

DUNSFOLD PARISH COUNCIL

Finance Committee Meeting

Meeting Pack

14th April 2025

DUNSFOLD PARISH COUNCIL

Parish Council Office,
Unit 3, The Orchard,
Chiddingfold Rd,
Dunsfold,
Surrey, GU8 4PB

01483 200980
clerk@dunsfoldparishcouncil.gov.uk

8th April 2025

NOTICE OF FINANCE COMMITTEE MEETING

Councillors are hereby summoned to attend the meeting of the Finance Committee of Dunsfold Parish Council to be held in the Nugent Room, Winn Hall, Dunsfold at **7.30 pm on Monday, 14th April 2025**, where the following business will be transacted

Jennifer Nagy, Clerk to the Council

AGENDA

1. **Public Question time 15 minutes** – to receive and act upon if considered necessary, comments made by members of the public.

Members of the public are welcome to ask questions of the Council on matters that arise under its remit. The question should not be a statement and it would be appreciated to be kept short, to maximise the time for other questions. The Chairman will call the question from those who are indicating that they wish to speak.

2. **Apologies** – to receive and approve apologies for absence

3. **Declarations of Disclosable, Pecuniary and Other Interests** - to receive any declarations of interest.
4. **Minutes** - to discuss, amend if necessary and thereafter approve the Minutes of the Council meeting held on Monday, 7th January 2025
5. **Chairman's Announcements** – to receive any announcements by the Chairman of the Finance Committee
6. **Accounts & Financial Matters** – to consider the following
 - a) To receive a list of payments due before the next meeting; to agree to authorise payment of same, this to be ratified at the Annual Council Meeting on 6th May 2025
 - b) To agree to transfer £8,000 from General Reserves to the KGV account to cover ongoing costs, as per the budgetary allowance
 - c) To agree Ear Marked Reserve balances, for ratification at the Annual Council Meeting on 6th May 2025
 - d) To receive an update on opening CCLA investment account and Unity Trust bank account
 - e) To note that Pensions Return and Leavers' Certificate have been submitted; VAT Return is in progress
7. **Audit** – to receive an update on the Internal Audit and processing the AGAR
8. **Policies** – to receive and consider the following policies for ratification at the Annual Council Meeting
 - Risk Management Policy
 - Fixed Asset Capitalisation Policy
9. **Terms of Reference** – to receive a draft revised Terms of Reference for the Finance Committee, and to recommend to Council that this is adopted.
10. **Date of the next meeting** – to be advised

ALL MEMBERS OF THE PUBLIC HAVE THE RIGHT TO ATTEND, AND ARE WELCOME AT MEETINGS

DUNSFOLD PARISH COUNCIL

email: clerk@dunsfoldparishcouncil.gov.uk

Unit 3, The Orchard
Chiddingfold Rd
Dunsfold
GU8 4DB

Minutes

Minutes of the Finance Committee of the Parish Council Meeting held on Monday 7th January 2025 at 7.30pm in the Nugent Room, Winn Hall, Dunsfold.

Cllrs Present:

Cllr Dave Griffiths
Cllr Tigi Singhateh
Cllr Roy Enticknap

Cllr Nigel Waterson
Cllr Chris Lindesay

Clerk to meeting: Julie Flenley, Locum Clerk & RFO

Public: 2

1. REPRESENTATIONS FROM MEMBERS OF THE PUBLIC

A member of the public noted that there was a typo on the agenda at item 2, where election of the Chairman of the Finance Committee read election of the Chairman of the Commons Committee. The Locum Clerk noted the error, but further noted that it was clear that the meeting was for the Finance Committee, not the Commons Committee. The Locum Clerk also noted when questioned about the legality of the meeting, that the agenda for the meeting had been posted in accordance with the law, both on the website and the parish noticeboard.

2. TO ELECT A CHAIRMAN AND VICE CHAIRMAN OF THE FINANCE COMMITTEE FOR 2024/25

Cllr Waterson proposed Cllr Lindesay as Chairman of the Finance Committee for the remainder of the parish year. Seconded by Cllr Singhateh. Agreed unanimously, motion carried. Cllr Lindesay was duly elected as Chairman of the Finance Committee of Dunsfold Parish Council for 2024/25. Cllr Lindesay proposed Cllr Singhateh as Vice Chairman of the Finance Committee for the remainder of the parish year. Seconded by Cllr Waterson. Agreed unanimously, motion carried. Cllr Singhateh was duly elected as Vice Chairman of the Finance Committee of Dunsfold Parish Council for 2024/25.

