

Minutes of the meeting of the FINANCE COMMITTEE held via Zoom at 7.30pm on Monday 14 December 2020

Present: Cllrs J Aldridge, A Baker, A Damadoran, A Layland, N Lloyd (Chairman), S McGregor, J Scholey (Vice Chairman), S Sumner and B Todd.

In attendance: Town Clerk and Finance Officer. No members of the press or public were present.

The Chairman read an advisory statement on the guidelines for conducting an on-line meeting under the Council's standing orders.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllr M McArthur.

2. DECLARATION OF INTERESTS OR PREDETERMINATION

Cllr N Lloyd declared a non pecuniary interest for item 8.2.

3. TO RECEIVE AND SIGN THE MINUTES OF THE FINANCE COMMITTEE HELD ON 12 OCTOBER 2020

Resolved: that the minutes of the Finance Committee meeting held on 11 October 2020 be duly signed by the Chairman as a true and accurate record of the meeting.

4. MATTERS ARISING FROM THE MINUTES FOR REPORT AND NOT COVERED ELSEWHERE (FOR INFORMATION ONLY)

None.

6. FINANCIAL STATEMENT AND ANALYSIS OF RECEIPTS AND PAYMENTS

Members noted in detail the income and expenditure transactions for the period 01 September to 30 November 2020 and

Resolved: that Cllrs N Lloyd and J Scholey should sign the Financial Statement for the above period confirming the analysis of receipts, payments and paid expenditure transactions. To approve the financial comparisons and to accept the transfers into and out of reserve accounts.

6.6 Fund Transfer

Capital Reserves

Transfer In: Nil

Transfer Out: Nil

Revenue reserves

Transfer In: £277,487.00 (Precept)

Transfer Out: £70,000.00 (September 2020)

£60,000.00 (October 2020)

£40,000.00 (November 2020)

6.7 Paragraphs 5.1 to 5.5 approved by resolution of the Council:

6.8 Invoices outstanding for more than 3months

Members noted the following invoices were outstanding and were being addressed.

05/08/2020	Mis 724	£1,178.95 inc VAT (under discussion)
08/09/2020	Mis 726	£408.05 (reminded)

6. FINANCE BUSINESS

6.1 Finance and Transparency information on the website had and is currently being updated

Members noted that the Finance and Transparency information on the website was under review and being updated.

6.2 Notice of Conclusion of Audit for year-end 31 March had been published (28 November 2020)

Members were advised the RFO had posted the notice on the website and the noticeboard prior to 30 November, in line with and as per PKF Littlejohn's instructions.

6.3 The External Audit report for the AGAR year-end 31 March 2020

Councillors and officers were delighted to receive a clean audit again this year. Members praised and thanked the RFO for all her hard work and especially, adapting to home working and completing year-end on a very slow old laptop.

6.4 The Internal Auditor's report – half-yearly interim review (October)

The Internal Auditor met with the Chairman of Finance, the Town Clerk and RFO on 8 October to carry out a half yearly interim audit. His report was received with the meeting papers, and the recommendations had either been implemented or were work in progress.

6.5 Fees and Charges 2021

Members discussed the Fees and Charges which are reviewed annually and after much deliberation, Members,

Resolved: that all fees and charges set by the Council should increase by 1.3% the Retail Price Index (RPI) figure for the coming year, to remain consistent with previous years increases.

6.6 Lack of grants available to Town and Parish Councils

Members noted the Town Council had written to Tom Tugendhat MP to raise the issue that Town and Parish Councils were not receiving any financial grants to help towards unbudgeted costs during the Covid-19 pandemic. He has responded to advise he would raise the matter in parliament.

7. FINANCE CORRESPONDENCE

7.1 Thank you letters for Grants

Members were pleased to note thank you letters had been received from Eden Christian Trust, Edenbridge Voluntary Transport Service, Edenbridge Community First Responders Group, Edenbridge Churches in Covenant, Hi Kent, Nomads Football Club, West Kent Mediation and Community Christmas Association. All organisations were very grateful to members and wished to express their appreciation.

20:02 Cllr Lloyd left the meeting

8. SLA AGREEMENT FOR THE WI HALL

8.1 Annual review meeting between the WI Hall Management Committee and Town Council

Members noted a meeting with representatives from the WI Hall Management Committee had taken place.

8.2 Request to consider a discretionary reduction to the annual administration fee as a consequence of the impact of Covid-19, and recommendation to full Council.

The WI Management Committee had requested that the Council consider a reduction in the administration charges due to the hall being closed earlier in the year because of Covid-19 restrictions. Members discussed this matter at length. It was noted that none of the other organisations who the Council invoices for rent and/or services had asked for reduction/discount because of the current pandemic; and that they had also been eligible for a Government grant. Members unanimously,

Resolved: that no reduction in fees would be given as this would set a precedent.

