

15 January 2025

Tel: (01444) 247726
Fax: (01444) 233707
Website: <http://www.burgesshill.gov.uk>

A **MEETING** of the **FINANCE KEY AREA GROUP** will be held in the Town Council Chamber on **Monday 20 January 2025** at **18.30 hours**, when your attendance is required.

Julie Holden
Chief Executive Officer

A G E N D A

1. **OPEN FORUM**

The Committee will be asked to resolve to suspend Standing Order 3.8c for the duration of this meeting to allow public participation to take place.

The current standing orders do not allow for public participation at a KAG. This will be addressed at the next Council meeting, however, in order to allow public participation at this meeting, the Committee will need to suspend the Standing Order.

For the suspension of Standing Order 3.8c to take place, this must be proposed and seconded by Members of the Key Area Group and then voted on accordingly.

Subject to the suspension of Standing Order 3.8c, each member of the public is permitted to speak once in respect of business relevant to the Town Council or of local concern to the residents of the town at the discretion of the Chairman (during the Open Forum). They can also speak during the meeting (on topics relating to the published agenda and any other business raised during the meeting) as the agenda debate is progressed. Speakers are encouraged not to speak for more than three minutes, at the discretion of the Chairman or nominee (including the Chair of any other meeting of the Council).

If it appears that the number of speakers is likely to unreasonably delay the disposal of business items on the agenda the Chairman may direct that a member of the public submits a question or comment in writing which shall be answered in due course.

Members of the Finance Key Area Group

Graham Fairbairn (Responsible Finance Officer - RFO), Bob Foster, Jon Gardner, Matthew Goldsmith, Janice Henwood, Simon Hicks (Deputy-Chairman), Cedric De Souza (Chairman), Adam White

Agenda Continued

2. APOLOGIES FOR ABSENCE - None advised
3. SUBSTITUTES – None notified
4. DECLARATIONS OF INTEREST - In respect of any matter on the agenda. This must include a declaration by a Member if they have council tax arrears of more than two months.
5. CHAIRMAN'S ANNOUNCEMENTS – A full listing of payments made, including those via the town council's business card, are displayed on the council's website on a quarterly basis and can be reviewed accordingly. Members can request a PDF copy should they so wish.
6. NOTES OF PREVIOUS MEETING - To consider the Notes of the Meeting of the Finance Key Area Group held on 13 November 2024 (previously supplied).

Attention is brought to Members of a minor text error relating to Minute 65(a) where additional funds towards the events programme (£8k), a gazebo and barriers (£3.1k) would come from the Economic Development Fund, not the Community Development Fund as incorrectly stated. The Minutes for signing and displayed on the website have been corrected accordingly.

7. INTERNAL AUDIT 2024/25 – 1ST INTERIM
8. BUDGET MONITORING REPORT 2024/25
9. PRICING FOR GOOD AND SERVICES OFFERED BY THE TOWN COUNCIL
10. 2ND DRAFT REVENUE BUDGET 2025/26 AND PRECEPT
11. RESERVES (TO INCLUDE THE PARK CENTRE)
12. BANK RECONCILIATION AND INVESTMENTS
13. REVIEW OF FINANCIAL REGULATIONS
14. DATE OF NEXT MEETING

7. INTERNAL AUDIT 2024/25 – 1ST INTERIM

7.1 The purpose of this report is to provide Members with the latest internal audit report and this is attached at appendix 1.

It can be reported there are no items of a material nature that need to be brought to the attention of Members.

7.2 Minor points raised by the internal audit:

- a) To review the town council's financial regulations (as part of the council's Standing Orders) to ensure it reflects, where appropriate, the most recent NALC version. This review can be seen at agenda item 13.
- b) A recommendation (not mandatory) for a Member of the Council, other than the Finance KAG Chairman, to approve, by physically signing the documents, the bank reconciliations on a quarterly basis to include the final year end reconciliation. This is covered in agenda item 13.

RECOMMENDATION

- a) To note the contents of the report, and
- b) refer to agenda item 13.

RISKS

Environmental – none

Financial – none

Community Safety - none

8. BUDGET MONITORING REPORT 2024/25

8.1 The purpose of this report is for the RFO to update Members with the latest forecast Outturn for the 2024/25 financial year.

