



EUXTON PARISH COUNCIL

Meeting: Finance Committee

Annexe

Euxton PC Community Centre, Wigan Road, Euxton

Tuesday, 6th October 2015, 7.15pm

A G E N D A

1. Apologies
2. Declarations of interest
3. Minutes of the last meeting, 6 August 2015
4. Public Participation
Matters brought to the Parish Council by residents. Residents will have twenty minutes set aside during which each resident shall have three minutes.
5. Receive half year budget outturn for recommendation to Full Council
October meeting or November meeting if more discussion required (Item 5)
6. Receive early draft budget 2016/17 - brief discussions. (Item 6)
Submissions/attendance by Committee Chairs welcome
7. Receive formal Petty Cash policy and process reflecting Council
agreement Aug 15, for incorporation into revised Financial Arrangements
(Item 7)
8. Review contracting and purchase of admin services & products - pc,
phone, envelopes, laminating, etc - to ensure transparency and best
value in accordance with Council-approved Risk Assessment document
(Item 8)
9. Working Groups (WGs) (Item 9)
 - 9.1 Establish Finance Standing Orders/Arrangements WG and agree
guidance, timescales, etc
 - 9.2 Establish Tender Process WG and agree guidance, timescales, etc
 - 9.3 Establish Banking & Investment WG - electronic banking, chqs,
invoice payment - and agree guidance, timescales, etc
 - 9.4 Establish Accounting Software WG, and agree guidance,
timescales, etc

10. Revised programme of work
11. Other items this Committee can take forward

D. Platt
CLERK
Published: 24/09/15

Future Meeting dates:

2015: Thursday, 5th November 2015.

2016: Tuesday, 2nd February 2016; Thursday, 28th April 2016; Tuesday, 5th July 2016;

Finance Committee

Cllr M Bamber
Cllr A Caughey
Cllr J Caughey
Cllr H T Cook
Cllr C Jones
Cllr J Matson
Cllr A Platt
Cllr J Prayle
Cllr K Reed
Cllr A Riggott
Cllr M Parr

MINUTES of FINANCE COMMITTEE meeting held 6 August 2015 at Euxton PC Community Centre, Euxton.

<u>Present:</u>	Cllrs	M Bamber	J Matson
		A Caughey	A Platt
		J Caughey	J Prayle
		H T Cook (Chair)	K Reed
		C Jones	M Parr

Attending: Cllr J Bamber

1. Election of Committee Chair

Resolved: Cllr Cook was elected to be Chair.

2. Election of Committee Vice Chair

Resolved: Cllr Prayle was elected to be Vice Chair.

3. Apologies - Cllr Riggott

4. Draft terms of reference for the Committee

Members went through the draft papers and made changes.

It was suggested that Finance Training may be useful for members who had not already been to it. Clerk advised the trainer can be brought in.

Resolved: The Committee approved, in principle, the draft document, to include the changes discussed, which would be circulated to members for ratification, prior to going out with Full Council agenda for its approval.

Note: With the exception of Cllr Riggott (who declined to vote due to his absence from the Meeting) the ratification by e-mail was unanimous

5. Programme of work for the next and future meetings

Members discussed having a programme of work. Items for the programme were submitted along with some possible dates, these will be collated and brought to the next meeting in a proposed programme.

Insurance review to go to Full Council August or September.

6. Any other items for this Committee

It was suggested that when large documents such as the Financial Regulations and Standing orders are to be reviewed that Working Groups are set up for these.

Chair wished for the next meeting to be on the 6th October to be able to review the six month period of income and expenditure against budget.

There being no further general business the Chairman declared the meeting closed.

8.45

EUXTON PARISH COUNCIL

Item 5

Budget Breakdown Report 2015/2016 (cumulative for year)

