PETERSFIELD TOWN COUNCIL

Minutes of a meeting of the Finance and General Purposes Committee held at the Council Chamber, Town Hall, Petersfield, on 17th September 2018 at 6.30pm

PRESENT: Cllr J Deane (Chairman), Cllr Mrs L Farrow, Cllr A Glendinning, Cllr P Humphries, Cllr J Palmer and Cllr G Watkinson.

ALSO IN ATTENDANCE: Mr N Hitch (Town Clerk & RFO) Mrs M Snow (Finance Officer) and 1 member of the public and no press.

F 0289 **CHAIRMAN'S COMMENTS**

The Chairman welcomed members to the meeting and thanked them for their attendance. He welcomed the Town clerk back to the committee after his wife had fallen ill in July. The Clerk reported that his wife was now well.

F 0290 **APOLOGIES FOR ABSENCE**

No apologies for absence were received.

F 0291 **GRANTING OF DISPENSATION UNDER SECTION 33 OF THE LOCALISM ACT**

No requests for dispensation had been received.

F 0292 **DECLARATIONS OF INTEREST**

No declarations of interest were made.

F 0293 **PUBLIC REPRESENTATION**

There were no requests to speak.

F 0294 **APPROVAL OF MINUTES**

RESOLVED: **that the Minutes of the Meeting held on the 16th July 2018 were approved.**

F 0295 **TO CONSIDER BUDGETARY ITEMS FOR THE FINANCIAL YEAR 2019/20**

Members were asked to go back to the committees to decide on items they wish to include in the budget for next year. After these have been received the RFO and Finance officer will create a budget to be reviewed at the November meeting with a view to finalising any budget in January 2019.

F 0296 **TO REVIEW AND CONSIDER FUNDING FOR THE TVC FOR APRIL 2019 MARCH 2020**

Members discussed the progress of the TVC since taking over the services previously provided by EHDC. It was agreed that due to the short length of time that the service has been running, not enough data was available to gage an accurate evaluation of how the service is being run and if the Council are receiving value for money. The members agreed that the Council should continue to provide the TVC services. It was also agreed that Petersfield Museum should be approached to enquire what tourist and town information service they intend to provide in the future.

RESOLVED: **that the Council will continue to run the Town Visitors Centre for the next Year April 2019 – March 2020.**

RESOLVED: **that the sum of £46,500 will be budgeted for the running of the TVC from April 2019 – March 2020 through Tourism South East.**

F 0297 **FINANCIAL RECOMMENDATIONS FROM COMMITTEES**

Town Development Committee

TDC 0251 **HAMPSHIRE COUNTY COUNCIL TRANSPORT STUDY**

Members received and considered three recommendations in connection with the Transport study which is part of the Town Spine project. It was agreed that recommendation 1. would require a response before a resolution could be made on recommendation 3.

It was

RECOMMENDED: 1) **that the Town Clerk write to senior executives of East Hampshire District Council, Hampshire County Council and South Downs National Park to formally advise them that the project was moving into a tendering stage, and would require their official support, plus commitment with decisions made**

RECOMMENDED: 2) **that a Project Delivery team of 2 PTC Councillors, 2 District Councillors, 2 County Councillors, Mr D Boyson from SDNPA and other appropriate council officers be established that will meet monthly to drive the project forward**

RECOMMENDED: 3) **that a Project Manger with a Prince 2 qualification be appointed to the project to produce initial documentation, including a Project Initiation Document by the end of the year**

Grounds Committee

G 0280 TODDLER PLAY AREA EQUIPMENT ON HEATH

The Chairman of the Grounds Committee explained why the committee had recommended that contract C be awarded the contract. After discussion, it was

RECOMMENDED: **that contractor C be awarded the work at a cost of £2650 + VAT**

G 0281 PADDOCK WAY PATH

Members received a quote for the laying of a new path surface at Paddock Way. It was noted that this work would be funded by developers contributions. After discussion, it was

RECOMMENDED: **that contractor A be awarded the work at a cost of £2100 + VAT**

G 0286 SKATE PARK REPAIRS

Members received a quote for the replacement of sleepers, plus a concrete repair at the Skate Park. After discussion, it was decided to split the recommendation.

