

## HERSTMONCEUX PARISH COUNCIL

### Agenda Item: Committee Reports – F&GP

**Minutes** of the Meeting of the Finance and General Purposes Committee held on **Wednesday 02 December 2015** at Herstmonceux Village Hall, Hailsham Road, Herstmonceux.

Present: Councillors: Mrs J. Angear (Chairman), Mrs H. Kenward, S. Nash, I. Stewart.

S. Goacher, RFO, attended and took the Minutes.

Members of the Public: None.

**FGP.1.12.15 Apologies Received:** Councillors M. Bradshaw and M. Goodsell.

**FGP.2.12.15 Declaration of Interests:** Councillors Mrs J. Angear and I. Stewart: Herstmonceux Village Hall.

**FGP.3.12.15 Dispensation Requests:** None

**FGP.4.12.15 Current Year Expenditure:** The RFO explained that this would be a standard item on all F&GP Agenda in future and was there to permit any quotations or estimates for work required during the current financial year to be considered by the Committee and subsequent recommendations made to Full Council.

**FGP.5.12.15 Annual Estimates (Version 3):** The Finance Officer had not circulated to all Members attending the meeting copies of the Estimate Template forms and Annual Estimates (v.3) in order to save time and cost of paper etc.

The RFO went through each form/item:

**Neighbourhood Plan:** The November meeting of Full Council, having made the decision to continue with the production of a Neighbourhood Plan for Herstmonceux, the RFO has moved the provision from the Revised Estimates 2015-16 to the Original Estimates for 2016-17.

Action in Rural Sussex (AIRS) had provided the Parish Council with an estimate of professional fees to complete a Neighbourhood Plan totalling £11,025 plus Vat plus expenses. The RFO stated that he had reviewed the provision for Professional Fees in the estimates and had upped this to £11,500.

The Neighbourhood Plan would require additional hours work on the parts of the Clerk and RFO devoted to this project over and above their normal work. The RFO, using the AIRS quotation as a basis of 'days' required, had provided for officer time as follows; The Clerk 180 hours (£1960), and RFO 20 hours (£240). The meeting asked what the total provision for the completion of the Neighbourhood Plan was in the estimates, inclusive of these additional items, the RFO stated £15,800. This would be offset by any access to available Grants, for which no provision had been made,

The meeting **RECOMMENDS** accepting the provision of £15,800 in the Original 2016-17 estimates.

**VIREMENT:** The RFO referred to the Street Lighting Reserve Account which has a balance of £35,200 in the current year and would have a non-ring-fenced balance of £29,200 in the Original Estimates 2016-17. The RFO put the point across that the non-ring-fenced balance only needed to cover the cost of (say) two or three new columns approx. £10,000. Therefore, the RFO suggested that this can be achieved by the **VIREMENT** of £17,700 from the Street Lighting Reserve Account to the General Reserve Account. That, on the basis that the General Reserve Account should have retained a non-ring-fenced balance of £30,000, the Street Lighting Reserve Account should have retained a non-ring-fenced balance of £10,000.

The meeting **RECOMMENDS** the a **VIREMENT** of £17,700 from the Street Lighting

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Reserve Account to the General Reserve Account in 2016-17, and that a non-ring-fenced balance of £10,000 should be retained within the Street Lighting Reserve Account.

The Chief Finance Officer, Wealden District Council had informed the Parish Council that Herstmonceux Parish Council's share of the Council Tax Support Grant for 2016-17 amounts to ££3,642, £988.00 down from the current year. The RFO has reflected this in the Annual Estimates and had taken into account the reduction and applied these to the estimated levels of Council Tax Support Grant in 2017-18 (£2,600), and 2018-2019 (£2,000).

The RFO reminded the meeting that the Parish Council was awaiting the Council Tax Base, currently 1,010.70, for the financial year 2016-17 which will have an impact on the band rates to be paid by the Council Tax payers in the area.

Also the Tender Group would be meeting and opening the Tenders received from contractors on Friday 04 December and these would need to be built into the final version of the Annual Estimates to be presented and considered by the January F&GP Committee.

The RFO informed the meeting that the Annual Estimates (v.3) gives an indication that Precept levels required would be £61,800 (2016-17), £67,470 (2017-18), and £74,240 (2018-19) as compared with the current years Precept of £60,250.

### FGP.6.12.15

**Internal Auditor's Interim Report:** Mr Frost, the Council's Internal Auditor, attended on 04 November 2015 to carry out an interim internal audit. On undertaking the various checks required, Mr Frost found that the financial affairs of the Parish Council were being managed properly and there was nothing to bring to the attention of the Council.

Mr Frost's interim report reconfirmed that the Parish Council needed to have in place those 'Policies' as required under the Governance and Accountability for Local Councils Practitioners' Guide (GALPC). The RFO stated that with the volume of other work the Clerk and he had not been able to look at these policies up to this time.

Having spoken to Mr Frost regarding the Parish Council's intention to seek a new Bank provider and to undertake online banking methodology, Mr Frost provided some guidelines within his report for the Parish Council, to consider,

Mr Frost noted in his report that the Parish Council had a contractual obligation to pay retirement gratuities to its existing officers, and that there was in place a specific Reserve Fund for this purposes.

### FGP.7.12.15

**Legal Services:** The RFO reminded the meeting that the November meeting of the F&GP Committee required him to have a look at the file on the Underlease of the Old Surgery, and in particular to the legal fees charged.

