

**DUE TO THE CURRENT GOVERNMENT RESTRICTIONS IN PLACE FOR THE CORONAVIRUS EMERGENCY, HORSPATH PARISH COUNCIL CANCELLED THE AUGUST MEETING AND HELD THE PARISH COUNCIL MEETING REMOTELY.**

**HORSPATH PARISH COUNCIL**

**Minutes of the Finance Sub-Committee Meeting held on 16<sup>th</sup> August 2021 at 8.00pm.**

**Present:** Mr P Dobson, Mr J Dobson, Mrs H Kogel      **Apologies** Mr D Burgess, Mrs J Dobson.

**Absent:**  
**Public:** 0

**01/21 APOLOGIES FOR ABSENCE.** – Apologies were given on behalf of Mr Burgess and Mrs Dobson.

**02/21 ELECTION OF CHAIRMAN.**

Mrs Kogel proposed Mr James Dobson for the position of Chairman, Seconded by Mr Peter Dobson. (Mr Burgess informed Mr Peter Dobson outside of the meeting that he also supported this decision). Mr James Dobson accepted the position.

**03/21 TERMS OF REFERENCE.**

The Terms of Reference was agreed by all members. The next step is for HPC to approve the Terms of Reference at the September HPC meeting. The Sub-Committee will recommend to HPC the key areas of work and will need to produce a financial calendar, which will include various sub-committees who will be required to prepare their budget plans for 2022/23 to submit to HPC in October, to be considered in December when drafting the Precept. The Sub-Committees are expected to be the Burial Ground, Conservation Area and Beautification of the Village Green and the Village Hall.

It was agreed that the renewal of HPC various insurance policies and leases will be reviewed by the Sub-Committee.

The Sub-Committee agreed that Finance meetings will be held quarterly.

**04/21 FINANCE OFFICERS OVERVIEW.**

Mrs Kogel reported that the income and expenditure is as it would be expected to be this time of year, with the exception of an over spend on admin expenses which is considerably higher than forecasted. This is due to costs of £1786.00 paid to Knights Solicitors for land registry and £1475.00 repayment to Garsington Parish Council for a VAT charge made in error. Mrs Kogel proposed that £1300.00 is taken from the allocation made in the Precept 2021/22 for PWLB which will not be required, and £1700.00 is taken from the Contingency Fund to cover this over spend. Mr James Dobson and Mr Peter Dobson agreed to this proposal.

Mr James Dobson stated that the Precept for 2021/22 was increased by £7000.00 to cover projects in the village, which to date has not been used. Mr James Dobson suggested that £1000.00 is allocated to the work on the hedges in the Burial Ground and £2000.00 is allocated to the beautification of the Village Green. Mrs Kogel suggested that £2500.00 is also allocated for 2 new village noticeboards, this would leave £1500.00 as a reserve.

Mr James Dobson stated that there needs to be rules around the procurement for the beautification of the Village Green sub-committee.

Mrs Kogel stated that there is also £2000.00 allocated in the Precept for the village hall. Mr Peter Dobson stated that as the landlord, we need to be clear on who is responsible for certain costs in the village hall,

either HPC or the HVHMC. Mr James Dobson stated that HPC should approach HVHMC for details on any expected costs in 2022/23 for the fabric of the building, so that this can be included in the Precept for 2022/23.

#### **05/21 REVIEW OF INTERNAL AUDIT REPORT 2020/21.**

**The Council is not using the latest Model of Financial Regulations.** – Mrs Kogel will seek advice from OALC and report back to HPC.

**Tender threshold is not set at £25,000.00 consistent with the Public Contract Regulations and latest NALC Model Financial Regulations.** – Mrs Kogel will seek advice from OALC and report back to HPC.

**As at the date of the Interim Audit, the Council has not formally minuted a review of risk assessments.** – The risk assessments will be reviewed at the October 2021 HPC meeting.

**From a review of the records, it was not possible to determine when the Council had formally approved the budget for the year.** – The Finance Committee will prepare the budget for 2022/23 to be approved by HPC.

**The Precept does not agree to Central Government data.** – This was an error made in the 2019/2020 precept.

**The Council has not published the Statement of Accounts as required by the Accounts and Audit Regulations 2015 Regulation 15.** – A copy of the accounts will be published on the website when the external audit has been completed.

