



Finance and General Purposes Meeting Minutes

Wednesday 16th January, 2019, 7.30pm
Beeson House
Lintot Square
Southwater
Horsham
RH13 9LA

Committee Members

Cllr Michael Neale (Chairman)
Cllr Geoff Cole (Vice Chairman)
Cllr Ross Dye
Cllr Pauline Flores-Moore
Cllr Derek Moore
Cllr Geoff Scoon
Cllr Hayley Timson
Cllr Claire Vickers
Cllr Graham Watkins
Cllr Neil Whitear



Clerk: **Mrs.C.M.Tobin**
FSLCC.,

SOUTHWATER PARISH COUNCIL

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MINUTES

The Minutes of the FINANCE AND GENERAL PURPOSE COMMITTEE meeting held on Wednesday, 16th January, 2019 in the Council Chamber, Beeson House, Southwater, West Sussex, RH13 9LA commencing at 7.30pm.

Present: Chairman: Cllr M.Neale

**Cllr G.Cole
Cllr G Scoon
Cllr N Whitear
Cllr C Vickers**

**Cllr D.Moore
Cllr H Timson
Cllr G.Watkins
Cllr Flores-Moore**

Clerk to the Meeting: Mrs Dawn Spouge (Acting Clerk and Responsible Officer for this meeting)

County Councillor: Not present -

District Councillors: Not present -

Press: Not present -

Members of the Public: 5

NOTE: - All relevant papers to this meeting were circulated to all Councillors with the Agenda.

FG139/01/19 PUBLIC PARTICIPATION

(Maximum of 2 minutes per person with an overall limit of 15 minutes)

The Chairman asked those present to turn mobile phones to silent for the duration of the meeting, unless the phone call was deemed urgent in which case phone calls could be received with permission from the Chairman. If a member of the public wished to tape the meeting could they please indicate. In the event of a fire alarm sounding, everyone would be directed to evacuate the building via the exits indicated.

Mr Colin Young – Queried an amount on the accounts pack published on the website in regards to the electricity at the barn. This was explained as an error, should have been £110.00 and not £110,000 and that it has subsequently been rectified. All Councillors present had been given an amended copy.

He queried why income on the Hall Hire for Southwater Leisure Centre had decreased over the last financial year when it would have been an opportunity to increase due to possible hall hirers transferring from Easteds Barn to the Leisure Centre. However, he did say that perhaps this could also be from attrition due to decreased gym memberships. The Chairman replied that as yet, it was not known why the income had decreased and the Council were looking into it.

He queried the income projections for the new premises in Church Lane. The Chairman explained that these were start figures because the intention is that another group will be running it in the future and therefore a notional figure had been put in until such time as another group takes over. Mr Young queried if therefore the Council expected this to be a cost neutral if someone else would be running it, this was confirmed as the case by the Chairman. Councillor Watkins stated that the new building had been discussed on a previous occasion and although a figure has been put in the budget for it, it is still down to approval by the full Council and there are differing views on that figure. Once the final budget is discussed, this would be dealt with at this time. Normally budget figures do not go out at this time, until finalised and agreed and therefore Cllr Watkins wanted this to be clarified to the public that until the figures were agreed, the figures could alter.

Mr Ian Packham as a member of the public clarified the mistake of the numerical error on the electricity at Easteds Barn.

End of Public Participation, the meeting was convened

FG140/01/19 APOLOGIES

Apologies received on behalf of Cllr Ross Dye

Councillors NOTED and APPROVED the absence

FG141/01/19 DECLARATIONS OF INTEREST

The Chairman referred Members of the Council to information issued in relation to the Member's Code of Conduct and Standing Orders and asked whether any Member had anything of note to declare at this point in the meeting.

The Clerk stated that there were no declarations of interest received at that point.

FG142/01/19 MINUTES

It was proposed by Councillor Watkins and seconded by Councillor Whitear that the Minutes of the Finance and General Purpose meeting held on the 12th December 2018 were confirmed as a true record and signed by the Chairman.

FG143/101/18 CHAIRMANS ANNOUNCEMENTS

The Chairman had no announcements.

FG144/01/19 CORRESPONDENCE

None received.

FG145/01/19 ACCOUNTS

Chairman reminded all the Councillors that they did have a revised copy of the budget showing projected end of year figures as requested in a previous meeting of the Council. The figures are manually inputted, hence why some errors were previously discovered and subsequently amended. Members have also received a copy of the ringfenced figures as part of the accounts.