8.2 In summary, the financial year end forecast, as compiled at 31 December 2024, shows an estimated surplus of just over £44k. This is made up of an increase in income of £19k plus a reduction in expenditure of £25k.

8.3 The increase in income relates to, in the main, Interest on Balances of some £22k born from relatively high interest rates and a high level of funds on deposit.

8.4 The decrease in expenditure relates to, in the main, savings on the salary bill where the annual pay award was substantially less than budgeted, plus movements in staff.

8.5 It should be noted, the above forecast result includes the allocations agreed by the Finance KAG and Council at their respective November 2024 meetings:

£ 7k Pantry grant towards re-fit costs in new premises

£ 3k To resolve the bird issue at Cyprus Hall

£ 3k Initial provisional amount towards external decoration of the town council offices

8.6 A summary Monitoring Report is shown at agenda item 8.7 followed by a variance analysis at agenda item 8.8. A full budget monitoring report is attached at appendix 2.

8.7 Summary Monitoring Report

MONITORING REPORT 2024/25		MONTH	9.0
CONSOLIDATED SUMMARY		Budget 2024/25	Forecast 2024/25
			Variance ON BUDGET
INCOME			
Civic, Corporate, Promotion and staff	£23,327	£24,423	£1,096
Community Engagement	£3,800	£2,226	£-1,574
Operational Services	£32,795	£33,260	£465
Customer Services	£5,075	£2,712	£-2,364
Finance and Administration	£77,188	£99,305	£22,117
TOTAL INCOME	£142,185	£161,926	£19,741
EXPENDITURE			
Civic, Corporate (Exclds CommBuild Fund)	£787,401	£751,565	£-35,836
Staff and Member	£7,500	£9,500	£2,000
Community Engagement	£56,855	£63,946	£7,091
Operational Services	£149,163	£153,049	£3,887
Customer Services	£2,413	£1,900	£-513
Finance and Administration	£129,220	£128,090	£-1,130
TOTAL BASE EXPENDITURE (Excl Comm Build Reserve)	£1,132,551	£1,108,050	£-24,502
Community Buildings Reserve (transfers to/from)	£64,000	£64,000	£0
PRECEPT/NET BUDGETED EXPENDITURE	£1,054,366	£1,010,123	£44,242
Surplus / (-deficit)	£0	£44,242	

8.8		VARIANCE ANALYSIS 2024/25		
NET BUDGETED EXPENDITURE	Budget £1,054,366	Forecast £1,010,123	Variance £44,242	
			Surplus	
Made up of:	Budget	Forecast	Variance	
INCOME			COMMENTS	
About Town	£3,800	£2,226	£-1,574	Difficulty in attracting advertisers, staff resourcing
Council Chamber room hire	£3,250	£1,484	£-1,766	Proving difficult to attract hirers
Interest on balances	£20,928	£43,096	£22,168	Relatively high interest rates / high level of funds on deposit
Partnership Contribution - HP	£23,327	£24,423	£1,096	Inflationary increase agreed
Balance on all other budget items	£90,880	£90,697	£-184	
Total Movement on Income	£142,185	£161,926	£19,741	INCREASE in income
EXPENDITURE	Budget	Forecast	Variance	
CCTV	£2,350	£0	£-2,350	MSDC have confirmed charges for this will no longer apply.
Elections	£6,000	£10,000	£4,000	Substantial increase in costs for 2023 elections
Maintenance Contracts - Ext Grounds	£2,000	£12,839	£10,839	Use of external contractors, offset against staff savings. Minute 39 Strategic KAG 13 Aug 2024.
Members Allowances	£21,960	£20,720	£-1,240	Less take-up than budgeted
Miscellaneous Staffing Issues	£750	£2,000	£1,250	Staff Occupation health charges.
Pantry Grant	£0	£7,000	£7,000	Relocation fit-out costs. FINKAG Nov 24 Minute 63
Printing Costs (to include photocopier charges)	£5,000	£3,655	£-1,345	New rental contract at lower prices
Repairs and Renewals	£6,000	£12,000	£6,000	Beacon, Wivelsfield Bridge, Litter baskets, Finger Posts, 96CW Windows, Cyprus Hall bird issue
Salaries	£781,801	£744,715	£-37,086	Annual payrise less than budgeted, staff movements
Storage	£44,000	£32,736	£-11,264	3 month delay in occupation
Training	£4,000	£6,000	£2,000	Contractual commitments
Tree Surgery	£1,000	£4,000	£3,000	From tree surgery report
Utilities	£12,014	£9,151	£-2,864	New energy contracts at substantially lower prices, milder winters (apart from last few days)
Balance of all other budget items	£245,675	£243,235	£-2,441	
MOVEMENT ON BASE EXPENDITURE	£1,132,551	£1,108,050	£-24,501	DECREASE in expenditure
NET MOVEMENT ON PRECEPT			£44,242	ESTIMATED YEAR END SURPLUS

