



FAIR OAK & HORTON HEATH PARISH COUNCIL

2 Knowle Park Lane, Fair Oak, Eastleigh, SO50 7GL

(023) 8069 2403 enquiries@fair-oak-pc.gov.uk

www.fairoak-pc.gov.uk [@fairoakandhortonheathparishcouncil](https://www.facebook.com/fairoakandhortonheathparishcouncil)

SUMMONS

Dear Member

7 July 2021

You are hereby summoned to attend a meeting of the FINANCE COMMITTEE held on **Tuesday, 13 July 2021 at 10.00 a.m at the Parish Office, 2 Knowle Park Lane, Fair Oak.**

Please note: a recording of the meeting can be seen on the Council's [Youtube page](#).

Melanie Stephens

Melanie Stephens, Parish Clerk

PUBLIC PARTICIPATION: This meeting is open to members of the public. If you wish to speak at the meeting, you should submit a request by email to clerk@fairoak-pc.gov.uk by 4pm on Monday 12 July.

AGENDA

PART I - PUBLIC SESSION

APOLOGIES

1 MINUTES (PAPER A, PAGES 3-5)

To note the minutes of the meeting held on 9 March 2021.

2 DECLARATIONS OF INTEREST

To receive declarations of interest and dispensation requests.

3 QUARTERLY FINANCIAL MONITORING REPORT (REPORT B, PAGES 6-16)

To approve the report of the Finance Officer.

4 FINANCE RISK ASSESSMENT (REPORT C, PAGES 17-23)

To approve the Council's Finance Risk Assessment.

5 WORK PROGRAMME (REPORT D, PAGE 24)

To consider the Committee's work programme and make changes as necessary.

6 EXCLUSION OF THE PUBLIC AND THE PRESS

At the conclusion of this part of the Agenda, the Chairman will move the following resolution: -

"That, under Section 1(2) of the Public Bodies Admissions to Meetings Act 1960, the public and the Press be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information which would be prejudicial to the public interest by reason of its confidential nature (staffing matters)"

PART II – PRIVATE SESSION

Members are reminded that reports and information relating to this session are not for publication and should be treated as strictly confidential.

7 STAFFING MATTERS (VERBAL UPDATE)

To consider staffing matters.

Vacancy
Cllr H Douglas (Chairman)
Cllr N Couldrey
Cllr M Marsh

Cllr H McGuinness
Cllr P Spearey
Cllr B Tennent
Cllr T Higby

Mrs J Cahill (RFO)
Ms M Stephens (Clerk)



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Minutes of the FINANCE COMMITTEE “virtual” meeting held on Tuesday 9 March 2021 at 09.00am

P – present, Pt – part of the meeting, Ab – absent, Ap – apologies.

Ab	Cllr Barrett	P	Cllr Marsh
P	Cllr Couldrey	Ab	Cllr McGuinness
P	Cllr Douglas (Chairman)	P	Cllr Spearey
P	Cllr Higby (Vice Chairman)	Ap	Cllr Tennent

Officers in attendance: Ms M Stephens, Clerk & Mrs J Cahill, Responsible Finance Officer

PUBLIC SESSION

No members of the public were present.

56 MINUTES OF MEETINGS (PAPER A)

RESOLVED:

That the minutes of the meeting held on 12 January 2021 be noted.

57 DECLARATIONS OF INTEREST

No declarations of interest were raised.

58 FINANCE MONITORING REPORT (REPORT B)

The Committee considered the Parish Council’s performance against its financial targets for the financial year 2020/21.

The COVID 19 pandemic, as with all local authorities has had a significant impact on the Council’s finances most notably its income. Income for the financial year 2020/21 to the end of February was £556,311. This was £75,000 more than 2019/20. However the Council had received £70,000 in income from Eastleigh Borough Council for the Crowdhill play area, and £24,000 for the Covid support grant.

Total budgeted income for the year was £525,169.

Total income for halls at the end of February was £57,000 behind Full year Budget. The Council has remained optimistic that hall income will increase in the 2021/22 financial year.

The expenditure for the full operating year to end of February 2020/21 was £428,454. This showed an underspend of £96,715 with a full year budget of £525,169. This spend represented 81% of the full year budget spend.

Despite a difficult year with the impact of COVID – the Council was confident that it would comfortably fall within budget for the 2020/21 financial year.

RESOLVED:

That latest budget position as at 28 February 2021 be noted.

59 ALLOCATION OF CAPITAL RESERVES 2021/22 (REPORT C)

The Committee considered the allocation of capital reserves for 2020/21.

RESOLVED:

That the current reserves for identified projects be noted.

60 INVESTMENT STRATEGY 2021/22 (REPORT D)

The Committee reviewed the Council's Investment Strategy. Members noted that there were no significant changes from the previous year, other than updated budgetary positions.

RESOLVED:

That the Investment Strategy attached at Appendix 1 to Report D be approved.

61 INTERNAL AUDIT ACTION PLAN (REPORT E)

The Committee considered the progress made against the Internal Audit Action Plan.

Officer advised members that all issues highlighted by the Internal Auditor had been addressed. The issues highlighted were minor matters only.

RESOLVED:

That the progress made against the Internal Audit Action Plan be noted.

62 WORK PROGRAMME (REPORT F)

RESOLVED:

That the work programme be agreed.

