



## Finance Committee Meeting Minutes for Tuesday 7 March 2023

### FC 46 / 22 Attendance and apologies

Attendance: Cllr Booth (Chairman); Cllr Buxton; Cllr Pike; Cllr Evans.

Apologies: Cllr Bains

In Attendance: R Davies (Clerk and RFO)

There were no members of the public present.

There were no declarations of interest for items on the agenda.

### FC 47 / 22 To review minutes of the meeting 6 December 2022.

**RESOLVED:** That the minutes of the meeting 6 December 2022 were approved.

The Chairman asked for an update on the Tree work and the clerk was pleased to confirm that current work quotations are below the £29,000 budget approved by council.

### FC 48 / 22 Public Adjournment

There were no members of the public present, therefore the Chairman continued with the meeting.

### FC 49/ 22 Business from previous meetings

**FC 49/ 22 / 1** The committee received an update on the progress of the setup of the Flagstone account and confirmed that the additional information as it relates to the bank mandate would make waiting until after the May election a sensible choice.

**RESOLVED:** That the application would continue after the election May 2023 to mirror the Bank Mandate changes.

**FC 49 / 22 / 2** The committee received an update on the increase in charges for the external Audit as the council is now classed as a council between £750,001 and £1,000,000. The cost for 2021 2022 is confirmed as £1,600 plus vat and £1,680 plus vat for 2022 2023. Additional work should questions or challenges be sent to the auditor remain at £355 per hour charged.

### FC 50 / 22 To receive questions from committee members

The chairman received questions in line with the Members Questions policy, which is 2 per member per meeting.

Cllr Pike: As per the question submitted to Cllr Booth and copying all council members via email on the 3 January 2023, "the tennis courts is an infrastructure expenditure and should be allocated to CIL"

The Chairman and committee discussed this providing updated information on legal advice being taken, in line with the action taken at the council meeting on the 13 December 2022. No further information was available that would lead the committee to believe differently to that which was understood in December.

**ACTION:** As per the actions of the council meeting 13 December 2022, Cllr Pike is to supply the Clerk with the details of the legal representation that will give a definitive response on CIL for £300.

Cllr Pike to supply to the Clerk the response she has received from the DCLG on her question regarding the use of CIL for the Tennis Court refurbishment.

The Clerk to continue seeking written legal advice on the use of CIL.

Cllr Pike: As per the question submitted to Cllr Booth and copying all council members via email on the 3 January 2023, verification of the spinal points of salaries and how CIL monies can be used to pay salaries.

The Chairman confirmed that the first question was dealt with by the HR Sub Committee in a confidential manner and would not be brought to the finance committee in any further detail than that which is supplied in the cost breakdown of budget code 4001.

Regarding the use of CIL for salaries, the Chairman confirmed this was a standard practice of capitalising salaries when they are part of a capital project. Project management of the council's CIL projects is required, the choice is to pay an external organisation or provide this in house. The decision taken by the council was to provide this in house.

**ACTION:** Cllr Pike to supply to the Clerk the response she has received from the DCLG on her question regarding the use of CIL for project management salaries.

With two questions received and discussed, the Chairman continued on with the meeting.

## FC 51 / 22 To receive and review budget reports to 31 January 2023

The committee received and reviewed the council budget report to the 31 January 2023 and a request was made to amend the title of the document if possible.

**ACTION:** The Clerk to amend, if possible, the header of the report to show the dates which the report includes.

The committee also noted the following:

- 4001 / ALL The salaries, pensions, tax, and NI are in line with budget and the overspend is due to a historical TOIL payment made this year.
- 4021 / 101 VOIP refund of £2617 has been received and offsets overspend
- 4026 / 101 Subscription expenditure is higher than budget due to Zoom and Survey Monkey annual fees totalling £759
- 4701 / 101 Grants awarded are £12,600 to Charters School and £200 to RBL Poppy Appeal. The grant of £26,000 approved for Holy Trinity School is yet to be claimed.
- 4034 / 102 Council website overspend is balanced by EMR movement and is for the new website
- 4231 / 102 Community Action overspend is for late invoices for Jubilee Event
- 4004 / 202 Grounds Cover Contract is underspent as it provides for 18 cuts but is not a fixed fee contract, therefore in year savings have been made. The same applies to 4042/203 and 4042/204 which are the grounds maintenance for Kiln Lane and Church Road Allotments.
- 1010 / 204 Allotment fees are mostly paid for the 1 March renewal deadline.
- 1012 / 205 Tennis court electricity has a further £280 cash banked at the post office to credit taking the budget income to £585 v's £600 forecast.
- 205 Tennis overall income is likely to be below budget, which is compensated by underspend on expenditure.
- 4041 / 207 Expenditure on property maintenance is high due to work for health and safety reasons on the flat
- 1005 / 301 Village Hall service management fees to be charged in month 3 of the quarter going forward.

