – General Expenditure, CIL and Playground. All based on Q1 and Q2 actuals, a conservative estimate of Q3 and Q4 spending and a 10% contingency.

Conservative estimates for everything including potential expenses such as election costs which may not come in. Most of our expenses are front-loaded into first half of the year.

*NB: VAT - we are not VAT registered, but can reclaim on some items, such as the Stanhopes tree work.*

Discussed need for an agreement for general expenditure for various area, e.g. NP, Footpaths/Infrastructure. Costs under a certain amount should have prior approval, such as footpath maintenance and improvement. There could be a small budget from CIL account for ongoing maintenance. A flexible approach to spending on smaller items which have been approved in the budget should be discussed at main meeting and ultimately approved/rejected by Council.

TB balance of projects at this time is £9,000, to be spent on a Pay as you go basis (i.e. upon motion and vote of Council). Expense items proposed in to CIL to zero.

Staff pensions – need to budget £400 for this due to Workplace pensions. It may not be spent. Discussion about having certain general expenditure funds (footpaths, highways etc) to come out of CIL vs general expenditure account. Members agreed that CIL should not be used at this stage.

**ACTION**

*All committee members recommend budget to full council with CIL exp to £0 and addition of token amount for Staff Pension.*

*Next steps to begin to address next year's budget and consideration of increase in precept.*

**11. ITEMS FOR INFORMATION**

**12. INTERIM CLERK SERVICES**

Councillors agreed on the interim clerk's letter of employment on freelance basis - to be recommended for agreement by full council at next main meeting with pre-approval of equal amounts for monthly instalments paid by standing order.

Cllr TB to circulate final payment itemization for outgoing Clerk, Catherine de Bruin.

**13. NEXT MEETING**

It is agreed that Quarterly finance meetings will be held with additional around budgeting time.

Next meeting - Wednesday 20<sup>th</sup> November 7.30pm.

To confirm availability TVA rooms availability.

Meeting closed 9.27 PM.