RESOLVED: **that the contractor Merrid Ltd be awarded the contract to repair the cracks in the concrete in the skate park at the cost of £975 + VAT.**

RECOMMENDED: **that Contractor B be awarded the work at a cost of £2175 + VAT for the sleepers.**

F 0298 **TOWN CLERKS FINANCE REPORT**

Members had not received the report before the meeting for reasons unknown. The Town Clerk ran through the report and advised that the finances are where they expected to be at this point in the financial year. The Town Clerk's Finance report dated the 14th of September 2018 was received and noted. (See appendix a.) Cllr Watkinson requested to see a copy of the report provided by Rathbones Investment Management ltd regarding the Council's investments.

F 0299 **BANK RECONCILIATIONS FOR JULY 2018 AND AUGUST 2018.**

The bank reconciliation statements for July 2018 (See appendix b.) and August 2018 (See appendix c.)were received and approved.

RESOLVED: **that the bank reconciliations from July 2018 and August 2018 be received and approved.**

F 0300 **TO RECEIVE AND APPROVE THE EXTERNAL AUDITORS REPORT FOR THE YEAR ENDING 31ST MARCH 2018**

Members received and approved the external auditors report for year ending 31st of March 2018. (See appendix d.) It was noted that no feedback or comments were given on the report. The clerk was concerned that the Council had paid in the region of £2000 for the audit and had expected to receive some feedback or comments. It was

RECOMMENDED: **that the external audit report for the year ending 31st of March 2018 be received and approved.**

F 0301 **TO REVIEW AND CONSIDER THE CHILD PROTECTION POLICY**

Members received a copy of the current child protection policy and agreed that it needed an overhaul. Members decided to set up a working party. It was

RESOLVED: **that a working party be created to review the Child Protection Policy. The working party will be made up of the following members: Cllr J Deane, Cllr L Farrow and Town Clerk Neil Hitch.**

In view of the confidential nature of the business about to be discussed it was

RESOLVED **that the public and press be asked to leave the meeting**

F 0302 **CONFIDENTIAL**

STAFF UPDATE

Due to unforeseen circumstances the Council has the need to re-recruit for a Groundsman and a Committee Administrator.

RECOMMENDED: **that the staff panel be granted delegated authority to complete the recruitment for the Groundsman and Committee Administrator.**

There being no further business, the meeting closed at 7.35 p.m.

APPENDIX A.

FINANCE REPORT

As with the Clerk's Report to Council, this report is not an item of debate, but seeks to inform councillors of all matters financial, including income and expenditure against budget, the level of balances held, proposed movements of deposits, future plans as well as seasonal issues, such as the Audit and Budget setting processes. If councillors consider a matter included in the report is in need of debate, the subject can be added to a future meeting's agenda for this purpose. I will always endeavour to answer any questions raised from the content of the report, but please bear in mind that if further investigation is necessary, answers will need to be given outside the meeting.

Bank Accounts

	£	Rate	
Lloyds Current Account	24,063.44		
Lloyds 30 Day Account	75,575.17	0.05%	
Lloyds Ticketsource	179.30		
Cambridge & Counties 30 Day Account	2,659,394.16	1.74%	
Public Sector Deposit Fund	478,569.98	varies	
Local Authorities Property Fund	2,077,819.13	varies	678,406 units
Rathbones Investment Management Ltd	2,000,000.00		
Total	**7,315,601.18**		
Town Mayor's Charity Account	1,597.60		

Notice has been given on the Cambridge & Counties account for withdrawals totaling £1,200,000 to top up local funds as well as ensure that sufficient balances are held accessibly to complete the investment with Rathbones Investment Management and pay for the new play equipment at Woods Meadow recreation ground.