3. APOLOGIES FOR ABSENCE

None received, Locum Clerk noted for the record.

4. DECLARATIONS OF INTEREST AND DISPENSATIONS

4.1 None received

4.2 None received

4.3 None received

5. TO AGREE TO ADOPT THE NEW NALC FINANCIAL REGULATIONS, AS AMENDED

Councillors discussed and noted the draft model Financial Regulations which have been amended in line with the internal auditors recommendations. Cllr Waterson proposed that the draft Financial Regulations be discussed and agreed at the January full council meeting. Seconded by Cllr Griffiths. Agreed unanimously, motion carried. Locum Clerk to add to the agenda for January's full council meeting.

6. TO RECEIVE UPDATE ON OPENING THE CCLA AND UNITY TRUST ACCOUNTS

Councillors discussed the opening of a Unity Trust Bank account which would be interest bearing as well as opening a Public Sector Deposit Fund account, which would also help maximise income to the parish council going forward.

It was agreed that the Locum Clerk would move this forward on behalf of the council and update accordingly.

7. TO RECEIVE UPDATE FROM RFO ON INTERIM AUDIT WITH MULBERRY & CO. ON 20TH DECEMBER 2024

The Locum Clerk noted that an initial interim audit had been conducted with Mark Mulberry of Mulberry & Co. The internal audit report had been circulated and the contents noted by the Finance Committee. The internal auditor had noted that the council had restricted too much in Ear Marked Reserves and that moving funds back into General Reserves was required to meet the parish council's legal obligations at year end in accordance with the Joint Panel of Accountability and Governance (JPAG) at section 5.33 and 5.34.

The Locum Clerk also noted that she had a detailed discussion with regards to the KGV Management Committee account, and the Playground Account, which had funds on account from fundraising in 2018 for the new playground installation. The internal auditor noted that the funds for the KGV account were held apart from the parish council funds, and that if compliant with the Deed of Trust, the funds could be discharged to the KGV Management Committee to run entirely independently from the parish council.

The internal auditor also noted that the Playground account could be brought under the remit of the parish council with the agreement of the fund raisers, and earmarked for future playground works. This account would then form part of the parish council's annual audit. It was agreed that Cllr Lindesay would contact the residents involved in fundraising to establish whether they were happy with this approach, and if so, what the end use of the money would be for in order to earmark it correctly. Cllr Lindesay to report back at a future meeting on discussions.

Cllr Lindesay also requested attendance of Finance Committee members at a further arranged internal audit meeting at the end of February at which the Locum Clerk and Mr. Mulberry would be present. The Locum Clerk will notify Cllr Lindesay and the Finance Committee when a date was finalised.

8. TO NOTE AND AGREE MOVEMENT OF FUNDS INCLUDING S106 AND CIL FUNDS TO HIGH INTEREST SAVINGS ACCOUNTS

Councillors discussed and agreed to move the following funds:

- To retain a working balance of £10,000 with Lloyds Bank which would be topped up from Unity Trust when required to pay the parish council's monthly contracts/invoices.
- To set up and move £100,000 to a Public Sector Deposit Fund to be retained until funds are required.
- To set up a Unity Trust Bank account for the remaining balance, which would be used to top up the Lloyds Bank Account.

It was agreed that the Locum Clerk would move this forward on behalf of the council and update accordingly.

9. TO RECEIVE ITEMS FOR INFORMATION

Cllr Lindesay noted that he received a call from Carter Jonas on the outstanding fees owed by Cornerstone. The Locum Clerk noted that a response would duly go back to Carter Jonas to remind them of their Terms of Engagement. The Locum Clerk would keep the council abreast of further correspondence.

10. TO RECEIVE ITEMS FOR FUTURE AGENDAS

None received.

11. TO NOTE MEETING DATES GOING FORWARD IN ACCORDANCE WITH THE FINANCE COMMITTEE TERMS OF REFERENCE.

- 28th April 2025

Meeting closed at 9.28pm

Chair of the Finance Committee

Dated.....

Clerk's Report
Meeting of the Finance Committee Meeting to be held on
Monday, 14th April 2025

1 Public Participation

To invite MOPs present to address the Council

2 Apologies

To note and accept apologies. At the time of writing this report, apologies have been received from Cllr Waterson.