20:12 Cllr Lloyd rejoined the meeting

9. CHARITIES ACCOUNTS - RECREATION GROUND AND BLOSSOMS PARK

9.1 To receive an update on the financial administration of the two Charity Accounts from the Chairman of the Finance Committee

The Chairman provided a report on the administration of the Recreation Ground and Blossoms Park Charities.

Advice had already been taken with a firm of accountants with experience of Charities and vat which has been reflected in the report.

Both charities were set over a century ago by the gift of land to the Parish of Edenbridge for the benefit of residents. Both charities were formally registered with The Charity Commission in 1963. There does not appear to be a Governing Document for either charity other than references in the original conveyance documents. A review of these documents in light of current legislation suggests that the administration of the land and the charities could be simplified or transferred to the Town Council.

The accounting and administration of these two charities was also discussed and some changes for the current year agreed.

The accountants, Mulberry & Co had made two suggestions, one of which is for each charity and the council to prepare a deed to transfer all activities to the town council – the charities are then effectively dormant, and the parish council records all income and expenditure. This appears to be the simplest solution. To this end the proposal is to engage a solicitor at a cost of up to £4,000 to review both recreation ground charities and if appropriate and possible to prepare deeds of transfer to transfer their activities to the Town Council. To also consider the Norman Trust to ensure that is properly treated.

9.2 To consider the charities and the Council prepare memorandum deed to transfer all activities to the Town Council – the charities are then effectively dormant, and the Council records all income and expenditure

Resolved: Members considered the information provided (above) and unanimously, to recommend to Council to prepare a memorandum deed to transfer all activities to the Town Council – the charities would then be effectively dormant, and the Council records all income and expenditure'. It was noted that Blossoms Park would likely not require a memorandum.

9.3 To make recommendation to full Council to approve the legal fees expenditure of up to £4,000 to look at the governing documents for both charities and prepare a memorandum deed of transfer of each charity

Resolved: Members unanimously, To make recommendation to full Council to approve the legal fees expenditure of up to £4,000 to look at the governing documents for both charities and prepare a memorandum deed of transfer of each charity.

10. BUDGETS 2020/21

10.1 Review of the current budget and projected year-end

Members were given a presentation on the spreadsheets provided at the meeting for discussion. Other spreadsheets had been included in the Excel document which provided further detail. Members noted the information provided.

10.2 Updated view on the 10- and 30-year maintenance plans

Members reviewed the Excel document containing (detailed expenditure for projects are presented prior to work being commissioned to Open Spaces Committee to Full Council).

11. BUDGETS 2022/21

11.1 To receive the tax base for 2021/22 from SDC

The RFO had contacted Sevenoaks District Council (SDC) for information on the Tax base. The figure had gone up very slightly from 3719.60 in 2019/20 to 3730.15 for 2020/21. Members noted the Tax Base for 2021/22, and that SDC had imposed an increase to the allowance for non-collection of Council Tax, a consequence of the current Covid-19 crisis. This has a negative impact to the Town Council resulting in a lower tax base figure than forecasted. Members were disappointed, and in view that the Government had awarded grants to the district and county councils to help with this loss of income, but nothing had been passed down to parish and town level. The Town Council had expressed its concerns to Kent Association for Local Councils (KALC) and Tom Tugendhat MBE MP.

11.2 To receive the recommendation to full Council for a 5% increase to the Precept

Members noted the recommendation to the Precept for a 5% increase to the precept and had been used to prepared the draft budget for 2021/22.

11.3 To consider the draft budget for 2021/22

Members received a presentation on the Excel spreadsheets 2021/22 draft budget and discussed at length. Members acknowledged the unprecedented times and consequences of the Covid-19 pandemic. However, to maintain its services and open spaces to the level that residents expected and manage the finances to address an ongoing historic deficit, Members recognised it would need to support a Precept increase. It was suggested that a working group to review working practices and operating costs be set up. Members **agreed** to make a recommendation to full Council to consider this.

Members,

Resolved: To recommend the draft budget for 2021/22 as presented to the full Council with the 5% increase to the Precept, to £ 582,721.65 and a budgeted expenditure of £732,175.00.

11.4 To consider the earmarked reserves for 2021/22

Members discussed the earmarked reserves, the relevance of some and the need for additional reserves. It was noted that the Election Costs reserve needed boosting and that the Neighbourhood Plan Reserve could be reduced as CIL funding could be requested to cover the costs involved. A new reserve was recommended for Staff Costs to cover unforeseen staff changes such as maternity leave and staff leaving.

11.5 To make recommendation to full Council the draft budget and earmarked reserves for 2021/22

Members,

Resolved: To recommend to full Council the draft budget and earmarked reserves total of £259,188 for 2021/22.

12. PRESS RELEASE

To publish the draft budget for 2021/22 and statement on the Town Council's website.

The Chairman of the Council expressed his appreciation and thanked Cllrs Lloyd, Scholey, the Town Clerk and RFO for all their hard work in preparing the 2021/22 Budget.

The meeting closed at 21.55pm