The RFO produced a hand-out to each Members attending the meeting comprising of:

- Wellers Hedleys letter of 27 April 2015 – stating: I am sure that you would appreciate some guidance on the likely overall costs. It is impossible to predict the costs accurately at this stage as there are so many variable factors in the progress of a matter such as this but I would estimate the eventual figure is likely to be in the region of £2,000 plus VAT. This figure does not include disbursements.
- Wellers Hedleys Terms of Business. The RFO highlighted certain terms of Business felt relevant to the matter. '2. Our Commitment to You' – "advise you and keep you up to-date with the costs/risk benefit of pursuing a matter". '13. Estimate' – "The accompanying letter may give an estimate or forecast range of the likely charges and expenses in your matter. If it is not

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possible to do so at this stage, the letter will explain why. Please note that unless the accompanying letter specifies that the estimate is a fixed fee, all estimates are subject to revision should unforeseen additional work become necessary. This may happen where your instructions are not clear or documentation requested is not available thereby hindering progress of a matter. It may occur in Court proceedings if the other party with whom you are in dispute makes applications to the Court or takes up large amounts of time on procedural matters which could not reasonably have been anticipated when the estimate was given. There may be unexpected difficulties in progressing the matter or your requirements or the circumstances may significantly change during the course of the matter. Should we need to increase the estimate we will inform you in writing of this as soon as possible.”

- Wellers Hedleys: letter of 22 May 2015 with Invoice 044955 £1012 plus Vat & disbursements (Total £1226.40). The letter, as all letters accompanying an invoice, states “Please let me know if you have any queries or concerns.”
- Wellers Hedleys: letter of 23 July 2015 with Invoice 046277 £667 plus Vat (Total £800.40).
- Wellers Hedleys: letter of 26 August 2015 with Invoice 046992 £805 plus Vat (Total £966.00).
- Wellers Hedleys: letter of 29 September 2015 with Invoice 047716 £1,656 plus Vat & disbursements (Total £1,996.20).
- Herstmonceux Parish Council letter of 23 October 2015 seeking more information about the legal costs.
- Weller Hedleys: Ian Davidson e-mail of 26 October 2015 sending a copy of timesheets. Refutes the suggestion that a lease contained errors and justifies non-payment of firm’s account.
- Ian Stewart’s email to Clerk copied to all Councillors asking for copy of previous lease, Hedleys Terms of Business, and any other explanation for poor quality second draft lease.
- Weller Hedleys: Ian Davidson’s e-mail of 27 November 2015 confirming reason for length of time in dealing with this matter. Informing the Council that it may make a complaint and go through the firm’s complaints procedure. Mr Davidson also set out the firms bills rendered and asked why the Parish Council had not raised concerns having received the first three accounts amounting to £2,400 plus Vat & disbursements.

The meeting discussed the matter at length and felt that, although through change of Councillors and other events the Parish Council had not realised that the original estimate had been exceeded, Wellers Hedleys had not kept to their own Terms of Business and had not informed the Parish Council of a revised estimate at anytime.

The meeting also confirmed the disappointment of the Parish Council in receiving a poorly worded lease to consider, where cross referencing was incorrect.

The meeting in no way wishes to consider not using Wellers Hedley as its legal advisor as Wellers Hedleys are considered to work for the local government field and have greater knowledge of local government law than many legal firms in your average high street.

The meeting were in full agreement and **RECOMMENDS** to Full Council that the Clerk writes to Mr S. D. Scott, the Client Liaison Partner in charge of Complaints at Wellers Hedleys, stating that:

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- the Parish Council is of the opinion that the firm has not kept to its Terms of Business by not having been informed in writing that the original estimated costs, for the matter in hand, should have to be reviewed and the Parish Council provided with a revised estimate,
- and, that the Parish Council was very disappointed to have received a Lease document for consideration that had been poorly executed, the cross referencing of the document, for example, being completely incorrect.

- FGP.8.12.15** **Personnel Sub-Committee:** The next Personnel Sub-Committee meeting will be held on Thursday 14 January 2016. Officers are not required to attend.
- FGP.9.12.15** **Herstmonceux Cricket Club:** The RFO provided the meeting with an update on the matter of renewal of the artificial pitch at the recreation ground. A letter and agreement had been sent to the Herstmonceux Cricket Club, stating that an initial contribution of £2000 would be required on signing the agreement, and the balance of the contribution to be paid to the Parish Council by no later than 06 May 2016. The Agreement signed by the Herstmonceux Cricket Club together with a cheque for £2000 had been received. The RFO asked the Chairman of the Council to sign both copies of the Agreement on behalf of the Parish Council. The Parish Council had also received a quotation direct from Dura-Sport in the sum of £6,500 plus VAT.
- The RFO stated that at the December meeting of Full Council he would raise a cheque to the value of £1950 plus VAT for the deposit and send a formal works order for the pitch to be laid during April 2016.
- FGP.10.12.15** **Tenders:** The RFO re-confirmed that Councillors Bradshaw, Nash and Stewart, would be meeting on Friday 04 December 2015 to open sealed tender documents received. The tender figures agreed by Council would be included in the Annual Estimates.
- FGP.11.12.15** **Next Meeting of F&GP Committee:** The next F&GP Committee meeting will be held on Tuesday 05 January 2016, and must finalise the Annual Estimates and recommend the required level of Precept for 2016-2017 to the Full Council Meeting on 18 January 2016 to meet Wealden District Council deadline.
- FGP.12.12.15** **Close of Meeting:** There being no other business, the Chairman, Councillor Mrs Angear thanked everyone for their attendance and closed the meeting at 20.45pm