8.10 DISPOSITION OF SURPLUS

There are a number of items that have been forwarded by KAGs and/or from Members for funding consideration, these are detailed below:

Alexandra Road Open Space £5k – purchase funded by residents and now a Council asset. There is a duty to preserve this piece of land and there are some costs associated with restoration of the pathway, removal of fence post stumps, installation of a sign and the planting of a young tree.

Town Guide and Maps £5k – the printed town guide and map are considerably out-of-date and need to be update. In addition, the development of a digital version, perhaps as an App, could be a welcome addition to the town council's communication offering.

Tree Surgery £20k – As noted at the Finance KAG meeting held in November 2024, a recent tree survey has highlighted works of circa £25k to be completed spread over a 12 month period. Clarification, however, as to the exact timescale of works is being sought and whether such works are of a critical nature and need to be completed in the 12 month time frame.

To be prudent, a contingency amount of £20k is being requested to complete the works.

RECOMMENDATION

Member are recommended to allocate from the estimate Surplus:

- a) £5k towards the Alexandra Road Open Space works,
- b) £5k towards the reprint of maps and development of a digital option,
- c) £20k towards tree works, and
- d) Transfer any residual surplus to the General Reserve.

RISKS

Environmental – none

Financial – Should the surplus achieved be materially lower than forecast, a rethink on funding these costs may be required.

Community Safety – failure to address the tree works could leave the town council open to claims should an untoward event happen.

9. PRICING FOR GOODS AND SERVICES OFFERED BY THE TOWN COUNCIL

- 9.1 Traditionally, the town council has raised its prices for goods and services relatively in-line with inflation and with the current CPI rate at 2.5% and looking to stay marginally under 3% for the forthcoming period, the recommendation is to raise the council's prices by 3%.
- 9.2 Should the forecast inflation rate move materially upward between now and the end of February, the council's rate of increase will be adjusted accordingly.

9.3 A sample of charges is shown below on the services currently provided by the town council:-

	Current Charge	Proposed Increases for 2025/26 @3.0%	Notes
Allotment plots	Ranges from: 2.5 rod (63sq mtrs) £34.65 to 5 rods (126sq mtrs) £54.45	£35.70 to £56.10	Discounts of around 30% available for aged 65 and over.
Burial Ground	Core charges Coffin Burial Exclusive Rights £747 Interment Fees (single) £664 Interment Fees (double) £725 Cremated Remains Exclusive Rights £325 Interment Fees £175 (single)	 £769 £684 £747 £335 £180	5 times increase on purchase price and interment charges for people outside of Burgess Hill. <i>Concessions may be given in regard to Burgess Hill residents who have moved out of the area for care reasons.</i>
About Town advertising	Burgess Hill Rates £92.00 to £447 (dependent on advert size)	£95 to £460	These are “card” rates and are negotiable.
Room lettings	Charges vary from £FOC to £40.75/hr depending on organisation, room type, catering, accessories etc.	£42/hr	Catering, accessories etc charged separately

9.4 RECOMMENDATION

- a) To increase charges levied by the town council for its good and services by 3% or forecast inflation as noted at the end of February 2024 which-ever is the higher, and for these increases to take effect on 1 April 2025.

RISKS

Environmental – none

Financial – Should the inflation rate be materially higher than 3%, the council will need to adjust charges accordingly.