Finance & General Purposes Committee

	£	Budget	% Budget
Income	18,878	40,000	47.20
Expenditure	187,122	470,425	39.78

Income reflects the interest received from the bank deposits plus the first payment of funds due under the Community Infrastructure Levy (CIL), totaling £3,975. It is proposed at this stage to place these funds within the Capital Earmarked Reserve. Bearing in mind the likely difficulty that the Council will face in obtaining additional CIL

funding from the South Downs National Park Authority towards the refurbishment of the Town Hall complex, it might make sense for members to consider allocating these and future CIL receipts in the short term towards this project. Expenditure includes the initial 60% payment towards the operation of the Town Visitor Centre that has not been budgeted for and will need to be taken from reserves at the year end and will mean that this budget shows an overspend during the year. Members need to be aware that the newsletter budget heading will be exceeded this financial year because of the additional issue being produced regarding the Festival Hall development consultation.

Public Halls Committee

	£	Budget	% Budget
Income	90,420	206,779	43.73
Expenditure	95,707	257,714	37.14

The Festival Hall complex year to date income is 49.5% (2017:41.6%) and Avenue Pavilion income is at 40.4% (2017:40.4%) reflecting a very positive start to the year. Expenditure includes wages, business rates, the initial payment for the new Town Mayor's board, routine maintenance and the installation of the upgraded fire alarm system.

Grounds Committee

	£	Budget	% Budget
Income	39,269	80,052	49.05
Expenditure	84,755	282,638	29.99

Income is mostly attributable to the invoicing of premises on The Heath and for the outside services being undertaken by the grounds team. Expenditure so far is mainly for contracted grounds maintenance costs, utilities, litter collection costs and some tree works.

Overall

	£	Budget	% Budget
Income	148,567	326,832	45.46
Expenditure	367,584	1,010,778	36.37

If everything was on track the year to date figures would show a 41.67% spend. Income shows a comfortable start to the year (2017:46.32%). Expenditure is slightly lower than expected, (2017:40.43%). Members are aware of the sanctioned overspend in respect of the Town Visitor Centre.

This report aims to provide an overall summary of the position of the Council financially with any significant anomalies or variances being reported for your attention and potentially, action. It also demonstrates that councillors are fulfilling their role in monitoring the Council's finances and ensuring that good governance is being followed.

Neil Hitch,
Town Clerk & Responsible Finance Officer
14th September 2018

Petersfield Town Council

Bank - Cash and Investment Reconciliation as at 10 August 2018

		Account Description	Balance	
Bank Statement Balances				
1		Lloyds Current Account	25,000.00	
1		Lloyds Savings Account	124,029.39	
2		Cambridge & Counties	2,985,952.28	
3		Public Sector Deposit Fund	1,148,017.13	
4		Lloyds Ticketsource	314.90	
5		Moviola Cinema Float	120.00	
5		Petty Cash Tin Float	52.45	
5		Reception Tin Float	25.00	
6		Town Mayor's Charity-Savings	1,118.00	
6		Town Mayor's Charity -Current	809.04	
7		CCLA Local Auth Property Fund	0.00	
				4,285,438.19
Other Bank & Cash Balances				
		Cash Book Suspense	0.00	
				0.00
				4,285,438.19
Unpresented Payments				
1	15/05/2018	017114	1,250.00	
1	24/05/2018	017121	1,600.00	
6	12/06/2018	000031	408.50	
6	12/06/2018	000032	708.50	
				3,967.00
				4,281,471.19
Receipts not on Bank Statement				
0	10/08/2018	All Receipts Cleared	0.00	
				0.00
Closing Balance				4,281,471.19
All Cash & Bank Accounts				
		Current Bank A/c		146,179.39
		Cambridge & Counties Bank A/c		2,985,952.28
		Ticketsource A/c		314.90
		Public Sector Fund A/c		1,148,017.13
		Petty Cash		197.45
		Town Mayor's Charity A/c		810.04
		CCLA Local Authorities' Proper		0.00
		Other Bank & Cash Balances		0.00
		Total Bank & Cash Balances		4,281,471.19