63 EXCLUSION OF THE PUBLIC AND THE PRESS

RESOLVED:

That under Section 1(2) of the Public Bodies Admissions to Meetings Act 1960, the public and the Press be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information which would be prejudicial to the public interest by reason of its confidential nature (staffing matter).

64 STAFF APPRAISALS

As requested at the previous meeting, the Clerk had circulated benchmarking and budget scenarios for consideration.

Members discussed whether staff should receive a salary rise.

Following discussion, it was:

RESOLVED:

- a) That the successful completion of the staff appraisal process be noted; and
- b) That all employees be thanked for their hard work and flexibility during the pandemic.

65 STAFFING MATTERS

The Clerk gave a verbal update on the current staffing levels.

RESOLVED:

That the current staffing levels be noted.

Signed..... Chairman

Accessibility - should you need to view these minutes in an alternative format please contact: enquires@fairoak-pc.gov.uk

FINANCE COMMITTEE – 13 JULY 2021

FINANCIAL MONITORING REPORT – QUARTER 4 FINANCIAL COMMENTARY FOR THE PERIOD 01 APRIL 2021 TO 30 JUNE 2021

1. INTRODUCTION

- 1.1 This is a monitoring report on the current position relating to the 2021/22 budget approved by the Council on 18 January 2021.

2. BACKGROUND

- 2.1 It is important that the Council manages its finances prudently. The Council undertakes a continuous review of its finances with monthly reports from the Responsible Finance Officer on highlighting the current bank balances and BAC transfers. In addition, quarterly budget monitoring reports form an important part of the review process and supports the ongoing development of the budget planning for the forthcoming financial year.

3. BUDGET 2021/22

- 3.1 A budget of **£524,019** for 2021/22 was agreed by Council in January 2021. The full budget is attached at Appendix 1.
- 3.2 This report identifies some major budget variations. Table 1 provides an overview of the variations and details of the material variations are provided in paragraph 3.3

Table 1	Para.	Budget	Year to Date	Variance
		£'000	£'000	£'000
Original Budget April 2021/22				
Repairs – Woodlands	3.3	1000	3213	-2213

- 3.3 The Council have only had 3 months of spend so far. All codes are within budget – with the exemption of repairs at the Woodlands community Centre. This can be attributed to the new replacement fire door. The Council have been in receipt of the insurance money for this. This receipt was coded to 'other income'.

4. TOTALS

- 4.1 Totals as at 30 June 2021 (period 3) are: -

Total Income: - £410,922

Total Expenditure: - £139,231

5. EAR MARKET RESERVES

- 5.1 The below table shows the current position with regard to the Council's Ear Marked Reserves.

Account	Balance
Knowle Park	6 3,212
Tennis Project	4,035

Parish Office & Compound	16,678
Lapstone Farm	88,265
Horton Heath	5,166
Community Orchard	16.67
Election Expenses	6,000
New Century Park	41,306
Knowle Park Allotments	4,500
Village Name Plates	8,000
Hall Maintenance	4,000
HHCC Flooring	40,250
Onsite Main KP	6,750
Woodland Play area	186,130
Pembers Hill play area	69,859
Total	484,257

6. GENERAL RESERVES

- 6.1 As part of the last internal audit, the Auditor stated that the general reserve of the council is now significantly above the level in the guidance. The reserves should be no more than 3 months of revenue expenditure (approximately £125,000) Councils do not have the power to hold savings. Precepted funds should be used in a timely manner for the benefit of residents.
- 6.2 The general reserves are currently £351,000. The Council should therefore look to spend £226,000 of its reserve funds. Members may wish to consider inviting to Clerk to undertake draft an options appraisal report examining the investment into a splashpad at New Century Park (as per results of the community engagement survey).

7. ACCOUNT BALANCES

- 7.1 The current balances for all 3 of the Council's accounts as at 30 June 2021 are as follows: -
- Current Account - £337,752
 - Premier Account - £337,580
 - Public Sector Account - £308,670

8. RECOMMENDATION

- 8.1 It is recommended that Committee notes the latest budget position as at 30 June 2021 set out in Appendix 1 to this report.

For further information:

Melanie Stephens, Parish Clerk
clerk@fairoak-pc.gov.uk

Joanna Cahill, Responsible Finance Officer
finance@fairoak-pc.gov.uk

Background papers:

None.