Community Safety – none

10. 2nd DRAFT REVENUE BUDGET 2025/26

10.1 The purpose of this report is to present to Members, for approval, the Budget, Precept and Band D rate for the 2025/26 financial year.

10.2 Assumptions

- The tax base increase has been confirmed at 12,998.3, a 1.25% increase on prior year
- Inflation, where appropriate, has been set between 3%.
- Salary Cost of Living rise has been set at 4.5%

10.3 Income

Income for 2025/26 is budgeted at just under £141k this is marginally less than the prior year at £142k.

RISK: Included within the budgeted income is £24k of Partner Income relating to the Help Point Contribution received from MSDC which is an annual agreement and should be considered a risk.

10.4 Expenditure

Budget year 2025/26 presents a number of challenges in regard to base costs with increases in existing costs and the introduction of new items. The summary table below highlights the major movements.

10.5 Notable Movements in expenditure (£5k+):

Budget Item	000s	Commentary
Approved:		
Burial Ground Phase 2 loan repayment	£22.0	This is a transfer from the Community Building/Projects annual revenue charge. There is no impact on the Precept
Burgess Hill Bonfire Society	£5.5	Additional funds to support the annual event. Approved Fin KAG Nov 24 Minute 64(a)
Election Fund	£6.0	Based on the 2023 election costs, substantial increase in funds required. Target £40k for 2027 elections. As presented at Fin KAG Nov 2024.
Maintenance – External Contractors	£21.0	To assist the Maintenance Team in meetings its current ongoing requirements. Approved Strategic KAG Aug 2024 Minute 39.
Salaries and Oncosts	£37.9	Public Sector Pay agreement, contractual commitments and increased NI charges (£17k). As presented at Fin KAG Nov 2024
Site Improvements	£10.0	Public Realm - Funding for additional planters, hanging baskets and work on the stone garden. Fin Kag Nov 24 Minute 64(b)
Community Buildings Res	(£22.0)	Transfer to the Burial Ground Phase 2 loan repayment

New items:

Maintenance – external works	£30.0	As the town grows, the pressure on our existing maintenance team is increasing exponentially and with our wish to do more to 'enhance the public realm' next year and beyond, we need to fund an additional resource. This could be via a contractor or additional Maintenance staff member. Strategic KAG Nov 2024.
Pantry Grant	£15.0	To provide an annual grant for the next three years towards the rent/running costs of the Pantry's new facility. Refer Fin KAG Nov 24 Minute 63(b) and a written report at Appendix 3 - BH Pantry Proposed Funding.
Play Equipment Reserve	£5.0	Due to the age of equipment in the Folders Meadow play area, approximately 12 years old, there is a high risk of the equipment failing requiring substantial maintenance and/or replacement. Customer Serv KAG Jan 2025 Agenda item 15.
Community Buildings Res	£5.0	Additional monies to bolster the fund.

10.6 **Precept and Band D** - taking into account the items noted in 10.5 the **Precept will rise to from £1,054,366 to £1,198,306** with the **Band D rate moving from £82.13 to £92.19 per annum, an increase of £10.06 for the year or 84p per month (12.2%)**.

	Tax Base	PRECEPT	BAND D
2025/26	12,998.30	£1,198,306	£92.19
2024/25	12,837.50	<u>£1,054,366</u>	<u>£82.13</u>
Increase in Precept	160.80	<u>£143,940</u>	<u>£10.06</u>
	1.2%	13.7%	12.2%

10.7 A consolidated Budget is shown below followed by a +/- £,1000 variance analysis. A full budget can be found at appendix 4.