Budget Codes	Description	Comm 'ttee	Budget 2015/16	Carried fwd from 14/15	Total Budget avail15/16	Spend to Date	Income 2015/6	Budget Via	Budget Balance
01 Employees									
01	Employees	PC	51500		51500	25980			25520
02 Housekeeping									
02-1	Employee Mileage	PC	1600		1600	684			916
02-2	General Office - stationery, copy, post, IT, tel	PC	1400		1400	721			679
02-3	Publicity - newsletter/AnnRep/Gala day/ Other	AP	3000		3000	2327	1885		2558
02-4	Insurance	C	2500		2500	2657			-157
02-5	Subscriptions	C	250		250	35			215
02-6	Audit	C	1000		1000	580			420
02-7	Legal Fees/Planning Investigations	C	2500		2500	669			1831
03 Council									
03-1	Training/Conference Fees	C	350		350	111	0		240
03-2	Elections and Parish Poll Fund	C	0	5000	5000	0			5000
03-3	General Reserve	C	0	22803	22803	0			22803
04 Grants/S137									
04-1	Grants	AP	3000		3000	800			2200
04-2	Christmas Celebrations	AP	1000		1000	0			1000
05 Special Events/Projects									
05-1	Euxton Gala	AP	700		700	732			-32
05-2	Balshaw Lane Pond	L	2500	4500	7000	0			7000
05-3	Neighbourhood Plan	NWG	0	2000	2000	0			2000
05-4	Quality Status renewal	C	50	200	250	0			250
05-5	Website	AP	2000		2000	0			2000
05-6	Comms and social media methods	AP	250		250	100			150
05-7	Increase public involvement work	AP	250		250	0			250
05-8	Finance software	F	2050		2050	0			2050
05-9	Heritage Fund	AP	212		212	0			212
06 Amenity/Utility									
06-1	Utilities	C	1100		1100	722			378
06-2	Gardens/Planting/Competitions	AP	3250		3250	1529	200		1921
06-3	War Memorial	AP	0	2500	2500	81			2419
06-4	Millennium Green - grass cuts, maint	L	2000	1000	3000	1550			1450
06-5	All Purposes Committee	AP	0	4000	4000	739			3261
06-6	Greenside Pitch Maintenance	L	3000		3000	0			3000
06-7	Play Equipment Replace Scheme	L	13350	11774	25124	20000			5124
06-8	Amenity/Open Space RRM	L	13500		13500	2812	325		11013
07 Earmarked Reserve/Carry Forward Money									
07-1	Land Fund/Amenity	L	0	18684	18684	0			18684
07-2	Street Sweeping Machine Fund	AP	500	3500	4000	0			4000
07-3	Bowling/Boules Project	BC	2500	60000	62500	0			62500
08 Other									
08-1	Healthy Streets		0	1129	1129	250	0		879
08-2	Ransnap Brook		0	279	279	0			279
08-3	BT Wayleave/Available		0	788	788	0			788

Note

Budget Spend Totals

25980 Slightly over 50% of budget

Under 50% of budget
Slightly over 50% of budget
Ad revenue good, so costs down
Over for Memorial add premium
Approx £185 for 2 subs due Jan
Ext Audit fee down by £200 as below threshold

111

*NB £140 library allocated
800 won't be spent until Dec/Jan

£36.50 to be moved to 05-6 budget
Council decided Feb15 not to apply
Website order cost of £499 + £20pm est £619, est £250 photos
£36.50 from 05-1 to come out
Proposal at AllPurpComm for volunteer kits
832 AllPurpC will be considering at Oct meeting

Could allocate funds to 02-4 to cover premiums
Grass cut bills arrive new year appx £800
Lcomm decided not to do maintenance 4/8/15
27434 Grass cut bills arrive new year appx £2400

Savings for possible project
Savings fund
0 Savings for project

Holding for Hlthy Streets Group
Left from Ransnap Project
250 May be spent at Oct All Purp Comm

