

HORSPATH PARISH COUNCIL
Minutes of the Parish Council Closed Finance Meeting held at Horspath Village Hall
on 22nd November 2022 at 7.30pm.

Present: Mrs B Oakley (Chair), Mr D Burgess, Mrs P Cook, Mr L Coolman, Mr P Ewart, Mr I Harris, Mr B Igoe, Mr E Parker, Mrs C Riley, Mrs H Kogel (Clerk).
Apologies Mr P O'Brien.
Absent:
Public: 0

222/22 APOLOGIES FOR ABSENCE. – Apologies were given on behalf of Mr O'Brien.

223/22 DECLARATION OF INTERESTS. – None.

224/22 INTERNAL AUDIT REPORT. – **Following the internal audit, the following items were raised:-**

Review of Standing Orders & Financial Regulations. – The Clerk stated that HPC either needs to review its current Standing Orders & Financial Regulations or consider adopting the most recent NALC Standing Orders 2020 updated in April 2022, and NALC's Model Financial Regulations July 2019. It was agreed that Councillors will read through the new documents and it will be discussed at the December 2022 meeting.

Official appointment of Responsible Financial Officer. – Councillors voted unanimously in agreement that the Clerk is also the Responsible Financial Officer for HPC. This will be confirmed when the employment contract is finalised.

Should the Clerk be CILCA qualified? – Councillors have no strong views on this. The Clerk will look into the training options.

Review and approve bank signatory arrangements. – Following the resignation of Mr Peter Dobson and Mr James Dobson, the bank signatories have been changed to Mrs Oakley and Mr Burgess and the Clerk. The Clerk will only raise BACS payments on Barclays Bank which then need to be authorised by either Mrs Oakley or Mr Burgess.

Council to formally review grants made and confirm that they were in accordance with Council approvals. In future Council to ensure that all grants awarded are formally approved and that this approval is recorded in the Minutes. – Councillors agreed that all grants are approved at full Council meetings and the details of the grant are recorded in the Minutes.

Council to ensure that the appropriate power under which grants are made is recorded in the Minutes of the meeting in which the grants are approved. – The Clerk confirmed that all grants are approved at full Council meetings and the details of the grant are recorded in the Minutes.

Formally set and approve Council budget. – The Clerk stated that in previous years a draft Precept is circulated to all Councillors in December and used as a budget before setting the Precept in January. A budget for 2023/24 has been prepared and circulated to all Councillors for approval at this meeting prior to setting the Precept. Mr Parker stated that the Council could just apply a 10% increase on services.

Council to ensure that on an annual basis, it formally records a review of the External Auditors report in the Minutes of the relevant meeting. – The Clerk stated that both Internal and External Audit reports are always reviewed and minuted.

Review the level of Council reserves and its purpose is identified. – The Clerk stated that HPC has never kept an amount of money as reserves. Based on the estimated figures, in March 2023, HPC should carry forward £19,586.00, £10,000 of which is CIL money, which would leave around £9,000.00 for reserves. Finance meetings will be held quarterly so a regular review will be carried out.

Review invoicing arrangements for the burial ground. – Councillors are satisfied with the current arrangement for the burial ground.

Contract of employment for the Clerk. – Mrs Oakley passed a draft copy of an employment contract to the Clerk for her to review. A meeting will be arranged with Mrs Oakley and the Clerk to finalise the contract of employment. It was agreed that when finalised, HPC will ask OALC/Chris Moses, HR Specialist to review the contract.

Review of salaries for the Clerk and whether they are correct. – Councillors agreed that this will be included at the meeting when finalising the contract of employment.

Council to ensure that any agreed changes to staff terms and conditions and rates of pay are formally recorded in the appropriate Minutes of the Council. – As terms and conditions for the Clerk have changed, the details will be Minuted and approved at the December meeting.

Council to note the difference between the draft Accounting Statements, Box 4 value and the value computed by the Internal Auditor. Council to review the computation and, if appropriate, amend Box 4 value. – Councillors agreed that the AGAR was amended and approved at the July 2022 meeting.

Review HPC’s asset register. – Councillors reviewed the current asset register and agreed that an additional bus shelter would be added. All other assets were considered to be appropriate.

Council should put in place a regular review and verification of its assets. Assets of a high value or which may be particularly vulnerable should be subject to verification at more frequent intervals. – A review will take at Finance meetings at least every six months.

Bank Reconciliations which have been subjected to review should be signed and dated as evidence of the review. – Councillors agreed that the Chair will sign the bank reconciliations.

Council to note that payments made by BACS should be recorded on the dates that they were actually paid. – Noted.

Council to review the values stated in the draft accounting statements to ensure that they agree to the Councils accounting records. – The Clerk amended the AGAR which was approved by full Council in July 2022.

Exercise of Public Rights. – The Clerk to ensure in future that the notice is displayed during the correct dates.

225/22 EXTERNAL AUDIT REPORT 2021/2022.

The Council approved the final accounting statements section of the Annual Governance and Accountability return after 30th June which does not comply with the Accounts and Audit Regulations 2015. – The Clerk stated that the date for the external audit was missed due to receiving the internal audit later than expected and also due to the need to revise and approve the AGAR.

The inspections period for the exercise of electors’ rights does not include the first ten working days of July as specified in the Accounts and Audit Regulations, Part 15 (1). Also, because of the additional bank holiday given in respect of the funeral Queen Elizabeth II the inspection period provided was only 29 working days and not the 30 required by Regulation 14 (1). Please note that we would anticipate these being taken into consideration when completing the Governance Statement on your 2022/23 return. – The Clerk will ensure that the notice is displayed over the correct dates and for the correct amount of time.

Following the Internal Auditors responses to Assertion J and M we have noted the following two observations. Firstly, in the prior year the period set for the exercise of public rights was for 31 working days which, although trivial, is a breach of the Accounts and Audit Regulations 2015 therefore Assertion 4 on the current year’s Annual Governance Statement should be marked “no”. Secondly, the internal auditor noted that the Council included items as payments in its Accounting Statements which were not paid until after 31st March 2022. Section 2 was amended to correctly

account for these items following this internal audit report, however, we would still expect Assertion 1 to be answered “no” on Section 1. – Noted.

It was also noted that the Council did not formally approve a budget prior to setting the Precept as required by paragraph 1.8 of JPAG Practitioners Guide 2021. Therefore, since this is a breach of proper practices, we would have expected Assertion 3 on the Annual Governance Statement to be answered “no”. The Council has noted this action and will ensure that it is done in regards to 2022/23. – Noted.

Other matters:-

On review of the Council’s minutes for approval of the annual return, it appears that the minute reference used was the same on both sections. There is a requirement for Section 1 to be approved before Section 2. In future the Minutes should clearly identify this point using sub-references within the minutes would enable this to be easily identified on the return. – Noted.

On review of the Council’s Standing Orders, which include its Financial Regulations which is available on the website, it was noted that whilst the initial pages were marked as “Revised 02/03/21” they were also marked “draft”. It is therefore unclear if this is the currently adopted version of the document. The Council should review and update this to show the finalized version clearly marked with its latest date of review/re-adoption by the Council. It should also ensure that any predecessor documents are clearly marked as such or removed as appropriate. – The Clerk will correct this error.

226/22 DRAFT BUDGET FOR 2023/24.

The Clerk circulated a budget prepared for 2023/24. After discussions, Councillors approved the budget for 2023/24 at £48,000.00.

227/22 AOB. – None.

Signed.....

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