BUDGET 2025/26			
CONSOLIDATED SUMMARY	Budget	Budget	Variance on
	2024/25	2025/26	Prior Year Budget
INCOME			
Civic, Corporate, Promotion and staff	£23,327	£24,423	£1,096
Community Engagement	£3,800	£750	-£3,050
Operational Services	£32,795	£32,867	£72
Customer Services	£5,075	£2,543	-£2,533
Finance and Administration	£77,188	£80,958	£3,770
TOTAL INCOME	£142,185	£141,540	-£645
EXPENDITURE			
Civic, Corporate (Exclds CommBuild Fund)	£787,401	£825,345	£37,944
Staff and Member	£7,500	£12,500	£5,000
Community Engagement	£56,855	£78,500	£21,645
Operational Services	£149,163	£218,614	£69,451
Customer Services	£2,413	£2,200	-£213
Finance and Administration	£129,220	£155,686	£26,467
TOTAL BASE EXPENDITURE (Exclcd Comm Build Reserve)	£1,132,551	£1,292,846	£160,295
Community Buildings Reserve (transfers to/from)	£64,000	£47,000	-£17,000
PRECEPT/NET BUDGETED EXPENDITURE	£1,054,366	£1,198,306	£143,940
Surplus / (-deficit)	£0	£0	£0
Tax Base	12837.5	12998.3	160.8 1.25%
Band D Rate	£82.13	£92.19	£10.06
Percentage Increase			12.2%

10.8 Budget 2025/26 Variance Analysis +/- £1000

	Tax Base		PRECEPT	BAND D
2025/26	12,998.30		£1,198,306	£92.19
2024/25	12,837.50		£1,054,366	£82.13
Increase in Precept	160.80		£143,940	£10.06
	1.2%		13.7%	12.2%
MADE UP OF:	Budget 2024/25	Budget 2025/26	Movement on prior year	
Income Movements				
About Town Income	£3,800	£750	£-3,050	Difficulty in attracting advertisers/staff resourcing
Interest on Balances	£20,928	£25,858	£4,930	Better rates and higher amounts on deposit
Partnership Contribution - Help Point	£23,327	£24,423	£1,096	Inflationary increase
Room Lettings	£10,010	£7,100	£-2,910	Outside Clinic contract reduced, less interest in council chamber hires
Balance of movements on all other budget	£84,120	£83,410	£-711	Net decrease in other income
Total Income	£142,185	£141,540	£-645	Decrease in Income
Expenditure Movements				
About Town	£18,750	£19,895	£1,145	Inflationary increase
Burial Ground (phase 2) Loan Repayment	£0	£22,000	£22,000	Transferred from Community Building Revenue Contribution. No impact on Precept
Burgess Hill Bonfire Society - annual grant	£1,800	£7,300	£5,500	Increase agreed. FinkAG Nov 24/Council Nov 24
CCTV	£2,350	£0	£-2,350	MSDC have confirmed no charges going forward
Christmas Lights switch on event	£10,300	£12,000	£1,700	Inflationary increase
Election Fund	£6,000	£12,000	£6,000	Substantial increase in election costs
Maintenance - external contractors	£2,000	£22,888	£20,888	To assist the Maintenance Team in meetings its current ongoing requirements. Approved Strategic KAG Aug 2024 Minute 39
Maintenance - external works	£0	£30,000	£30,000	Town growth and WSCC partnership working.
Pantry Grant	£0	£15,000	£15,000	Support for BH Pantry for new premises
Planting	£2,250	£3,405	£1,155	Biennial stress testing of lamp posts
Play Equipment Reserve	£0	£5,000	£5,000	Maintain/replace aging play equipment at Folders Meadow
Salaries / Oncosts	£781,801	£819,745	£37,944	COL rise, contractual increments, NI increases
Site Improvements	£3,000	£13,000	£10,000	Enhancements to public realm
Training	£4,000	£7,000	£3,000	Contractual commitments
Tree Survey	£0	£3,000	£3,000	Survey recommendations have noted a requirement for picus tree tests on some oaktrees.
Utilities - 96 Church Walk	£12,014	£9,804	£-2,210	New contracts with energy suppliers reflecting lower costs
Balance of movements on all other budget items	£288,284	£290,806	£2,522	Net increase in other items
Base Budget Costs	£1,132,551	£1,292,846	£160,295	Increase in base costs
Community Building & Capital Projects contribution	£64,000	£47,000	£-17,000	£22k transferred to Burial Ground Loan Repayment, less additional £5k to bolster transfer to Buildings Reserve
Precept (Net Budget Expenditure)	£1,054,366	£1,198,306	£143,940	Net increase in Precept

10.9 RECOMMENDATION

Members are recommended

- a) To approve the 2025/25 budget as presented, and
- b) Recommend to Council a Precept of £1,198,306

RISKS

Environmental – none

Financial – Inflation is set at 3% whilst the Public Sector Pay Agreement has been set at 4.5%. Any material upward movements in these assumptions will increase costs.