115312 138157 253469 63078.51 121510.91 0 192800

63079

VAT total on purchases
£5,443.52

exl vat

EUXTON PARISH COUNCIL

Item 6

Early Draft Precept Budget for 2016/2017

Budget Codes	Description	Comm 'ittee	Budget 2015/16	Carried fwd from 14/15	Total Budget avail15/16	Spend to Date	Income 2015/16	Budget Via	Budget Balance	Note	Budget Spend Totals	Est'd spend to Mar15	Estimated Budget Balance	Carry Fwd/ Allocated Funds	Budget request 2016/17	Explanations
NB: PC Personnel, C Council, FC Finance, AP All Purposes, L Leisure, BC Bowling																
01 Employees																
01	Employees	PC	51500		51500	25980			25520		25980	25620	0	0	54000	PersComm asked for increase, living wage proposal
02 Housekeeping																
02-1	Employee Mileage	PC	1600		1600	684			916			900	16	0	1600	
02-2	General Office - stationery, copy,	PC	1400		1400	721			679			650	29		1400	
02-3	Publicity - newsletter/AnnRep/Gala	AP	3000		3000	2327	1885		2558		2300	2300	258		3000	Need to budget for 'no revenue' situation
02-4	Insurance	C	2500		2500	2657			-157				-157	0	2750	Increase to include ann % and memorial
02-5	Subscriptions	C	250		250	35			215		185	185	30		1500	Needed to add in LALC approx £1250
02-6	Audit	C	1000		1000	580			420				420		1000	May have new Int Audit fee? Clarify. Leave as last year
02-7	Legal Fees/Planning Investigations	C	2500		2500	669			1831		7673		1831		2500	Not sure if this needs to remain or how much, so left in
	New H&S working from home advice	FC							2000						2000	New Finance Committee request
	New Advice on NIC/VAT	FC							1500						1500	New Finance Committee request
	New Website maintenance	AP							240						240	New annual website cost added line
	New IT/Laptop/Hardware	FC							2000						2000	New Finance Committee request
	New Speed Indicator Device new plates	AP							150						150	New All Purposes project, two plates
03 Council																
03-1	Training/Conference Fees	C	350		350	111	0		240			190	50		350	Council policy is £350 py
03-2	Elections and Parish Poll Fund	C	0	5000	5000	0			5000				5000	5000	5000	Vacancy elections/Parish Polls. Saving fund for 2018 election
03-3	General Reserve	C	0	22803	22803	0			22803		111		22803	22803		Consider a lower/upper limit required
04 Grants/S137																
04-1	Grants	AP	3000		3000	800			2200			2200	0		3000	Consider if £3000 enough for large council
04-2	Christmas Celebrations	AP	1000		1000	0			1000		800	650	350		500	Need to cover for a tree but not lights
05 Special Events/Projects																
05-1	Euxton Gala	AP	700		700	732			-32			-36.5	5		500	Consider to have a banner
05-2	Balshaw Lane Pond	L	2500	4500	7000	0			7000				7000			Decide if to carry on with budget - or delete
05-3	Neighbourhood Plan	NWG	0	2000	2000	0			2000				2000			Decide if to carry on with budget - or delete
05-4	Quality Status renewal	C	50	200	250	0			250				250			Council decided not to apply - suggest delete budget
05-5	Website	AP	2000		2000	0			2000			869	1131			Website done - delete budget, ongoing budget added above
05-6	Comms and social media methods	AP	250		250	100			150		36.5	114		50		All Purp Committee
05-7	Increase public involvement work	AP	250		250	0			250		250	0		250		All Purp Committee
05-8	Finance software	F	2050		2050	0			2050				2050		2000	Fin Committee to consider, then put in annual costs
05-9	Heritage Fund	AP	212		212	0			212		832	212	0			Delete
	New ROF Lamp Post Project	AP													2000	New All Purposes Project
06 Amenity/Utility																
06-1	Utilities	C	1100		1100	722			378			378	378		750	Electric/Water bills
06-2	Gardens/Planting/Competitions	AP	3250		3250	1529	200		1921		1921	1921			3500	Check new tender All Purp Comm, estimated an increase
06-3	War Memorial	AP	0	2500	2500	81			2419				2419		500	Consider a small budget for repairs/maint or include in 06-8?
06-4	Millennium Green - grass cuts, mai	L	2000	1000	3000	1550			1450		1450	1450		4000	Leisure Committee Requested	
	New Millennium Green Main Plan Surve	L												4000	Leisure Committee/WG Requested	
06-5	All Purposes Committee	AP	0	4000	4000	739			3261			1030	2231		2500	Ask All Purp Committee
06-6	Greenside Pitch Maintenance	L	3000		3000	0			3000				3000		4000	Leisure Committee Requested
06-7	Play Equipment Replace Scheme	L	13350	11774	25124	20000			5124				5124		10000	Leisure will allocate new project area
06-8	Amenity/Open Space RRM	L	13500		13500	2812	325		11013		27434	5000	6013	5124	13500	Need funds for repairs/emergencies/safety
07 Earmarked Reserve/Carry Forward Money																
07-1	Land Fund/Amenity	L	0	18684	18684	0			18684			18684	18684			Savings for possible project
07-2	Street Sweeping Machine Fund	AP	500	3500	4000	0			4000			4000	4000		4000	Savings fund
07-3	Bowling/Boules Project	BC	2500	60000	62500	0			62500		0	62500	62500	30000		Project fund request Bowling Committee
08 Other																
08-1	Healthy Streets		0	1129	1129	250	0		879			0	879	879		c/f
08-2	Ransnap Brook		0	279	279	0			279			0	279	279		c/f
08-3	BT Wayleave/Available		0	788	788	0			788		250	788	0			delete budget
			115312	138157	253469	63078.51	121510.91	0	192800		66828		119269	160040		
VAT total on purchases £5,443.52																
exl vat																

Petty Cash

Full Council agreed new arrangements for the petty cash system at its September meeting:

...in the months where there is no meeting the cash in hand should be doubled to £600. Regular expenditures such as telephone, computer and photocopy charges are not in the future to be taken from the petty cash. Provision in the Financial Regulations (item 3.4) provides for any further emergency purchases by the Clerk.