(i) BANK RECONCILIATION

Recommendation

Councillor Watkins proposed approval, this was seconded by Councillor Whitear and unanimously **AGREED** to recommend to full Council approval of the Bank Reconciliation and other documentation Income & Expenditure Analysis and Trial Balance as at Month 9, as at Month 9 dated 9th January 2019 as a true record.

(i) DEBTORS & CREDITORS

The Chairman detailed the outstanding debtors and explained that some were from Christmas sponsorship, all were being chased.

Councillor Flores-Moore questioned those up to 90 days, whether the figures reflected these were owed debts up to 90 days or were indeed over 90 days and if there was a process on the system that identified this. Can the office make a note of those that are over the 90 days. The Chairman replied that he wasn't sure if this could be noted on the system as it was system generated, but would ask the accounts team if this could be manually inputted to show exact accuracy on the amount of day's debts were overdue if over the 90 day period. Councillor Watkins queried whether a process of action was in place to pursue debts over 90 days, the

Chairman stated that in the past when this had occurred, correspondence threatening legal action had been sent and the debt recovered. He believed this would be the case in other similar scenarios should it be required.

Recommendation

Councillor Flores- Moore proposed approval, seconded by Councillor Watkins and **AGREED** unanimously to recommend to full Council for approval of the Debtors and Creditors list as at 10th January, 2019 as a true reflection of the current position of the Council.

Action – Accounts team to clarify the process and if over 90 days can be input on the system.

FG146/01/19 PAYMENTS SCHEDULE

To approve the payments schedule to 16th January 2019 in the sum of £10,875.73 with other payments of £60,852.87 having been approved since the last meeting a total of £71,728.60.

Councillor Flores-Moore queried the total appearing twice on the Salaries statement for December 2018. The Chairman explained that it had been the request of the F&GP committee previously to also break down the detail to show NI and Pension contributions as well, that is why the total is shown twice, prior to the break down and again afterwards.

Recommendation

Councillor Scoon proposed approval, seconded by Councillor Flores-Moore and **AGREED** unanimously by all present, that the payment schedule in the sum of £10,875.73 and other payments of £60,852.87 totalling £71,728.60 made since the last meeting be recommended for approval to the full Council on 30th January 2019.

FG147/01/19 INSURANCE TENDERS

Four Insurance companies had been asked to tender, only two had replied and detailed below. A discussion took place.

	ZURICH MUNICIPAL	BHIB INSURANCE BROKERS
	3 year agreement	3 year agreement
RENEWAL PREMIUM	£ 9,451.96	£11,576.00
PREMISES INSURANCE - BUILDINGS	£3,758,608 Note: identified separately for each individual building	£ 4,294,334
PREMISES INSURANCE – CONTENTS	£430,992 Note: identified separately for each individual building	£528,277
PUBLIC LIABILITY	£15,000,000	£15,000,000
EMPLOYERS LIABILITY	£10,000,000	£10,000,000
HIRERS LIABILITY	£2,000,000	£2,500,000
LIBEL & SLANDER	£250,000	£250,000

PERSONAL ACCIDENT COVER	Note: personal accident differs depending on position within or working for the Council up to age 90 – Clerk up to £100,000	Note: differs on a scale of compensation and age between 75 - 85
LEGAL COSTS	£200,000	£250,000
DATA BREACH	Yes included	£25,000
TERRORISM	Yes included	No

The Clerk at the meeting reported that she had spoken to Insurers Zurich and had received the following information for Councillors to note.

Currently Southwater Parish Council is insured by Zurich and the insurance is index linked by 3% only on the assets. This will therefore, change the contribution owed for years two and three to bring it in line with inflation.

Both the old and the newly quoted policy is 'New for Old'.

This will stay the same on the new policy unless the Council specifically request for it not to be index linked on the assets, in which case, the premiums will stay exactly the same.

The new quoted policy includes the new Community building, however the quote was based on the price given by the Clerk, Catherine Tobin, of £175,000/£180,000. Should the final agreed value change either way, then the premium would alter slightly to reflect this as well. Should it be less, then there would be a reimbursement from Zurich or a slight increase should it be more.

A discussion took place.

Councillor Watkins requested to look closely at the complete document from Zurich to ensure that all areas were covered adequately, with the additional inclusions to ensure the newly quoted decreased price had not excluded any areas. If satisfied the Council would agree to accept the quote from Zurich.