Detailed Income & Expenditure by Budget Heading 01/07/2021

Month No: 3

Cost Centre Report

		Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
100	Income								
1076	Precept	419,172	216,209	432,417	216,208			50.0%	
1090	Interest Received	767	42	2,000	1,958			2.1%	
1100	Grants	4,957	0	0	0			0.0%	
1300	Football Income	1,286	0	4,000	4,000			0.0%	
1310	Cricket Income	1,100	0	2,500	2,500			0.0%	
1900	Other Income	98,530	193,056	1,000	(192,056)			19305.6	189,620
	Income :- Income	525,812	409,306	441,917	32,611			92.6%	189,620
	Net Income	525,812	409,306	441,917	32,611				
6001	less Transfer to EMR	70,452	189,620						
	Movement to/(from) Gen Reserve	455,360	219,686						
110	Administration								
4000	Salaries	212,319	53,575	258,778	205,203		205,203	20.7%	
4010	Employer's Pension	36,589	9,576	39,504	29,928		29,928	24.2%	
4030	Sickness/Holiday Cover	512	524	3,500	2,976		2,976	15.0%	
4055	Insurance	9,285	2,040	9,000	6,960		6,960	22.7%	
4060	Audit	2,150	0	2,200	2,200		2,200	0.0%	
4070	Legal & Professional Fees	12,944	3,276	6,500	3,224		3,224	50.4%	
4075	Postage	78	3	100	97		97	2.7%	
4080	Stationery	518	23	500	477		477	4.5%	
4085	Printer Consumables	498	119	750	631		631	15.8%	
4090	Admin Maintenance	2,140	214	2,000	1,786		1,786	10.7%	
4095	Bank Charges	1	0	30	30		30	0.0%	
4100	Chairman's Allowance	68	146	400	254		254	36.4%	
4105	Conference/Training/Staffing	2,876	885	2,500	1,615		1,615	35.4%	
4110	Clothing	407	344	600	256		256	57.3%	
4120	Telephone & Broadband	2,705	778	2,000	1,222		1,222	38.9%	
4125	Mobile Phone	338	204	800	596		596	25.5%	
4132	Subscriptions	2,479	273	700	427		427	38.9%	
4133	Software and support	3,980	650	3,000	2,350		2,350	21.7%	
4134	Members IT	4,725	4,059	4,500	441		441	90.2%	
4135	Marketing	2,582	66	0	(66)		(66)	0.0%	
4140	Card Payments	736	60	550	490		490	10.9%	
4990	Sundry Expenses	958	211	700	489		489	30.2%	
	Administration :- Indirect Expenditure	298,887	77,023	338,612	261,589	0	261,589	22.7%	0
	Net Expenditure	(298,887)	(77,023)	(338,612)	(261,589)				

Detailed Income & Expenditure by Budget Heading 01/07/2021

Month No: 3

Cost Centre Report

		Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
150	Parish Office								
1200	Hiring Fees	1,525	0	7,000	7,000			0.0%	
	Parish Office :- Income	1,525	0	7,000	7,000			0.0%	0
4055	Insurance	0	108	0	(108)		(108)	0.0%	
4395	Business Rates	15,220	15,220	16,000	781		781	95.1%	
4400	Gas	828	149	700	551		551	21.3%	
4405	Electricity	518	344	800	456		456	43.0%	
4410	Water	704	226	350	124		124	64.5%	
4415	Repairs	631	641	500	(141)		(141)	128.2%	
4420	CCTV Maintenance	(77)	0	100	100		100	0.0%	
4425	Health & Safety	2,551	589	2,500	1,911		1,911	23.6%	
4435	Cleaning	994	572	500	(72)		(72)	114.4%	
4440	Contract cleaning	13	0	0	0		0	0.0%	
4450	Equipment - Internal	946	441	500	59		59	88.3%	
4680	General Bin Emptying	1,266	352	1,000	648		648	35.2%	
	Parish Office :- Indirect Expenditure	23,594	18,642	22,950	4,308	0	4,308	81.2%	0
	Net Income over Expenditure	(22,069)	(18,642)	(15,950)	2,692				
210	Machinery and Van								
4300	Machinery - General Repairs	2,893	0	2,000	2,000		2,000	0.0%	
4305	Fuel	2,997	976	5,000	4,024		4,024	19.5%	
4310	Road Tax	530	550	550	0		0	100.0%	
4315	Maintenance - Vans	1,146	0	2,500	2,500		2,500	0.0%	
4320	Vehicle Insurance	1,196	0	1,200	1,200		1,200	0.0%	
	Machinery and Van :- Indirect Expenditure	8,761	1,526	11,250	9,724	0	9,724	13.6%	0
	Net Expenditure	(8,761)	(1,526)	(11,250)	(9,724)				
230	Crowdhill Community Building								
1200	Hiring Fees	14,669	0	35,000	35,000			0.0%	
	Crowdhill Community Building :- Income	14,669	0	35,000	35,000			0.0%	0
4120	Telephone & Broadband	1,053	127	1,000	873		873	12.7%	
4395	Business Rates	7,360	0	7,500	7,500		7,500	0.0%	
4400	Gas	510	464	1,000	536		536	46.4%	
4405	Electricity	2,086	0	2,500	2,500		2,500	0.0%	
4410	Water	454	62	400	338		338	15.4%	
4415	Repairs	585	3,213	1,000	(2,213)		(2,213)	321.3%	
4420	CCTV Maintenance	0	0	100	100		100	0.0%	
4425	Health & Safety	2,312	646	3,305	2,659		2,659	19.5%	