The system works:

- Petty cash is £300 per month, to be kept in a cash tin (to be purchased as per the Risk document recently)
- Cash is exchanged for expenditure against an invoice/receipt for items such as fuel, screws/bolts, paint – items which we cannot buy from a stationery order or are more urgent for repairs or renewals
- When the claim is collated, (for each Full Council meeting) receipts are listed on a report which is presented to the Full Council meeting, covering the items of expenditure and total the spend, vat amounts, how much of a top-up cheque is required to bring the balance back to £300
- At a Council meeting prior to a meeting break a further £300 will be added to the balance to cover the break period

Below is the extract from the Financial Regulations of the Council listing the Petty Cash system:

6.5 The RFO may hold petty cash for the purpose of defraying operational and other expenses. Vouchers for payments made shall be forwarded to the RFO with a claim for reimbursement:

- a) The RFO shall maintain a petty cash float for the purpose of defraying operational and other expenses. Vouchers for payments made from petty cash shall be kept to substantiate the payment.
- b) Income received must not be paid into the petty cash float but must be separately banked, as provided elsewhere in these regulations.
- c) Payments to maintain the petty cash float shall be shown separately on the schedule of payments presented to Council under 5.2 above.

Item 8

8. Review contracting and purchase of admin services & products - pc, phone, envelopes, laminating, etc - to ensure transparency and best value in accordance with Council-approved Risk Assessment document

Below is a description of the purchasing for the following items, along with alternative methods and costings:

IT provision

Telecoms

Photocopying

Other business tasks

IT/ Computer Provision

Current arrangements:

Euxton is invoiced by the Clerk for use of the equipment she needs ie, PC/printer/software etc

£18.40 pm or £221 per year **maximum** cost and includes repairs/replacement, software etc.

Alternative arrangements:

Buy Council's own equipment (estimates)

LIST OF HARDWARE/SOFTWARE

Hardware

PC or Laptop (£350 to £450+)

Printer and Ink? If you want option of colour prints alternatively, prints are mono and charged

Do you want the ability to read/write CDs on the PC/Laptop

Insurance/maintenance contract so it can be fixed quickly and without too much disruption

Ability to use Spid software, and connectors on any hardware purchased

Ability to use HMRC software on any hardware purchased

Software

Office (inc Word, Excel, Publisher etc) eg. Office 365 £59.99 py (incs all upgrades and new versions) or £340 outright but may need upgrading in future

Protection software ie, McAfee, Kaspersky etc eg. £26 to £36 per year

Cloud Storage System ie, Knowhow, Just Cloud etc £15 to £50 per year (50Gb+) (and or alternatively a hard drive)

Adobe (presently use Illustrator for newsletter, acrobat to create PDFs for website, photoshop for photo-editing) Adobe Creative Suite 6 eg. approx. £1,200 or £549py - or an alternative which is good enough to produce the newsletter artwork to print quality

Estimate is £400 hardware and £620 per = £1020

Or £400 hardware, £1540 software = £1940 plus and £41 per year renewals

Leasing a computer for the Council

Personnel Committee asked for a 'comparison' price to lease/rent a computer system for the Council – this is a costing I did for someone else which they wanted to see.

Item 8

As at November 2012 - Priced up on the Dell website and a site which specialises in computer leasing. Neither costing is comparable but do give indications:

Dell

Tower/screen/some software approx £36 per month but

Price **does not include** other required items such as:

Printer for colour prints/inks

Software such as website/publishing/adobe etc

Maintenance/call outs/repairs etc

£36pm = £432 p/year **minimum** cost

Lease Me Computers

Tower/screen/some software approx £27 per month but

Price **does not include** other required items such as:

Printer for colour prints/inks

Software such as website/publishing/adobe etc

Maintenance/call outs/repairs etc

£27 pm = £324 p/year **minimum** cost

No doubt there may be cheaper or more expensive quotes found but, this was a brief exercise to obtain a 'rough' costing and not meant to be a fully accurate costing to be used at this time.

Telecoms

Current arrangements:

Euxton is invoiced currently:

£18.35 per month (ex vat) (or £220.20 per year)

This is for the telephone calls in and out, broadband, answering machine

Alternative arrangements:

Euxton to have its own telephone/bb services

For Euxton to get its own/new telephone number and set-up

Euxton would have a business contract.