Recommendation

Councillor Whitear proposed that subject to review by Councillor Watkins and deemed satisfactory, it be recommended to full Council approval of Zurich as the Insurance provider for Southwater Parish Council on a three year fixed contract effective from April 2019 to March 2022. Seconded by Councillor Watkins and **AGREED** unanimously.

FG148/01/19 SOUTHWATER PARISH COUNCIL DRAFT BUDGET FOR YEAR 2019/2020

A corrected up to date version (16/01/19) of the detailed Income and Expenditure by projected budget heading was tabled at the meeting.

The Chairman read out the following statement:-

The production of the 2019/2020 was a challenge for Southwater Parish Council. The current budget amount is £632,964, to be discussed at this meeting.

The current position for the budget proposal, the Parish Council's element of Horsham District Council Tax, which is the precept to be increased from £117.00 for a Band D property in 2018/19 to £141.15 for 2019 /2020. This amounts to a 20.64% increase.

The current financial year has seen unexpected expenditure and income which had not materialised. The list below although not exhaustive shows the major items, there are other smaller positive and negative figures which have all contributed to a strain on the current year's finances. He stressed that it was important to note, the figures below were not the actual year end figures but predicted figures.

The net result of the above means that the current years finances will be expected to considerably exceed the set budget for 2018/2019.

During a recent internal audit, the auditor did agree with the figures predicted at that time for end of year. The auditor did state that SPC needed to put money aside in future budgets to recover the general funds to an acceptable level. The auditor had also stated with the expected year-end financial position that it would not be possible for the Parish Council to borrow money, for future projects.

LARGE VARIANCES FOR 2018/19

Expenditure

War Memorial

Wooden Footbridge repairs

Easteds Barn Costs

LC Staff Salary Costs

Pension Costs PC

Pension Costs LC

Neighbourhood Warden Costs – *(Money accrued into next year)*

Parish Office Counter – *(Security)*

Neighbourhood Plan – *(Exceed forecast costs)*

Income

Easteds Barn income – *(Not received)*

Beeson House Small Office Income – *(Office not let to new tenant until Jan 2019, therefore not income received prior to this).*

Loss of one weeks income to LC – *(Due to H&S reasons to close the LC)*

Community Wardens income – *(did not materialise, to receive £30,000 in new financial year 2019/20).*

TOTAL figure from Projected Budget Report = £138,360.00

Significant Items for inclusion in 2019 2020 budget.

Neighbourhood plan £40,000

Increase in public open space expenditure to £50,000

Consultancy costs £25,000

General reserves recovery £60,000

The Chairman outlined the proposed changes to the budget

Much discussion took place and the following changes were agreed.

Below are the budget changes

Code 101 4002 change pension figure from 42,680 to 40,500

Code 101 4130 change due insurance from 15,000 to 10,000

Code 105 1880 change MUGA from 8,000 to 7,000.

In the Budget Notes to change as follows

101 4130 new contract

105 4002 Figure based on calculation methodology based on % from last year.

105 4175 Remove from notes reference to boiler.

901 1914 Delete note

901 4904 delete note

901 4910 delete note

901 4923 delete note

During discussion Councillor Watkins highlighted the amount that Southwater Parish Council were paying for the Youth project with Councillor Flores Moore stating that Southwater Parish Council were contributing much more than other contributors to this. Councillor Neale stated that there was a spreadsheet to be circulated to all Councillors. The overall total that Southwater Parish Council contributed to this project was £39,599.

It was felt that it would benefit the community to see a monthly report on what the youth project had been doing for that month to enable them to see where and on what the money was being spent.

The meeting was adjourned at this point and Standing Orders stood down to allow a member of the public, Mr Colin Young, to speak.

Mr Young queried the projected incomes for the Leisure Centre for the next financial year, he felt that they were unrealistic and queried why the Parish Council had put in these figures, given the realistic results/losses from this financial year.

The Chairman reported that Hall Hire costs were to be increased by 5% for all Hall Hires and 3% for Gym fees.

Councillor Watkins replied to Mr Young that the Parish Council could only project figures based on what the current situation was in regards to the running of the Leisure Centre and that he was hoping by the new financial year, the situation may change considerably. He stated that the Council were aware that the losses could not be sustained year on year and that changes were required. The final figures still needed to be worked on and a policy put in place to deal with the losses and the public would see this in due course.

Further discussion took place on seasonal variables of income at the Leisure Centre.

The Chairman stated that It was noted that the majority of the loss was due to the losses currently incurred at the Leisure Centre, if that was removed from the figures, the overall proposed precept percentage increase would have been far less at approximately 4%.