APPENDIX C

Petersfield Town Council

Bank - Cash and Investment Reconciliation as at 31 August 2018

		Account Description	Balance	
Bank Statement Balances				
1		Lloyds Savings Account	89,193.73	
1		Lloyds Current Account	25,000.00	
2		Cambridge & Counties	2,659,394.16	
3		Public Sector Deposit Fund	478,569.98	
4		Lloyds Ticketsource	179.30	
5		Moviola Cinema Float	120.00	
5		Petty Cash Tin Float	27.05	
5		Reception Tin Float	25.00	
6		Town Mayor's Charity-Savings	1,118.00	
6		Town Mayor's Charity -Current	889.06	
7		CCLA Local Auth Property Fund	0.00	
				3,254,516.28
Other Bank & Cash Balances				
		Cash Book Suspense	0.00	
				0.00
				3,254,516.28
Unpresented Payments				
1	15/05/2018	017114	1,250.00	
1	24/05/2018	017121	1,600.00	
1	09/08/2018	017146	2,000.00	
1	31/08/2018	017154	142.95	
6	12/06/2018	000031	408.50	
6	12/06/2018	000032	708.50	
				6,109.95
				3,248,406.33
Receipts not on Bank Statement				
1	10/08/2018		1,025.00	
1	29/08/2018		205.17	
5	31/08/2018		142.95	
				1,373.12
Closing Balance				3,249,779.45
All Cash & Bank Accounts				
		Current Bank A/c		110,430.95
		Cambridge & Counties Bank A/c		2,659,394.16
		Ticketsource A/c		179.30
		Public Sector Fund A/c		478,569.98
		Petty Cash		315.00
		Town Mayor's Charity A/c		890.06
		CCLA Local Authorities' Proper		0.00
		Other Bank & Cash Balances		0.00
		Total Bank & Cash Balances		3,249,779.45

APPENDIX D.

PKF Littlejohn LLP

PKF

Accountants &
business advisers

Mr Neil Hitch
Petersfield Town Council
The Town Hall
Heath Road
Petersfield
Hampshire
GU31 4EA

Our ref HA0212
Your ref SB06685

Email sba@pkf-littlejohn.com

10 September 2018

Dear Mr Hitch

Petersfield Town Council
Completion of the limited assurance review for the year ended 31 March 2018

We have completed our review of the Annual Governance & Accountability Return (AGAR) for Petersfield Town Council for the year ended 31 March 2018. Please find the external auditor report and certificate (Section 3 of the AGAR Part 3) included for your attention as another attachment to the email containing this letter along with a copy of Sections 1 and 2, on which our report is based.

The external auditor report and certificate detail any matters arising from the review. The smaller authority must consider these matters and decide what, if any, action is required.

Action you are required to take at the conclusion of the review

The Accounts and Audit Regulations 2015 (SI 2015/234) set out what you must do at the conclusion of the review. In summary, you are required to:

- Prepare a "Notice of conclusion of audit" which details the rights of inspection, in line with the statutory requirements. We attach a pro forma notice you may use for this purpose.
- Publish the "Notice" along with the certified AGAR (Sections 1, 2 & 3) before 30 September, which must include publication on the smaller authority's website.
- Keep copies of the AGAR available for purchase by any person on payment of a reasonable sum.
- Ensure that Sections 1, 2 and 3 of the published AGAR remain available for public access for a period of not less than 5 years from the date of publication.

PKF Littlejohn LLP, Chartered Accountants. A list of members' names is available at the above address. PKF Littlejohn LLP is a limited liability partnership registered in England and Wales No. OC342572. Registered office as above. PKF Littlejohn LLP is a member firm of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

Fee

We enclose our fee note for the review, which is in accordance with the fee scales set by Smaller Authorities' Audit Appointments Ltd. Please arrange for this to be paid **at the earliest opportunity.**

Please return the remittance advice with your payment, which should be sent to: **PKF Littlejohn LLP, Ref: Credit control (SBA), 2nd Floor, 1 Westferry Circus, Canary Wharf, London, E14 4HD.** Please include the reference HA0212 or Petersfield Town Council as a reference when paying by BACS.

Timetable for 2018/19

Next year we plan to set a submission deadline for the return of the completed AGAR Part 3 and associated documents (or Certificate of Exemption) in the usual way and this is expected to be no earlier than Monday 10 June 2019, i.e. 10 weeks after the year end.

It is anticipated that the instructions will be sent out during March 2019 in line with current practice, subject to arrangements for the 2018/19 AGARs and Certificates of Exemption being finalised by SAAA. Our instructions will cover any changes about which smaller authorities need to be aware.

