MINUTES of the Meeting of the FINANCE & GOVERNANCE COMMITTEE held at 7.30pm on Thursday 17 March 2022 in the Village Centre Conference Room.

Members present:	Malcolm Llewellyn (Chair)	Allan Brown
	Duncan Ranger (Vice-Chair)	John Lowman

Also present: Sarah Groom, Clerk to the Council and Responsible Finance Officer. Cllr Jackson joined via Microsoft Teams.

F21/22.102 Apologies for absence: There were apologies for absence from Cllrs Jackson, Jee and Majsai, and it was:

RESOLVED: That the Committee ACCEPTS apologies for absence from Cllrs Jackson, Jee and Majsai.

F21/22.103 Declarations of interest: There were no declarations of interest.

F21/22.104 Minutes of the meeting of Finance & Governance Committee of 17 February 2022: The minutes were received and accepted and signed by the Chair, and it was:

RESOLVED: That the Committee AGREED the minutes of the meeting of 17 February 2022.

F21/22.105 Adjournment for questions from the public: There being no members of the public present the Committee was not required to adjourn the meeting in accordance with Standing Orders.

F21/22.106 Payments and receipts for Month 11 (February 2022): The Committee agreed the following:

i. Payments of £38,032.77 (excl. VAT).
ii. Receipts of £14,135.46 (VAT Not Applicable), and it was:

RESOLVED: That the Committee AGREED the Payments of £38,032.77 (excl. VAT) and Receipts of £14,135.46 (no VAT) for Month 11 February 2022).

F21/22.107 Financial monitoring for Month 11 (February 2022): The Committee considered the account records in accordance with the Financial Regulations of the Council, as follows:

i. Members noted the Bank Reconciliations. These were signed by the Vice-Chair.
ii. Members noted the Balance Sheet and current levels of earmarked reserves.
iii. Members noted the Detailed Income and Expenditure by Budget Heading. The following observations were made and actions agreed:
    a. Where there were significant underspends (and over recovery of income) these would be considered for transfer to earmarked reserves (EMRs) e.g. General Admin (3500-101) Cost Centre has a £33,673 over recovery of Miscellaneous Income. General Admin (101) Cost Centre has approx. £4,000 underspend on Staff & Cllr Training and Professional Support. Cemetery (201) Cost Centre will have approx. £12,840 underspend. Highways & Byways (207) and Services (213) will have approx. £5,305 underspend and Court Bushes may have up to £7,000 to be able to top up the sinking fund EMR.
    b. It was noted that use of the Van EMR could fund the van leasing costs in the Vehicles & Machinery Cost Centre (212).
    c. There was still one streetlight repair invoice to be accrued.
    d. Any Hurst Meadows expenditure in Q4 will need to be funded from the Hurst Meadows EMR.
    e. The format of the Hurst Meadows earmarked reserve draw-downs still to be amended.

f. Community Engagement Committee have asked to accrue £1,000 from the H&W Projects Code 5650-301 committed in principle to the Community Midwife Project.
g. The General Reserve target for 2022/2023 should be in the region of £70,000 based on it being a 3 month minimum net revenue expenditure i.e. a quarter of the precept of £281,608, and it was:

RESOLVED: That the Committee AGREED the following for Month 11 (February 2022):

i. **Bank Reconciliations**
ii. **Balance Sheet**
iii. **Detailed Income and Expenditure by Budget Heading.**

F21/22.108 Deposits and investments:

F21/22.108.1 The Committee noted the current funds held by the Council at Month 11 (28 February 2022) as follows:

Financial Institution	Account Type	Maturity Date	Amount
Unity Trust	Current Account	N/A	£179,765.98
Nationwide	95 Day Savings Account	95 days' notice	£84,336.72
Cambridge & Counties BS	3 Year Fixed Term Bond	21/06/2022	£48,000.00
Cambridge & Counties BS	1 Year Fixed Term Bond	28/11/2022	£50,000.00
United Trust Bank	1 Year Fixed Term	18/12/2022	£100,000.00
Hodge Bank	1 Year Fixed Term	14/02/2023	£99,787.50

F21/22.108.2 The Committee noted the funds held in CCLA shares on 28 February 2022 of £46,410.88.