Detailed Income & Expenditure by Budget Heading 01/07/2021

Month No: 3

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
4435 Cleaning	666	0	500	500		500	0.0%	
4450 Equipment - Internal	939	0	800	800		800	0.0%	
4455 Equipment - External	5,867	0	1,000	1,000		1,000	0.0%	
4680 General Bin Emptying	655	257	900	643		643	28.5%	
4990 Sundry Expenses	59	0	100	100		100	0.0%	
Crowdhill Community Building :- Indirect Expenditure	22,545	4,768	20,105	15,337	0	15,337	23.7%	0
Net Income over Expenditure	(7,875)	(4,768)	14,895	19,663				
6001 less Transfer to EMR	1,306	0						
Movement to/(from) Gen Reserve	(9,181)	(4,768)						
<u>240 Pavilion</u>								
1200 Hiring Fees	0	0	100	100			0.0%	
Pavilion :- Income	0	0	100	100			0.0%	0
4120 Telephone & Broadband	632	263	700	437		437	37.5%	
4400 Gas	592	225	500	275		275	44.9%	
4405 Electricity	530	133	500	367		367	26.5%	
4410 Water	0	0	200	200		200	0.0%	
4415 Repairs	2,750	0	2,000	2,000		2,000	0.0%	
4420 CCTV Maintenance	70	7,700	17,500	9,800		9,800	44.0%	
4425 Health & Safety	3,412	725	2,500	1,775		1,775	29.0%	
4435 Cleaning	0	0	100	100		100	0.0%	
4680 General Bin Emptying	465	223	600	377		377	37.1%	
Pavilion :- Indirect Expenditure	8,450	9,267	24,600	15,333	0	15,333	37.7%	0
Net Income over Expenditure	(8,450)	(9,267)	(24,500)	(15,233)				
<u>250 HHCC</u>								
1200 Hiring Fees	6,374	0	26,002	26,002			0.0%	
HHCC :- Income	6,374	0	26,002	26,002			0.0%	0
4120 Telephone & Broadband	783	186	700	514		514	26.6%	
4395 Business Rates	2,645	2,645	3,000	355		355	88.2%	
4400 Gas	2,190	247	1,000	753		753	24.7%	
4405 Electricity	(2,099)	832	1,000	168		168	83.2%	
4410 Water	605	143	400	257		257	35.8%	
4415 Repairs	320	0	500	500		500	0.0%	
4420 CCTV Maintenance	100	0	100	100		100	0.0%	
4425 Health & Safety	976	135	3,282	3,147		3,147	4.1%	
4435 Cleaning	75	25	100	75		75	25.0%	

Detailed Income & Expenditure by Budget Heading 01/07/2021

Month No: 3

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
4450 Equipment - Internal	23	0	50	50		50	0.0%	
4595 General Maintenance	0	0	500	500		500	0.0%	
4680 General Bin Emptying	787	274	1,000	726		726	27.4%	
4990 Sundry Expenses	0	59	0	(59)		(59)	0.0%	
HHCC :- Indirect Expenditure	6,405	4,546	11,632	7,086	0	7,086	39.1%	0
Net Income over Expenditure	(31)	(4,546)	14,370	18,916				
<u>280 Other Properties</u>								
4480 Bus Shelters	300	0	100	100		100	0.0%	
4485 Memorial	0	0	50	50		50	0.0%	
4490 Memorial Clock	0	0	200	200		200	0.0%	
4505 Village Flowers	4,200	0	4,200	4,200		4,200	0.0%	
Other Properties :- Indirect Expenditure	4,500	0	4,550	4,550	0	4,550	0.0%	0
Net Expenditure	(4,500)	0	(4,550)	(4,550)				
6000 plus Transfer from EMR	2,000	0						
Movement to/(from) Gen Reserve	(2,500)	0						
<u>290 General Grounds Maintenance</u>								
4530 Equipment - Purchases	10,834	0	0	0		0	0.0%	
4535 Equipment - Maintenance	1,072	0	1,000	1,000		1,000	0.0%	
4540 Materials	1,799	1,109	2,000	891		891	55.5%	
General Grounds Maintenance :- Indirect Expenditure	13,705	1,109	3,000	1,891	0	1,891	37.0%	0
Net Expenditure	(13,705)	(1,109)	(3,000)	(1,891)				
<u>300 Lapstone Playing Fields</u>								
4575 Cricket (Winter)	508	0	800	800		800	0.0%	
4580 Football	0	0	500	500		500	0.0%	
4585 Tennis	0	0	200	200		200	0.0%	
4590 Pitch Maintenance	5,079	83	6,500	6,417		6,417	1.3%	
4595 General Maintenance	1,732	0	800	800		800	0.0%	
4600 Dog Bin Emptying	0	0	400	400		400	0.0%	
4680 General Bin Emptying	1,279	0	1,500	1,500		1,500	0.0%	
4700 Water Fountain	2,402	0	0	0		0	0.0%	
Lapstone Playing Fields :- Indirect Expenditure	11,000	83	10,700	10,617	0	10,617	0.8%	0
Net Expenditure	(11,000)	(83)	(10,700)	(10,617)				