**The Council did not approve the AGS prior to approving the Statement of Accounts as required under Regulation 6 (4) of the Accounts and Audit Regulations 2015.** – This was carried out but not recorded accurately in the minutes.

**The Council has not published the AGS, Statement of Accounts and External Auditors report as required by the Accounts and Audit Regulations 2015 Regulation 13.** – A copy will be published on the website when the external audit has been completed.

**The Council has not published the Notice of Conclusion of Audit as required by the Accounts and Audit Regulations 2015 Regulation 16.** – A copy will be published on the website when the external audit has been completed.

**Regular budget reports have not been submitted to the Council.** – This will be completed by the Finance Committee.

**Income has not been correctly treated for VAT purposes.** – The vat charged to Garsington PC in error has now been repaid.

**Contracts of employment are not available.** – This will be actioned by the Finance Committee.

**Bank Reconciliation have not been subject to independent review.** – To be actioned by the Finance Committee.

**The Council did not publish the Notice for the Period of Exercise of Public Rights.** – This will be published on the website.

**The period for the Exercise of Public Rights did not commence the day after the Council published the Accounting Statement and AGS.** – This has now been correctly advertised for 2020/21.

**The period of the Exercise of Public Rights did not last for 30 working days.** – This has now been correctly advertised for 2020/21.

#### **06/21 CURRENT PROCUREMENT POLICY.**

Mr James Dobson stated that we need to look at existing contracts and the ways in which we select or check contractors as there hasn't been any amendments on this process since 2015. Mr Peter Dobson stated that HPC does not always operate on the cost of the quotations received based on the use of preferred suppliers. Mr Peter Dobson stated that the Village hall lease needs to be reviewed as it needs to be updated.

Mr James Dobson stated that it would be useful to have a nominated person to monitor all contracts.

Mr James Dobson stated that the 2015 procurement regulations state that if spending £50k+ we would need expert procurement support, which could potentially include traffic calming at Oxford Road and refurbishment of the Village Hall in the future.

Mr James Dobson stated that village framework is where the majority of the Parish Councils spending is, and suggested that 3 year contracts, with the option to extend for 2 years should be in place for James Prior and Robert Gray for the work that they carry out. The starting point for this is to produce a specification of works.

Mr James Dobson stated that this should start with a pre-qualification process and the framework specific, where specific questions are asked and then responses scored, followed by awarding a contract. The contract would be managed by a contract manager to ensure that it is administered. An external contracts manager may be required for some works.

Mr Peter Dobson stated that with this process, HPC may struggle to find people to do the work, and it might require additional costs to get the work carried out. Mr James Dobson stated that a risk assessment from the contractor will be required for all work carried out. Mr Peter Dobson asked if this process is intended for all work carried out at all levels. Mr James Dobson stated that this would be required for all work carried out, and is why all work should have a project manager.

Mr James Dobson stated that HPC should give a specification of the work required to contractors, along with questions on how they would carry out the work, and then request a quotation. Mr Peter Dobson asked how this would be processed if an emergency arose with the Finance Committee only meeting quarterly. Mr James Dobson stated that if the framework is right, we would create a specification of works and then send out to contractors. If the contractor failed to meet the criteria, then we would contact another company. For small jobs we could work on an agreed hourly rate or contracted costs.

Mr James Dobson stated that sub-committee members need to attend commercial and contract management training to get robust internal control in time for 2022/23 and then decide how to manage internal contracts. Capital spending will be driven by the Financial Regulations. Mr James Dobson stated that the role of the Finance Committee is to provide internal processes and internal control.

Mrs Kogel stated that she is concerned that this process for general maintenance and repairs required in the village is too complicated and will involve a lot of work, and who will be able to take on this role. Mr Peter Dobson stated that he shares the same concerns.

Mr James Dobson stated that the Finance Committee has a lot of work to do around procurement and mapping out a process, and we need to focus on internal controls to avoid being criticised.

Mr James Dobson proposed that sub-committee members attend commercial and contract management training, Mr Peter Dobson and Mrs Kogel agreed to attend the training. Mrs Kogel will explore options and contact OALC for a details of training courses available. If it is agreed to put existing contracts out to tender, we should give 6 months' notice to our existing contractors on a rolling program and review each contract separately as we would otherwise have all renewals at the same time which may be difficult to manage. An annual report should be made to review the performance of the contract. We would be looking for a 6-9 month lead time.

**07/21 AOB.** – None.

Signed.....

Date.....