3 Declarations of Interest

Members are advised to consider the agenda for the meeting and determine in advance if they may have a Personal, Prejudicial or a Disclosable Pecuniary Interest in any of the agenda items. If a Member decides they do have a declarable interest, they are reminded that the interest and the nature of the interest must be declared at the commencement of the consideration of the agenda item; or when the interest becomes apparent to them. Details of interest will be Minuted.

If the interest is a Disclosable Pecuniary Interest, Members are reminded that they must take no part in the discussions of the item at all; or participate in any voting; and must withdraw from the meeting, unless they have received a dispensation.

4 Minutes

To agree the Minutes of the meeting held on Monday 7th January 2025

5 Chairman's Announcements

The Chairman may choose to give an announcement, to be noted.

6 Accounts and Financial Matters

Payments List

The list of proposed payments is included in this meeting pack.

Due to there being no Council meeting in April, it is necessary to approve these payments prior to the date of the next meeting as some are now overdue.

As there is currently no remit for this Committee to approve payments, this approval will be ratified at the next meeting, which is the Annual Council Meeting on 6th May.

Councillors are asked to approve the payments list.

Transfer of Funds

There are insufficient funds in the KGV account to pay some outstanding invoices. It is proposed to transfer £8000 into the account, £4000 as per the budgeted annual grant, and £4000 from s106 monies.

Councillors are asked to agree this transfer. Once agreed, the payment as agreed above can be processed.

Ear Marked Reserves (ERM)

Mark Mulberry, Internal Auditor, has asked that the Council agree the ERM balances prior to the submission of the AGAR.

The Clerk understands that there have been some queries as to whether amounts should be transferred net or gross of VAT. Mark Mulberry has stated via email that

In my professional opinion a refund of VAT is general funds, regardless of where the gross payment originated from. These funds are from HMRC and are not CIL.

For the avoidance of doubt, when CIL funds are utilised, they are gross funds to settle an entire liability, the option to reclaim VAT lies with the council and any VAT refund is not regarded as CIL.

The Clerk advises that the advice of the Internal Auditor is followed.

Councillors are asked to review the balances as provided in this meeting pack, and to recommend to Council that these are formally agreed at the Annual Council Meeting on 6th April 2025.

Update on Opening CCLA Investment Account and Unity Trust Bank Account

This has not yet been actioned due to time constraints on the Locum Clerk.

The new Clerk will action as soon as she is able.

Councillors are asked to NOTE this information

Pensions Return and Leavers' Certificate

The Locum RFO reports that she has completed and submitted the above documentation. Councillors are asked to NOTE this information.

7 Audit

Mark Mulberry, Internal Auditor, has had an initial review of the AGAR documents.

The Accounting Statements are now correct.

However, he has noted the following outstanding matters:

- a) Banks and Cash – Statements from the NS&I need to be provided, together with a bank statement showing balances as at 1st April 2025. The Locum RFO has now found paper copies of the NS&I statements for submission; however, these show that interest has been paid on the account and some adjustment will need to be made to final balances to show this.
- b) S106 Access and Safety Reserve – there is a negative balance of £347.09 which will need to be corrected
- c) Variance Analysis – this is still in progress.

The Locum RFO will make the final adjustments to the submission documents over the next two weeks, and will have all documents ready to present to the Annual Council Meeting on 6th May for signing off.

Councillors are asked to NOTE this information.

8 Policies

Risk Management and Fixed Asset Capitalisation Policies

The Clerk understands that the Council has already considered these policies, as provided in this meeting pack. The Internal Auditor asks that these be in place prior to the AGAR being signed off.

Councillors are asked to recommend to Council that these be formally adopted.

9 Terms of Reference

The Clerk has reviewed the current TOR for this Committee and it is not fit for purpose in her opinion. She has drafted new TOR for consideration, a copy of which is included in this meeting pack, based on a template that she has used in previous councils.

She suggests that the membership of the Committee is five Councillors which will reduce the risk of a meeting being inquorate due to attendance falling below the minimum requirement of three.

She suggests that the Council delegates power to the Finance Committee to authorise payments. This would assist in the more efficient management of the Council's financial affairs. The current Financial Regulations allows for this - *; banking arrangements shall not be delegated to a committee unless the Terms of Reference allow.*

The Chairman of the Council can be an ex officio member of the Committee, without voting powers. The Clerk has omitted this, as from experience, it can be confusing, but can reinstate it if required. The Chairman of the Council can be a member in their own right.