Financial – a provision of £30k has been included in the budget for the town council to take on additional town-wide maintenance/enhancement responsibilities. It is not known, as yet, what additional responsibilities are to be taken on, this could impact on the level of funds required. In addition, the potential for the reorganisation of principal councils could deliver additional opportunities (or threats).

Community Safety – The money being set-aside for Play Equipment has direct safety implications if failing items are not replaced.

11. RESERVES (AS AT 31 DECEMBER 2024)

11.1 The purpose of this report is to update Members with regard to the status of the Town Council's General and Earmarked Reserves. A summary of movement is shown below with a full listing of all Earmarked Reserves attached at appendix 5.

11.2 Earmarked Reserves	£000's
Balances B/Fwd as at 01 April 2024	£ 895
Revenue Contribution during the year	£ 139
Transfers from the General Reserve	£ 27
Income from 3 rd Parties (as at 31/12/24)	£ 32
Estimated expenditure through to 31/3/2024	£(564)*
Estimated Balance as at 31 March 2025	£ 529
Planned allocations from 2025/26 Revenue Budget	£ 112
Estimated Balance C/Fwd as at 01 April 2025	£ 641

*Includes £272k expenditure relating to the Real Time Bus information project funded by WSCC

The most notable of the Earmarked Reserves being:

Community Buildings and Capital Projects Fund	£ 448
Burial Ground	£ 26
Economic Development (Ex-Bridge the Gap)	£ 14
Town Events	£ 30
Election Fund	£ 22
Roundabout Main Fund (Capital Commuted Sum)	£ 20
Grants	£ 16
All other funds	£ 65
Total Funds	£ 641

RECOMMENDATION

To note the contents of the report

11.3 The Park Centre Burgess Hill CIO (as part of the Community Building and Capital Projects Fund)

11.3.1 To-date, some £47k has been spent by the town council on this project which includes payments directly to the Park Centre Burgess Hill CIO of £39k.

11.3.2 After going through a competitive tendering exercise*, The Park Centre Burgess Hill CIO has submitted an additional request for funds for £56,907 inc VAT to progress to the next stage of the project and allow the facility to be re-opened. Should the CIO register for VAT, these costs will be reduced accordingly and there is a meeting this week with a VAT consultant to explore this option. The winning tender is available on request from the RFO for Members to review.

*scaffolding, brickwork, internal decoration, electricals, various internal works

11.3.3 Prior to the request for additional funds being paid, it is important the town council is appraised fully of the current project schedule and how these additional funds will assist in the building re-opening.

11.3.4 At the time of writing this report, the facility "ownership" had not yet been transferred to The Park Centre Burgess Hill CIO and prior to any works taking place, this transfer needs to take place.

11.3.5 Officers of the town council will be meeting with trustees from the Park Centre CIO within the next couple of week to review progress on the project and raise any queries/concerns there may be.

11.3.6 Planning – Members may be aware a recent planning application by the Park Centre Burgess Hill CIO has been recommended for refusal by the town council based on the advice from an MSDC officer, however, this planning refusal does not impact on the re-opening plans of the building.

11.3.7 RECOMMENDATION

To approve the transfer of up to £56,907 to the Park Centre Burgess Hill CIO subject to the following conditions being met:

- i) Confirmation the facility has been transferred to the Park Centre Burgess Hill CIO,
- ii) An up-to-date project plan is submitted to the town council,
- iii) A successful meeting between Trustees of the CIO and Officer of the town council,
- iv) Funds provide are ring-fenced by the CIO for the purpose to which the funds are given, and
- v) To supply documentary proof to the town council of the expenditure being incurred where council (public) money is involved.

11.4 Burial Ground

Members will be aware an application for a loan of up to £300k was submitted to the Ministry of Housing, Communities and Local Government to provide funding for the development of phase 2 of the burial ground.

Members are advised this loan application has been approved and is valid through to December 2025.

It should be noted, the funds can be drawn down in-full or in-part at any time and will attract an interest rate at the point the funds are drawn down. Repayments are 6 monthly in arrears.