Broadband £32, basic line from £13 (normal price £19.99), all calls £10 = £55 pm or £660 per year

NB: this does not include

an installation cost to the home/activation cost also a router

cost of equipment ie, phone/answering machine

no offer prices were used as they are for limited periods and for new customers.

No doubt there may be cheaper or more expensive quotes found for limited periods but, this was a brief exercise to obtain a 'rough' costing and not meant to be a fully accurate costing to be used at this time.

Photocopying Costs

Current arrangements:

Euxton does approx 900 copies per month, this analysis is from the last four years of photocopies, for the last two years the total quantity of copies has dropped.

Euxton copies are approx 900 per month costing the Council 4ppc = £36 per month or approx £432 per year.

The copying is done at home using business equipment which is billed to the Council on a vat invoice.

Alternative arrangements:

Copies elsewhere

Spar photo copies are 8p per copy (inc vat) so 0.066p ex vat

Print Quarter Chorley copies are 15p each, quantity 50 to 100 go down to 10p (+vat)

Lynbrook Office Supplies, Chorley – B&W copies 6p (inc vat) (so 5p ex vat)

- Colour 25p inc vat
- Laminates 50p each inc vat

But to access copies elsewhere ie, Print Quarter or another supplier, would require travel costs/time.

Buy it own Photocopier Machine

basic machine can be leased from £30 p/month upwards (no feeders/sorters/A3 etc) plus a per copy charge on top which includes maintenance/toner etc. or a maintenance contract/or repairs and consumables costs to be added on top approx 0.006 to 0.010 per copy ie, £6 to £10 for 1000 copies plus photocopy paper cost @2.50 per ream/500 sheets or £5/1000 plus insurance and electricity costs plus somewhere to keep the machine

If you were to buy/rent a photocopier + copy charge + paper + copies at 900 copies per month, each month might cost upwards of £39.90 (exl. Elec/insur/storage). The machine alone costs £360 per year with no copies/paper etc So, rental plus copies/paper is approximately £478.80 exl. Elec/insur/storage.

Only sustained larger quantities of photocopies would make having a Council machine cost effective but these costings are based on a very basic machine with none of the time/cost saving functions on such as sheet feeders, double sided copying, sort and rotate, A3 capability, scan etc. There is no saving but a cost of a min of £47 per year (and this does not take into account of extra on costs ie elec/insur/storage).

Other office tasks/costs

Colour prints – currently printed off a colour printer Clerks own equipment (cannot do volume) – charged at 20p per sheet (very few done) (Lynbrook example above is 25p or 21p ex vat)

Laminating – currently done on Clerks own equipment (laminator and sleeves) charge at 30p each (Lynbrook example above is 50p or 42p ex vat)

Stamps – these used to be charged at per stamp cost, Clerk had a supply and marked in a book what Euxton used, which were added up at the end of the month and charged at that cost.

Now, Euxton does this system for first class and unusual 'weigh' envelopes as they are all different prices but, has a stock of 2nd class bought for the newsletter which are logged when used and a sub-total of used/unused kept.

Either system works but can be another system if there is a better one.

Stationery – nothing is very regular so it is purchased as and when needed. An account with Viking has been set up, they are very economical with free delivery and they sell postage stamps! which was a concern before as we couldn't buy from post office without cash.

Working Groups (WGs)

These are suggestions to initiate discussion at the Working Groups:

- 9.1 Establish Finance Standing Orders/Arrangements WG and agree guidance, timescales, etc
 - Based on NALC Model Toolkit
 - Use existing Arrangements, etc as guide
 - Deviations from Toolkit explained
 - Draft to Cttee Nov 15

- 9.2 Establish Tender Process WG and agree guidance, timescales, etc
 - New tenders before policy agreed
 - Use existing Arrangements, etc as guide
 - Draft to Cttee Feb 16

- 9.3 Establish Banking & Investment WG - electronic banking, chqs, invoice payment - and agree guidance, timescales, etc
 - Security, transparency, effectiveness, etc
 - Levels of investment risk acceptable
 - Banking draft to Cttee Feb 16
 - Investment draft to Cttee May 16

- 9.4 Establish Accounting Software WG, and agree guidance, timescales, etc
 - Need for specific software
 - Outline requirements
 - What do other PCs use
 - Professional advice - Chartered Accountant
 - Draft to Cttee Feb 16 to start new financial year 1 Apr 16