Detailed Income & Expenditure by Budget Heading 01/07/2021

Month No: 3

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
310 Knowle Park								
4595 General Maintenance	3,446	228	7,000	6,772		6,772	3.3%	
4630 Fencing	1,128	0	2,000	2,000		2,000	0.0%	
4640 Water Supply -White Tree Close	0	0	100	100		100	0.0%	
4645 Seating/Bins	184	523	2,900	2,377		2,377	18.0%	
Knowle Park :- Indirect Expenditure	4,757	751	12,000	11,249	0	11,249	6.3%	0
Net Expenditure	(4,757)	(751)	(12,000)	(11,249)				
320 New Century Park								
4420 CCTV Maintenance	70	0	70	70		70	0.0%	
4595 General Maintenance	1,025	158	500	342		342	31.7%	
4680 General Bin Emptying	0	0	200	200		200	0.0%	
New Century Park :- Indirect Expenditure	1,095	158	770	612	0	612	20.6%	0
Net Expenditure	(1,095)	(158)	(770)	(612)				
330 Knowle Hill								
4595 General Maintenance	0	0	200	200		200	0.0%	
Knowle Hill :- Indirect Expenditure	0	0	200	200	0	200	0.0%	0
Net Expenditure	0	0	(200)	(200)				
360 Oak Walk								
4595 General Maintenance	0	0	100	100		100	0.0%	
Oak Walk :- Indirect Expenditure	0	0	100	100	0	100	0.0%	0
Net Expenditure	0	0	(100)	(100)				
370 Daisy Dip								
4595 General Maintenance	63	0	100	100		100	0.0%	
Daisy Dip :- Indirect Expenditure	63	0	100	100	0	100	0.0%	0
Net Expenditure	(63)	0	(100)	(100)				
380 Wyvern Meadow								
4595 General Maintenance	0	0	100	100		100	0.0%	
Wyvern Meadow :- Indirect Expenditure	0	0	100	100	0	100	0.0%	0
Net Expenditure	0	0	(100)	(100)				

Detailed Income & Expenditure by Budget Heading 01/07/2021

Month No: 3

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
400 Play Areas General								
4750 ROSPA Fees	0	0	600	600		600	0.0%	
Play Areas General :- Indirect Expenditure	0	0	600	600	0	600	0.0%	0
Net Expenditure	0	0	(600)	(600)				
410 New Century Park Play Area								
4595 General Maintenance	100	220	200	(20)		(20)	110.0%	
New Century Park Play Area :- Indirect Expenditure	100	220	200	(20)	0	(20)	110.0%	0
Net Expenditure	(100)	(220)	(200)	20				
420 Dean Road Play Area								
4595 General Maintenance	0	0	100	100		100	0.0%	
Dean Road Play Area :- Indirect Expenditure	0	0	100	100	0	100	0.0%	0
Net Expenditure	0	0	(100)	(100)				
430 Meadowsweet Way Play Area								
4595 General Maintenance	26,899	0	500	500		500	0.0%	
Meadowsweet Way Play Area :- Indirect Expenditure	26,899	0	500	500	0	500	0.0%	0
Net Expenditure	(26,899)	0	(500)	(500)				
440 Knowle Park Play Area								
4595 General Maintenance	611	0	800	800		800	0.0%	
4670 Signs & Bins	0	0	100	100		100	0.0%	
4770 Skatepark	170	1,330	1,500	170		170	88.6%	
Knowle Park Play Area :- Indirect Expenditure	781	1,330	2,400	1,070	0	1,070	55.4%	0
Net Expenditure	(781)	(1,330)	(2,400)	(1,070)				
450 Pembers Hill Church Yard								
4595 General Maintenance	0	0	500	500		500	0.0%	
Pembers Hill Church Yard :- Indirect Expenditure	0	0	500	500	0	500	0.0%	0
Net Expenditure	0	0	(500)	(500)				
460 Pembers Hill Drive								
4595 General Maintenance	0	461	1,500	1,039		1,039	30.8%	
Pembers Hill Drive :- Indirect Expenditure	0	461	1,500	1,039	0	1,039	30.8%	0
Net Expenditure	0	(461)	(1,500)	(1,039)				

Detailed Income & Expenditure by Budget Heading 01/07/2021

Month No: 3

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
<u>470 Upper Barne Copse</u>								
4595 General Maintenance	0	2,649	1,800	(849)		(849)	147.2%	
Upper Barne Copse :- Indirect Expenditure	<u>0</u>	<u>2,649</u>	<u>1,800</u>	<u>(849)</u>	<u>0</u>	<u>(849)</u>	<u>147.2%</u>	<u>0</u>
Net Expenditure	<u>0</u>	<u>(2,649)</u>	<u>(1,800)</u>	<u>849</u>				
<u>480 Crowdhill Drive</u>								
4595 General Maintenance	0	0	2,400	2,400		2,400	0.0%	
Crowdhill Drive :- Indirect Expenditure	<u>0</u>	<u>0</u>	<u>2,400</u>	<u>2,400</u>	<u>0</u>	<u>2,400</u>	<u>0.0%</u>	<u>0</u>
Net Expenditure	<u>0</u>	<u>0</u>	<u>(2,400)</u>	<u>(2,400)</u>				
<u>490 Fair Oak Library</u>								
4595 General Maintenance	0	0	7,000	7,000		7,000	0.0%	
Fair Oak Library :- Indirect Expenditure	<u>0</u>	<u>0</u>	<u>7,000</u>	<u>7,000</u>	<u>0</u>	<u>7,000</u>	<u>0.0%</u>	<u>0</u>
Net Expenditure	<u>0</u>	<u>0</u>	<u>(7,000)</u>	<u>(7,000)</u>				
<u>500 Allotments</u>								
1500 Allotment Income	2,924	(5)	3,000	3,005			(0.1%)	
Allotments :- Income	<u>2,924</u>	<u>(5)</u>	<u>3,000</u>	<u>3,005</u>			<u>(0.2%)</u>	<u>0</u>
4410 Water	67	0	50	50		50	0.0%	
4800 Allotments - Knowle Park	0	0	500	500		500	0.0%	
4805 Allotments - Campbell Way	0	0	50	50		50	0.0%	
4810 Allotments - Knowle Lane Ditch	0	0	1,000	1,000		1,000	0.0%	
4815 Allotments - Pest Control	304	0	400	400		400	0.0%	
4820 Allotments - Toilet	1,023	89	1,100	1,011		1,011	8.1%	
Allotments :- Indirect Expenditure	<u>1,394</u>	<u>89</u>	<u>3,100</u>	<u>3,011</u>	<u>0</u>	<u>3,011</u>	<u>2.9%</u>	<u>0</u>
Net Income over Expenditure	<u>1,531</u>	<u>(93)</u>	<u>(100)</u>	<u>(7)</u>				
<u>510 Cemetery</u>								
1520 Burials Income	4,782	3,801	5,000	1,200			76.0%	
1530 Memorials Income	1,653	983	2,000	1,017			49.1%	
1540 Cremation Income	2,816	624	4,000	3,377			15.6%	
Cemetery :- Income	<u>9,251</u>	<u>5,407</u>	<u>11,000</u>	<u>5,593</u>			<u>49.2%</u>	<u>0</u>
4410 Water	330	31	50	19		19	62.6%	
4595 General Maintenance	0	0	1,500	1,500		1,500	0.0%	
Cemetery :- Indirect Expenditure	<u>330</u>	<u>31</u>	<u>1,550</u>	<u>1,519</u>	<u>0</u>	<u>1,519</u>	<u>2.0%</u>	<u>0</u>
Net Income over Expenditure	<u>8,921</u>	<u>5,376</u>	<u>9,450</u>	<u>4,074</u>				