F21/22.108.3 The Committee noted the Hodge Bank one year fixed term bond holding £85,000 (plus interest £212.50), matured on 14 January 2022 and a decision was made at the 9 December 2021 Committee (Minute F21/22.069.5) to reinvest the balance and increase it to £100,000. However, although Hodge bank was instructed to also reinvest the £212.50 interest received, they actually transferred it into the Unity Trust Bank current account. Hence the balance for Hodge Bank shows as £99,878.50. The £212.50 has now been returned to the Hodge Bank Account on 9 March returning the balance to £100,000. This will be shown in the March Bank Statement at next month's meeting.

F21/22.109 Parish Action Plan: The Committee reviewed the Parish Action Plan Version 20 as agreed at Council on 24 February 2022, and it was:

RESOLVED: That the Committee NOTED the Parish Action Plan Version 20 as agreed at Council on 24 February 2022.

F21/22.110 Reserves Policy: The Committee considered the financial Reserves Policy for recommendation to Council on 24 March 2022 for approval and adoption, and it was:

RESOLVED: That the Committee AGREED the Reserves Policy for recommendation to Council on 24 March 2022 for approval and adoption.

F21/22.111 Earmarked Reserves: The Committee reviewed the earmarked reserves and noted the General Reserve target for 2022/2023 should be a minimum of £70,402 based on it being a 3 month minimum net revenue expenditure i.e. a quarter of the precept of £281,608. As at 28 February 2022 the General Reserve and current year funds amount to approximately £170,000. The Committee therefore agreed to recommend the following adjustments currently totalling £62,818, to Council for approval and adoption to ensure that the funds are appropriately allocated to support agreed outputs in the next Financial Year:

i. To create a new earmarked reserve called 'South Avenue' for resurfacing, tree works and pavement improvements, transferring approx. £33,673 from General Admin Miscellaneous Income Code 3500-101 made available from the £180,000 South Avenue Easement, which is the balance following the streetlighting loan repayment of £147,335.30 and other smaller receipts.
ii. To create a new earmarked reserve called 'Professional Support' from all the General Admin Cost Centre (101) underspends including 5150, 5170 & 5180 Staff Training, Cllr Training and Professional Support which will have approx. a £4,000 underspend. This would be used for e.g. Legal expenses on land acquisition, District Plan Review support or Employee TUPE support.
iii. To transfer all underspends on the Cemetery (201) Cost Centre including approx. £12,840 underspend from over recovery of income (3210), and underspends on Property maintenance (5400) and Projects (7520) to the existing South Avenue Cemetery EMR (320) to support future plans and liabilities at that site. It was noted there are also various Section 106 funds that relate to the future Cemetery plans.
iv. To create a new earmarked reserve called 'Hurst Meadows Access' from all underspends on Highways & Byways (207) approx. £305 and Services (213) approx. £5,000 to be spent on e.g. the new northern cycleway through Hurst Meadows, or additional land acquisition in the Hurst Meadows vicinity.
v. To top up the Court Bushes Sinking Fund Reserve with up to £7,000 from the year end underspend on Court Bushes Cost Centre (211).
vi. A transfer from the Van earmarked reserve would fund the van leasing costs in the Vehicles & Machinery Cost Centre (212) of £1,874, and it was:

RESOLVED: That the Committee AGREED adjustments to the earmarked reserves to recommend to Council for approval and adoption.

F21/22.112 Asset Register: The Committee re-considered the final draft asset register for recommendation to Council for approval and adoption. The Committee supported the plans for an associated guidance document that sets out the functions, purposes and definitions of the asset register to be produced by May 2022, and it was:

RESOLVED: That the Committee AGREED the Asset Register for recommendation to Council for approval and adoption.

F21/22.113: National Pay Award: The Committee noted the National Joint Council for Local Government Services (NJC) new rates of pay applicable from (and backdated to) 1 April 2021 and the effect on the 2020/21 and 2022/23 budgets, and it was:

RESOLVED: That the Committee NOTED the new rates of pay applicable from (and backdated to) 1 April 2021 and the effect on the 2020/21 and 2022/23 budgets.

F21/22.114 Land at Brown Twins Road: The Committee received a verbal update on three quotes received for Surveying the land at Brown Twins Road/Trinity Court owned by West Sussex County Council, and it was:

RESOLVED: That the Committee AGREED to appoint Ditchling Surveying Services to provide a Red Book Valuation for the land at Brown Twins Road at a cost of £450.00+VAT.

Information Items:

There were no information items.

There being no other business, the Chair closed the meeting at 9.01pm.

Chairman