In line with the Accounts and Audit Regulations 2015:

- The smaller authority must inform the electorate of a single period of 30 working days during which public rights may be exercised. This information **must be published at least the day before** the inspection period commences;
- The inspection period **must** include the first 10 working days of July 2019, i.e. 1 to 12 July inclusive. In practice this means that public rights may be exercised:
    - at the earliest, between Monday 3 June and Friday 12 July 2019; and
    - at the latest, between Monday 1 July and Friday 9 August 2019.

If there are any changes to the above arising from updates to the statutory requirements, you will be notified in good time.

In order to assist you in this process, we plan to include a pro forma template notice with a suggested inspection period on our website, as in previous years. On submitting your AGAR and associated documentation, as was the case for this year, we will need you to either confirm that the suggested dates have been adopted or inform us of the alternative dates selected.

Yours sincerely

PKF Littlejohn LLP

PKF Littlejohn LLP

Section 3 – External Auditor Report and Certificate 2017/18

In respect of **Petersfield Town Council (HA0212)**

1 Respective responsibilities of the body and the auditor

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2018; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with guidance issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (see note below). Our work **does not** constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and **does not** provide the same level of assurance that such an audit would do.

2 External auditor report 2017/18

On the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return (AGAR), in our opinion the information in Sections 1 and 2 of the AGAR is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.

Other matters not affecting our opinion which we draw to the attention of the authority:

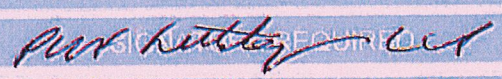
None

3 External auditor certificate 2017/18

We certify that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2018

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature  Date **09/09/2018**

* Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews for 2017/18 in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)

Section 1 – Annual Governance Statement 2017/18

We acknowledge as the members of:

Petersfield Town Council

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2018, that:

	Agreed		'Yes' means that this authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓		*prepared its accounting statements in accordance with the Accounts and Audit Regulations.*
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		*made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.*
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓		*has only done what it has the legal power to do and has complied with Proper Practices in doing so.*
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		*during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.*
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		*considered and documented the financial and other risks it faces and dealt with them properly.*
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		*arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.*
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		*responded to matters brought to its attention by internal and external audit.*
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓		*disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.*
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A	*has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.*
	✓			

*Please provide explanations to the external auditor on a separate sheet for each 'No' response. Describe how the authority will address the weaknesses identified.

This Annual Governance Statement is approved by this authority and recorded as minute reference:

C 0026 iii

dated 24/05/2018

Signed by the Chairman and Clerk of the meeting where approval is given:

Chairman

Clerk

Other information required by the Transparency Codes (not part of Annual Governance Statement)
Authority web address

www.petersfield-tc.gov.uk

Section 2 – Accounting Statements 2017/18 for

Petersfield Town Council

	Year ending		Notes and guidance
	31 March 2017 £	31 March 2018 £	*Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.*
1. Balances brought forward	899,462	4,946,985	*Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.*
2. (+) Precept or Rates and Levies	542,566	559,571	*Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.*
3. (+) Total other receipts	6,437,864	472,303	*Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.*
4. (-) Staff costs	298,352	337,427	*Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses.*
5. (-) Loan interest/capital repayments	0	0	*Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).*
6. (-) All other payments	2,634,555	457,656	*Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).*
7. (=) Balances carried forward	4,946,985	5,183,776	*Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).*
8. Total value of cash and short term investments	2,069,295	5,160,695	*The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – **To agree with bank reconciliation.***
9. Total fixed assets plus long term investments and assets	8,513,688	8,562,046	*The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.*
10. Total borrowings	0	0	*The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).*

11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	*The Council acts as sole trustee for and is responsible for managing Trust funds or assets.*
	✓		*N.B. The figures in the accounting statements above do not include any Trust transactions.*

I certify that for the year ended 31 March 2018 the Accounting Statements in this Annual Governance and Accountability Return present fairly the financial position of this authority and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer

Date 24/05/18

I confirm that these Accounting Statements were approved by this authority on this date:

24/05/18

and recorded as minute reference:

C0026(ii)

Signed by Chairman of the meeting where approval of the Accounting Statements is given