Detailed Income & Expenditure by Budget Heading 01/07/2021

Month No: 3

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
550 Trees								
4825 Tree survey	0	0	2,000	2,000		2,000	0.0%	
4830 Trees - Lapstone Playing Field	1,350	0	500	500		500	0.0%	
4831 Trees - Knowle Park	520	0	500	500		500	0.0%	
4832 Trees - New Century Park	300	0	500	500		500	0.0%	
4833 Trees - Knowle Hill	1,090	550	500	(50)		(50)	110.0%	
4834 Trees - Lapstone Farm	(1,392)	2,200	500	(1,700)		(1,700)	440.0%	
4835 Trees - Oak Walk	240	0	500	500		500	0.0%	
4836 Trees - Daisy Dip	360	380	500	120		120	76.0%	
4837 Trees - Wyvern Meadow	0	0	500	500		500	0.0%	
4838 Trees - Fair Oak Cemetery	240	2,500	500	(2,000)		(2,000)	500.0%	
4839 Trees-HHCC open space	0	0	500	500		500	0.0%	
Trees :- Indirect Expenditure	2,708	5,630	7,000	1,370	0	1,370	80.4%	0
Net Expenditure	(2,708)	(5,630)	(7,000)	(1,370)				
600 Other Expenses								
4850 Section 137 - Grants	3,850	0	4,000	4,000		4,000	0.0%	
4855 Section 137 - Street Pastors	700	0	700	700		700	0.0%	
4865 Election Expenses	0	0	1,000	1,000		1,000	0.0%	
4870 Youth Project	25,000	0	25,000	25,000		25,000	0.0%	
4875 Community Events Expenditure	8,842	1,335	4,000	2,665		2,665	33.4%	
Other Expenses :- Indirect Expenditure	38,392	1,335	34,700	33,365	0	33,365	3.8%	0
Net Expenditure	(38,392)	(1,335)	(34,700)	(33,365)				
900 Reserves Spend								
4881 Community Orchard	483	0	0	0		0	0.0%	
4991 Woodland Play Area	990	0	0	0		0	0.0%	
4992 Meadowsweet way Play Area	39,401	0	0	0		0	0.0%	
4994 New Office&Compund General	6,432	7,684	0	(7,684)		(7,684)	0.0%	7,684
4997 Horton Heath Community Centre	210	0	0	0		0	0.0%	
5001 Crowdhill	(23,517)	1,285	0	(1,285)		(1,285)	0.0%	
5002 Pembers Hill Play Area	0	3,093	0	(3,093)		(3,093)	0.0%	3,093
Reserves Spend :- Indirect Expenditure	24,000	12,062	0	(12,062)	0	(12,062)		10,777
Net Expenditure	(24,000)	(12,062)	0	12,062				
6000 plus Transfer from EMR	48,317	10,777						
Movement to/(from) Gen Reserve	24,317	(1,285)						

Detailed Income & Expenditure by Budget Heading 01/07/2021

Month No: 3

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
Grand Totals:- Income	560,555	414,709	524,019	109,310			79.1%	
Expenditure	498,363	141,681	524,019	382,338	0	382,338	27.0%	
Net Income over Expenditure	62,192	273,027	0	(273,027)				
plus Transfer from EMR	50,317	10,777						
less Transfer to EMR	71,757	189,620						
Movement to/(from) Gen Reserve	40,751	94,183						

FINANCE COMMITTEE – 13 JULY 2021**FINANCIAL RISK ASSESSMENT****1. PURPOSE**

- 1.1 To approve the Council's financial risk assessment.