Cllr Pike updated the committee that she had representation from residents on the excellent outreach service in partnership with Citizens Advice East Berkshire and that this service really did represent value for money.

**ACTION:** Cllr Evans requested with the permission of the committee, that the Clerk provided some yearend information on the underlying cost increments that the council has had in 2022 2023 and also what they will be in 2023 2024.

## FC 52 / 22 To receive spending requests.

The committee received for approval spending request for health and safety work on the Helter Skelter slide and the external staircase to the flat. Both of which are in need of metal work due to erosion.

The Clerk updated that no further quotations had been sought past that from the existing supplier, as the service was difficult to source elsewhere and historical bench marking of quotes had always confirmed the current supplier as the best value for money.

**RESOLVED:** That the expenditure of £1695 to replace and repair the treads on the external staircase and £480 to repair the slide is approved and will be taken from the relevant EMRs which are Property and Playground.

**ACTION:** The committee requested the Clerk put together a Preferred Supplier list for 2023 2024 for services which the council will not require additional quotes for.

## FC 53 / 22 To receive information on VAT charges for sporting facilities

The committee received the information provided from Parkinson Partnership on the ability to reclaim VAT on sporting activities within the rules governing 'unfair enrichment.' The Clerk confirmed that she would be attending a training course on the 20 March 2023 on this matter and would confirm at that point the council's position on the two areas where VAT had been paid.

Subject to confirmation at the training course, the committee

**RESOLVED:** That the VAT charged on the Ad Hoc Coaching would be verified and a claim for refund would be made by the council and repaid to the coaches, subject to confirmation of their VAT status.

**RESOLVED:** That the VAT charged on the Pay and Play charge would be verified and the basis for the claim for refund would be checked with Parkinson Partnership.

## FC 54 / 22 Information Sharing

The Clerk updated the committee on the increases in the procurement thresholds for Public Contracts (as per public contracts regulations 2015) that the requirement to place contracts on the Contracts Finder database was £30,000 increased from £25,000. The full document is appended to the minutes.

The Clerk updated the committee on General Power of Competency and that further information to inform the council's decision in May 2023 would be brought to the April Finance committee meeting.

## FC 55 / 22 Dates of the upcoming meetings

The Clerk confirmed that the next scheduled meeting is on the 11 April 2023

The meeting closed at 3:30 pm.

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## Procurement Thresholds

The £25,000 threshold increased to £30,000 from 21 December 2022 (SI 2022/1390)

Public contracts, with an estimated value (including VAT, from 1 January 2022):

over £213,477 (previously 189,330 ex VAT) for goods or services, or

over £5,336,937 (previously £4,733,252 ex VAT) for public works (construction),

must comply with the full requirements of the Public Contracts Regulations 2015. These include specific tendering methods and timescales, as well as a requirement to advertise on both the Contracts Finder website and Find-a-Tender (the UK e-notification service).

Where a contract will run for several years, it is the total (not annual) value that matters.

Where the estimated total value (including VAT) is below these thresholds, but exceeds £30,000 (after 21 December 2022), a council is required to advertise the opportunity on Contracts Finder if they publish an open invitation to quote/tender. If they are inviting specific firms and not opening up to wider competition, they don't have to advertise the opportunity on Contracts Finder (Public Contracts Regulations 2015, Reg. 110(5)(b)).

However, a council must comply with its own Standing Orders and Financial Regulations and if those regulations require an open invitation and a formal tender process, the council should follow them. Tendering processes ensure fair competition, achieve value for money and avoid anti-competitive behaviour. They protect the council and taxpayers.

If a council simply chooses specific firms to invite, it must avoid allowing non-commercial considerations (defined in Part 2 of the Local Government Act 1988) to influence its decisions. If a council invites some suppliers and not others, it should record its reasons.

If the council genuinely believed the value would be under £30,000 but the tenders came in above that, the Regulations do not require it to go back and start again.

Regardless of whether the opportunity was advertised, Regulation 112 requires a council to publish the award of a contract over £25,000 prior to 21 December 2022, or £30,000 thereafter, on Contracts Finder within a reasonable timescale. There is no specified timescale for parishes, but we suggest within 3 months.

### Disclaimer

This bulletin is only intended as a brief guide and councils should ensure they follow the Regulations and guidance on [www.gov.uk](http://www.gov.uk), seeking professional advice if they are in any doubt. The Parkinson Partnership LLP accepts no liability for any loss arising from situations where councils have not followed the law and guidance.