Mr Young asked that the Council engage with the public as much as possible on future changes.

The meeting was reconvened and Standing Orders reinstated.

Action

Clerk to inform accounts personnel to make the above revised changes and distribute to all Councillors.

Clerk to distribute youth project spreadsheet and ensure an updated youth report is published monthly on the Parish Council website.

Due to the revised figures above and the further discussion that had taken place, recommendation for approval to be deferred to the Full Parish Council meeting to be held on Wednesday 30th January.

FG149/01/19 NEIGHBOURHOOD PLAN

Councillor Watkins gave an update on the Neighbourhood Plan. Regulation 14 will be brought before full Council in February, this will not change the end period of the Neighbourhood Plan. An officer from HDC will be coming to Southwater to speak to Councillor Watkins in regards to green space and update will be given. There had been an increase in the budget due to various additional government compliance requirements and legal challenges, this figure had been accounted for with an approximate figure placed depending on further government requirements. Cllr Watkins stated that the ultimate benefit to the Parish to have a Neighbourhood Plan in place outweighed the additional cost incurred. The Steering Group had given considerable time and effort to ensure that it continues on course. He thanked the Vice Chairman for standing in on several previous meetings.

FG150/01/19 BOWLS CLUB NEW FLAGPOLE

The Chairman stated that a diagram had been circulated in the Members packs and permission was sought from the Bowls Club based at the Leisure Centre to reposition the flag pole as demonstrated in the diagram at their cost.

Recommendation

Councillor Neale proposed approval of the new position as described, seconded by Councillor Watkins and **AGREED** unanimously.

Action

Clerk to inform the Bowls Club.

FG151/01/19 OPERATIONAL MATTERS

The Operations Report had been distributed with the Agenda. The Chairman stated that the report covered all operational aspects of the Council's estates/assets, including expenditure taken under delegated powers, health & safety and proposed future expenditure authorisation.

The Operations Manager whom was Clerking the meeting highlighted the item to consider in regards to CCTV Croma Vision in the foyer of Beeson House. She reiterated the options on the report and explained the history behind this.

A discussion took place. Councillor Watkins stated that it was approved with the partition by the Council after advice from SALC for the need to have a protection break area in there. It was delayed for reasons unknown. If Councillors are proposing that this work is now not required and carried out, it would be prudent to contact SALC first and find out what their view is on this. It was not in the budget after approval last year under H&S due to circumstances at the time of threats from the public to the staff.

To be deferred to the February F&GP meeting.

A discussion took place on the pipework in the loft area of the Leisure Centre, work for this had not yet commenced.

The Operations Manager detailed the fact that Accordial were chosen as the contractor for the repairs to the bi-fold doors, this was because they were able to offer the best price and service for this work. It was felt that they would be approached to replace Style in regards to the servicing of the bi-fold doors going forward.

Councillor Flores Moore thanked Councillor Watkins on behalf of all the Council for his continued repairs to the existing Skate-Park.

Action

Operations Manager to contact SALC for their further advice and to contact New Haze in regards to commencement of the replacement corroded pipework in the loft. Operations Manager to contact Accordial to enquire with regards to servicing prices for the bi-fold doors.

Recommendation

Councillor Neale recommended to accept the recommendations of the report with the exception of the deferred item above but including all noted updates, seconded by Councillor Whitear and **AGREED** unanimously.

FG152/01/19 EASTEDS BARN

The Chairman gave an update on the proposal in relation to Easteds Barn and the lease of the property to Little Barn Owls. A tenancy at will is currently being prepared by the Solicitors dealing with the new lease whilst working on completion and agreement between both parties on the full contract lease. The new tenant will be meeting with the architects and builders with a projected start date to be within the next week or so providing the tenancy at will is agreed.

FG153/01/19 ROMAN LANE, SOUTHWATER

There was no further update at this time.

Action

Councillor Vickers to chase with Horsham District Council on any progress and report back at the next meeting.

FG154/01/19 POLICING MATTERS

The Chairman reported that due to the Christmas event, there had been some interest in and some new Neighbourhood Watch Schemes being set up.

**Due to the confidential nature of the next item, the Chairman stated that he would exclude members of the press and public in order that the Committee could discuss matters of a confidential nature in relation to the Council's staff, the item was taken in confidential session and minuted accordingly.*

The meeting closed at at 9.12pm.

DATE OF NEXT F&GP MEETING – Wednesday, 20th February 2019