2. FINANCIAL RISK ASSESSMENT

- 2.1 The Parish Council has adopted a Financial Risk Assessment (FRA) to manage any risk associated with its finances and legal obligations. The risk assessment identifies any potential risks and the control measures put in place to mitigate these. The Financial Risk Assessment set out in Appendix 1 to this report is reviewed annually.
- 2.2 No amendments have been made to the FRA since it was approved in July last year.

3. RECOMMENDATIONS

- 3.1 That the Financial Risk Assessment, as set out in Appendix 1 to this report be approved.

For further information contact:

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FAIR OAK AND HORTON HEATH PARISH COUNCIL FINANCIAL MANAGEMENT RISK ASSESSMENT

This document has been produced to enable the Parish Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimize them. In conducting this exercise, the following method was followed: -

1. Identify the areas to be reviewed;
2. Identify what the risk may be;
3. Ascertain the risk level;
4. Evaluate the management and control of the risk; and
5. Review, assess and revise the control measures if required.

(1) Activity	(2) Risk(s) identified	(3) Risk level H – High M - Medium L - Low	(4) Management/control of Risk	(5) Review/Assess/Revise
Section One (Insurance to Help Manage Risk)				
Business continuity	Risk of Council not being able to continue its business	L	Considered remote. But risk covered in the Council's approved emergency resilience and business continuity plan.	In light of Covid-19 review adopted plan every 9-12 months.
Property and contents owned by the Council	Loss or damage	H	Up to date register of assets – adequate insurance cover	Annual review of schedule of asset and insurance
Damage by third party or to individuals	Public liability	H	Regular maintenance of properties and adequate insurance cover	The Council has public liability insurance up to 10 million pounds.
Consequential loss of income or the need to provide essential services following critical damage, loss or non-performance by a third party	Public liability	H	Annual review of risk and adequacy of cover	The Council has public liability insurance up to 10 million pounds.
Loss of cash through theft or dishonesty	Fidelity Guarantee	L	The Council is insured for £800,000 Fidelity Cover	
Legal liability as a consequence of asset ownership	Public liability	H	Regular maintenance of properties and adequate insurance cover	The Council has public liability insurance up to 10 million pounds.

(1) Activity	(2) Risk(s) identified	(3) Risk level H – High M – Medium L - Low	(4) Management/control of Risk	(5) Review/Assess/Revise
Section Two (Working with others to help manage risk)				
Security for vulnerable buildings, amenities, and equipment		M	Where a high risk occurs, the Council has installed CCTV to protect from vandalism and theft.	Any repairs required are carried out as quickly as possible. Maintenance contracts have been awarded in respect of CCTV.
The provision of services being carried out under agency/partnership	Standing Orders and Financial Regulations deal with the award of contracts etc.	L	Standing Orders and Financial Regulations are reviewed every year or as and when required.	
Banking arrangements	Detect and deter fraud or corruption	L	Monthly bank reconciliations are completed. The RFO presents a Financial Statement monthly.	
Ad hoc provision of amenities/facilities for events to local community groups	Public liability	L	A copy of the groups public liability insurance is obtained and prior permission is sought from the Council	
Vehicle or equipment lease or hire		L	The Council has an account with a reputable hire company	
Trading units: – Playing fields Pavilion Cemetery Woodland Community Centre Horton Heath Community Centre	Works are completed in house – external contractors are rarely used	L	The RFO reviews the existing contracts annually.	

(1) Activity	(2) Risk(s) identified	(3) Risk level H – High M – Medium L – Low	(4) Management/control of Risk	(5) Review/Assess/Revise
Professional Services (solicitors, planning etc)	Standing Orders and Financial Regulations deal with the award of contracts etc.	L	Standing Orders and Financial Regulations are reviewed every year or as and when required.	
Section Three (Self-Managed Risk)				
Non-availability of RFO/Clerk	Ineffective administration of Council	L	Temporary cover possible via use of locum Clerk/RFO	Consider adequacy of reserve to cover locum cost for 6 months.
Salaries and associate costs	Salaries paid incorrectly/wrong hours/rate paid/wrong tax deductions/unpaid tax contributions	L	Salary slips produced & checked monthly by the RFO.	Existing payroll system adequate.
Proper financial records	In accordance with statutory requirements	L	Regular scrutiny of financial records and proper arrangements for the approval of expenditure.	Quarterly accounts submitted to Committee and Council. End of year budgets are scrutinised by the Council's internal and external auditors. Accounts easily accessible to the public for viewing.
Budget	Inadequate monitoring	L	Budget T&F group set budget in Oct & Nov, final budget agreed by Council in December. Financial reviews conducted on a quarterly basis. This now includes the impact of Covid-19 on budget.	Existing procedure of regular reporting and monitoring by Full Council is adequate.
Payments Approval	Inadequate checks	L	A monthly finance statement is reviewed and approved by Council. This includes bank reconciliation and a breakdown of receipts and payments. This ensures timely payments to	Existing procedure of regular reporting and monitoring by Full Council is adequate.