11.4.1 RECOMMENDATION

To note the contents of the report.

11.5 General Reserve £000s

Balance B/Fwd as at 01 April 2024	£ 261
Transfers to EarMarked Reserves	£(27)
Estimated Balance C/Fwd as at 01 April 2025	£ 234
<i>(excludes any residual balance from the 2024/25 surplus)</i>	

Under a long-term Standing Resolution, the town council is required to have 20% of Budgeted Net Revenue Expenditure in the General Reserve. This equates to circa £230k.

11.7 RECOMMENDATION

To approve the Earmarked Reserves and General Reserve Schedule.

- Environmental – none
- Financial – Park Centre: the payment of grants/funds to third parties carries a risk should the project fail and the funds become irrecoverable.
- Community Safety – none

12 BANK RECONCILIATION AND INVESTMENTS

12.1 The purpose of this report is to periodically provide a bank reconciliation to Members for review and is attached at appendix 6.

For Members' information, the following balances, as at 15/01/2025, are shown on the accounting system:

£ 18,361 o/d	Current account (Note – a sweep account is in operation)
£ 263,547	NatWest (sweep account) deposit
£ 266,105	Santander time deposit (1) @ 3.9%
£ 272,904	Santander time deposit (2) @ 3.6%
£ 64,989	Santander time deposit (3) @ 3.55%
£ 263,092	Santander time deposit (4) @ 3.55%
£ 258,885	Santander time deposit (5) @ 4.7%

12.2 Debtors and Creditors

Debtors £2,855
VAT (owed to BHTC) £26,737
Inter Balance with CIC £2,890

Creditors (short term) £11,544
Long-Term borrowing £210,000 (ex-RBL building)
Inter Balance with Sidney West Charity £69,268
PAYE/NI/Pension (Dec 24 liability) £24,545

12.3 RECOMMENDATION

- a) To note the contents of the report, and
- b) For the Vice-Chairman of the Finance KAG to sign the bank reconciliation
(this relates to a recommendation from the NALC model of Financial Regulations)

Environmental – none
Financial – None
Community Safety – none

13. REVIEW OF FINANCIAL REGULATIONS

13.1 The National Association of Local Councils (NALC) have recently issued an amended Financial Model covering the financial regulations to be adopted by town and parish councils. This Model includes regulations that must be adopted by local authorities and a range of regulations that are discretionary.

13.2 **The guidance issued by NALC recognises parish and town council's are of varying sizes and it is for each council "to adapt the model to suit its size and structure".**

13.3 The purpose of this report is to appraise Members of where the town council is compliant, has its own specific arrangements and to highlight those areas where amendments to the council's Financial Regulations need to be brought to the attention of Members.

13.4 Appendix 8 details the new NALC model (left hand side of schedule) with the town council's Standing Order reference and/or common Practice and/or Compliance shown on the right-hand side. It should be noted, the BOLD print with in the NALC model refers to those regulations that are mandatory, all other regulations are discretionary and are for the local authority to decide the appropriate controls, if any, to be included within the Standing Orders.

13.5 The review has highlight two areas to be brought to the attention of Members (shown in red on the schedule):

- a) **Risk Management and Internal Control (2.6)** – for a Member of the Council, other than the Finance KAG Chairman, to approve, on a quarterly basis (to include the final year-end reconciliation), the town council’s bank reconciliations.
- b) **Budget & Precept 4.8** – Any Member must disclose if they have unpaid Council tax of more than two months and must not be allowed to vote on the Budget and Precept. This is mandatory.

RECOMMENDATION

- a) For the Finance KAG deputy Chairman to approve the bank reconciliations presented to each of the Finance KAG meetings (3 in total) and the final year-end bank reconciliation, and
- b) To be included, as an agenda item, prior to any vote on the Budget and Precept, the opportunity for any Member to declare if they have unpaid council tax of more than two months, and to amend the Financial Regulations accordingly to reflect this regulation.

RISKS

Regulatory – Failure to comply could leave the council open to adverse scrutiny from the internal and external auditor in regard to Governance.

Environmental – none

Financial – none

Community Safety - none

14. **DATE OF NEXT MEETING** : June 2025, exact date and time to be confirmed