Councillors are asked to consider and agree the draft TOR and to recommend adoption to the Council.

10 Date of the next Meeting

The next meeting is provisionally scheduled for 28th July; however, meeting dates are to be finalised at the Annual Council Meeting on 6th May 2025

April 2025 Orders for Payment – Dunsfold Parish Council (To be ratified at May's AGM)

Julie Flenley	Locum Fees – March 2025 (Inv. #015)	£2,380.00
Sage Payroll	Payroll costs – March Inv. GB-00460786	£12.00
SALC	Annual Subs (SALC & NALC) Inv. 2861	£418.22
Parish Online	Annual Subscription Inv. 43UL007 - 0007	£54.00

KGV (for information only)

Peter Allison	Cleaning – KGV (Inv. 72)	£187.00
Biffa	Bin emptying (Inv. 227T67400)	£70.03
Waverley Borough Council	Rates – KGV Pavilion and Grounds	£83.83
Quercast	Repairs to playground (Inv 472)	£2491.20

Risk Management Policy to be circulated separately

DUNSFOLD PARISH COUNCIL

email: clerk@dunsfoldparishcouncil.gov.uk

Unit 3, The Orchard
Chiddingfold Rd
Dunsfold
GU8 4DB

FIXED ASSET CAPITALISATION POICY

Introduction

Local councils must maintain an asset register to ensure fixed assets are appropriately safeguarded. Once recorded on the asset register at acquisition cost, the value of assets must not change from year to year until disposal. Concepts of depreciation and impairment adjustments are not appropriate for local councils.

The Register is confirmed by the Council at the end of each financial year but is a working document over the following financial year, during which Council Officers will update and amend details as necessary.

The definition of fixed assets are property, plant and equipment with a useful life of more than one year used by the Council to deliver its services.

Purpose

A Fixed Asset Register has four main purposes:

- (i) It forms a basis for completion of box 9 in the 'Annual Return.'
- (ii) It forms a basis for decisions on risk and insurance issues.
- (iii) It provides information on the age and potential lifespan of certain items.
- (iv) It provides assurance of the continued existence of Council's property.

Items for Inclusion

In order to ensure transparency and reasonableness, the following items are included in the Council's asset register, whether purchased, gifted or otherwise acquired, together with their holding location:

- (i) land and buildings held freehold or on long term lease in the name of the Council

- (ii) community assets
- (iii) vehicles, plant and machinery
- (iv) assets considered to be portable, attractive or of community significance
- (v) other assets estimated or known to have a minimum purchase or resale value of £250
- (vi) long term investments, shares and loans made by the Council
- (vii) assets held on trust (e.g. monies held on behalf of the Chairman's charity, if applicable)

Any fixed asset with an acquisition cost of less than £250 or will be entered on the Council's inventory list maintained by the RFO; this document will also be confirmed by the Council at the end of the financial year.

Version 1 – agreed 18th March 2025

Dunsfold Parish Council

Finance Committee

Terms of Reference

DRAFT

The Finance Committee is a Standing Committee.

MEMBERSHIP:

- The Committee shall have a membership of up to 5 Councillors
- The membership will be confirmed at the Annual Council Meeting
- The Chairman of the Committee shall be appointed at the Annual Council Meeting
- The Vice Chairman of the Committee shall be appointed at the first meeting of the Committee after the Annual Council Meeting.

QUORUM:

- A quorum will be three Councillors

MEETINGS:

Meetings will be held according to the Schedule of Meetings agreed by the Council. Such meetings are open to the public and Agendas and Minutes are published on the Council's website; Agendas are published on the Council's notice board.

ACTIVITIES:

Subject to observance of decisions of the Council on matters of principle or policy, the Council's powers and duties shall be delegated to the Finance Committee in accordance with the following terms of reference:

- a) The making of recommendations in respect of financial matters to be dealt with solely by Full Council, that is
 - i. The power of raising loans and setting the precept;
 - ii. The power of incurring capital expenditure not specifically included in the Council's approved estimates of budgetary expenditure;
- b) Dealing with all matters relating to the general day-to-day administration of the Council;
- c) Dealing with matters specifically referred by the Council or any other Standing Committee and with all matters not specifically referred or delegated to any other Standing Committee;
- d) Monitoring ongoing Council expenditure and income, investments, bank balances and earmarked reserves;
- e) Authorising payments as required.