(1) Activity	(2) Risk(s) identified	(3) Risk level H – High M – Medium L – Low	(4) Management/control of Risk	(5) Review/Assess/Revise
			payees especially important as a result of covid-10 impact on people and businesses.	
Annual Returns	Return submitted late	L	Annual returns completed by the RFO every April. Annual return approved by full Council before submission.	Reviewed annually.
Business activities	Ensuring they are within the legal powers applicable to Local Councils	L	Recording in the minutes of the precise powers under which expenditure is being approved. Checks made by the Internal Auditor.	
Borrowing	Complying with restrictions	L	The Council has no borrowings or loans	
Employment Law and Inland Revenue regulations	Ensuring all requirements are met	L	The Council is a member of the South East Employers and has adopted the green book policy. The Council administers its own payroll internally managed by the RFO.	
VAT	Ensuring all requirements are met under Custom and Excise regulations and that VAT is recovered.	L	Regular returns of VAT are made quarterly. The Council is now VAT registered. VAT claims submitted quarterly as part of budget monitoring.	
Reserves & Precept	Inadequacy of existing funds and precept levy, preventing the Council from carrying out its statutory duties and services	L	Council expenditure is monitored by senior officers reporting to the Finance Committee and Full Council. The Council has a policy to maintain reserves, in its public sector fund account not less than half the annual precept amount.	Monitoring of the budget and review of forthcoming budget requirements is undertaken regularly by officers and the members.

(1) Activity	(2) Risk(s) identified	(3) Risk level H – High M – Medium L - Low	(4) Management/control of Risk	(5) Review/Assess/Revise
			The Council determines its precept amount required for the next year by examining previous year receipts and payments data, a forecast for the year and a draft budget for the forthcoming year reflecting ongoing costs, financial commitments, proposed changes to expenditure and corporate projects. Money is then allocated to certain cost centres (headings) by the RFO. Consideration is also given to any income sources. The level of precept amount is then agreed with Eastleigh Borough Council.	
Grants to local community bodies	Ensuring the proper use of funds granted under specific powers or under s.137 and that the allocation of funds is transparent	L	All requests and monitoring of grants are made to the Finance Committee quarterly.	
Council Minutes	Proper, timely and accurate reporting of council business in the minutes	L	Minutes properly numbered with a master copy kept in safekeeping – minutes are periodically sent to the Archive Office in Winchester.	
Rights of inspection	Responding to electors wishing to exercise their rights of inspection	L	Adoption of the revised Freedom of Information Act Dec 2008	
Consultation invitations	Meeting the laid	L	Procedures in place to deal with	

(1) Activity	(2) Risk(s) identified	(3) Risk level H – High M – Medium L – Low	(4) Management/control of Risk	(5) Review/Assess/Revise
	down timetables when responding to consultation		responses to consultation requests via relevant committee.	
Document control/electronic records	Proper systems in place safeguarding potential loss of vital documents	L	Documented procedures for document receipt, circulation, response, handling and filing. Computer records are stored in icloud. Accounts system held in icloud and back up every night.	
Website/social media	Inadequate or outdated information and lack of public engagement with use of website, email and facebook.	L	New website platform used and recently launched (July 19). Facebook & website regularly updated. Virus checks and website security updates are in place.	Virus software purchased on an annual basis.
GDPR	Ensure that the Council meets its statutory obligations	M	Necessary corporate documents relating to Data Protect and privacy are adopted and reviewed annually. Council undertakes data audits annually and seeks consent from individuals where data is retained.	GDPR compliance reviewed on an ongoing basis by senior officers.
Section four (Councillors Propriety)				
Register of Members' Interests and Gifts and Hospitality	In place, complete and up to date	L	Adoption of new code of conduct approved in September 2012. Procedures in place for recording and monitoring Members' interests etc.	
Member Interests	Conflict of interest Register of Members' Interests	M L	Councillors have a legal duty to declare any interest at the start of meetings. Register of Members of Interest form to be reviewed at least on an annual basis.	Existing procedures adequate. Members to take responsibility to inform the Clerk to any updates to their interest form/register.

FINANCE COMMITTEE – WORK PROGRAMME (2021/2022)

ITEM	OBJECTIVE	METHOD	LEAD OFFICER
13 JULY 2021			
Finance Monitoring Report	To review the quarterly accounts.	Report	Joanne Cahill
Financial Risk Assessment	To review the Financial Risk Assessment	Report	Mel Stephens
Finance Regulations	To review the regulations	Report	Mel Stephens/Joanne Cahill
Review of VAT	To review VAT	Report	Joanne Cahill
NB BUDGET TASK & FINISH GROUP MEETS ON 25 OCTOBER & 22 NOVEMBER 2021			
14 DECEMBER 2021			
Budget 2022/23	To review the draft budget prior to being submitted for final approval by Full Council	Report	Mel Stephens/Joanne Cahill
Grant Applications	To review applications received during the application deadline.	Report	Mel Stephens
Community Investment Programme (CIP)	To review the CIP list.	Report	Mel Stephens
8 MARCH 2022			
Finance Monitoring Report	To receive an update from the RFO including EOY progress.	Report	Mel Stephens/Joanne Cahill
Allocation of Capital Reserves	To agree allocation of capital reserves.	Report	Mel Stephens
Staff Appraisals	To consider any issues arising from the appraisal process	Confidential Report	Mel Stephens
Investment Strategy	To review the Strategy	Report	Mel Stephens/Joanne Cahill
Audit Action Plan	To review the Audit Action Plan	Report	Joanne Cahill