



Long Stratton Town Council

Manor Road, Long Stratton, Norwich, NR15 2XR

Chairman: Mr Kevin Worsley. Clerk: Mrs B Buck

Tel: 01508 530524 Email: clerk@longstrattoncouncil.info

Website: www.longstrattoncouncil.info

Minutes of the Finance and Policy Management meeting held 25 April 2022 @ 7pm in the Pavilion, Manor Road

In attendance: Councillors, Susan Smith, Kelly Lunness, Matt Pochin and Tony Wright
Becky Buck (Clerk and RFO)

1. To consider apologies for absence

Councillor Kenna gave apologies due to prior commitments, these were noted by the Council.

2. To receive disclosures of interest and dispensations

There were no disclosures of interest or dispensation.

3. To confirm the minutes of the previous Finance and Policy Management Committee meeting held on the 28 March 2022

The minutes of the meeting held 28 March were approved by the committee and signed by the Chairman as a true record.

4. To discuss and decide on the electricity supplies to the MUGA

(Note meeting arranged with LSFC on May 16th at 7pm)

The electricity cost for the floodlights on the MUGA were discussed, the clerk confirmed that the lights have now been changed to LED's which will reduce the cost and is better for the environment. As a result of the latest change, it was too early to ascertain how this will impact the cost of the floodlights and therefore the committee asked if this can be discussed at the next committee meeting. As the last invoice was much larger than anticipated and under dispute, the committee instructed the Clerk to cancel the direct debit until it had been resolved.

5. To note the internal auditor report from 22nd April 2022

The internal audit report was discussed at length, the clerk took the committee through the recommendations and discussed what actions needed to be taken to rectify the matters. This is as follows.

Recommendation 1: The Asset and Investment Policy should provide guidance on the Council's approach to the Financial Services Compensation Scheme and the Scheme's application to the Town Council. The Policy should include guidance on spreading financial risks and securing maximum protection for the Council under the Financial Services Compensation Scheme.

The clerk advised that the Financial Services Compensation Scheme covers bank accounts up to £85,000 which currently the Council is in excess of. The council has already taken some steps to mitigate this with opening an account with CCLA.

Recommendation 2: Whilst the Council maintains sufficient overall reserves to meet, within reason, any unforeseen items of expense that may occur, the amount of General Reserves require

Signed by the Chairman.....Date.....



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review during 2022/23 in order to ensure that amounts held are more in line with the JPAG Proper Practices Guide.

The Clerk advised that currently the General Reserves amount stands at £23,254 and as a minimum to comply with JPAG Proper Practices Guide it should stand at £53,755.

Recommendation 3: The Council should each year comply with the Accounts and Audit Regulations 2015 which require a review by the Full Council at least once each financial year of the effectiveness of the Council's system of internal control, including the arrangements for management of risk, with the review suitably entered into the Minutes of the Council meeting.

The Clerk advised that the Internal Control Policy had not been reviewed in this financial year. The Clerk advised that it will on May's Full Council agenda for review.

Recommendation 4: The arrangements in place for the independent examination by the Councillor Internal Control Scrutineer should include a check list from which the Scrutineer can undertake a review of the system of internal controls, complete all necessary checks and sign a report in confirmation that the review has been undertaken.

The Clerk advised the committee that Councillor Mackenzie is the Council's internal scrutineer and that he had met with the internal auditor on 22nd April 22 and the first scrutineer check will take place on Friday 29th April at 10am.

Recommendation 5: The Council should re-examine the movement of assets in the year to confirm that the correct value of Assets as at 31 March 2022 is placed in Box 9 of the AGAR (Annual Return) for 2021/22.

The Clerk advised that at the time of the internal audit there was a discrepancy of £3235 between movements within the Council's assets during the financial year. Since the audit the Clerk had rescrutinised the discrepancy and accounted for the amount and evidenced this to the committee.

6. To review all year end documentation for 2021-22.

The committee reviewed the following year end documentation.

- Income and Expenditure against budget report. The committee went through the report in detail and examined the budget codes where expenditure had exceeded the budget allowance, this was supported in the meeting by the nominal ledger that detailed all the payments. The committee was satisfied with the expenditure. The overall figures for the year showed that the Council's expenditure for the year was £232,292 and the Council's income was £252,306 this includes movements from EMR of £15,502 and to EMR of £39,600.
- Annual Governance and Accounting Report (AGAR) was discussed, page 3 which details the internal auditor report 2 statements the Internal Auditor did not feel the Council had comply with, the 1st, that the Council had satisfactory internal control in place. This was due to the Internal Control Policy not having been reviewed, the Clerk advised that this

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has now been done and will be reviewed at the next full council meeting in May. The 2nd was that the Council had not complied with the transparency code which states that all payments over £500 need to be displayed on the website. The Clerk confirmed to the committee that this information had been collated and is now on the website.

- The committee reviewed supporting documentation for the AGAR such as Explanation of Variances between 2020-21 & 2021-22. The document requires any variance of over 15% to be explained. The clerk was pleased to confirm that there end of year figures required no explanation as they were comparable to 2020-21. The committee also reviewed end of year income and expenditure reconciliation and cash and investment reconciliation which supported the figures on the AGAR.

7. To discuss and decide on any recommendations to Council following the year end documentation review and internal auditor report.

The following recommendations were made:

- The asset and investment policy to be amended to incorporate a risk assessment of the Council's bank accounts and view to having accounts in excess of £85,000
- To move EMR into general reserves, option 1, to be taken from Town Improvement Fund, option 2 to have a combination taken from Town Improvement Fund reserves and MUGA improvement reserves.

The Committee discussed the Council's financial year 2021-22 and recognised that it had been a difficult year but there were ways for the Council's finances could be more efficient to prevent discrepancies and errors being made in 2022-23. The Committee recognised this was largely down to resource issues within the Council office which was supported by previous internal audit reports and the commissioned resource review undertaken during 2021-22. With the additional admin officer recruited in February 2021, the Committee stated that the Council's finances should operate more efficiently in the upcoming financial year.

With there being no further business; the Chairman closed the meeting at 21:25