

## NOTES of the FINANCE KEY AREA GROUP MEETING held remotely on Thursday 24<sup>th</sup> JUNE 2021 at 18.30 hours.

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KAG MEMBERS: Graham Allen  
Andrew Barrett-Miles\*  
Roger Cartwright  
Anne Eves  
Graham Fairbairn - Responsible Finance Officer (RFO)  
Janice Henwood  
Simon Hicks - Chairman

Also Present: Peter Chapman  
Steve Cridland - CEO  
Robert Duggan  
Robert Eggleston  
Sylvia Neumann

\*Denotes absence

*Meeting started 18.30 hrs*

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### **62. APOLOGIES FOR ABSENCE**

Andrew Barrett-Miles

### **63. SUBSTITUTES**

None.

### **64. DECLARATIONS OF INTEREST**

Robert Eggleston as a director of the Burgess Hill Community Partnership being an item on the agenda for discussion.

Janice Henwood as a director of the Burgess Hill Community Partnership CIC being an item on the agenda for discussion.

Simon Hicks as a director of the Burgess Hill Community Partnership CIC being an item on the agenda for discussion.

### **65. CHAIRMAN'S ANNOUNCEMENTS**

Members were informed a list of payments made since the last finance meeting can be found in the yellow folder above the blue boxes. Members were informed they may request a PDF copy to be sent to them and/or they can view, via the town council's website, the quarterly £500+ and Corporate Card payment schedule.

### **66. ELECTION OF THE VICE CHAIRPERSON OF THE FINANCE KAG**

Roger Cartwright was nominated by Simon Hicks and seconded by Janice Henwood. Members agreed, unanimously, to the appointment.

**67. NOTES OF THE PREVIOUS MEETING**

The Notes of the previous Finance Key Area Group meeting, dated 18 January 2021 (previously circulated to all Members), were approved by Members and will be signed by the Chairman as a correct record.

**68. INTERNAL AND EXTERNAL AUDIT**

Members received a report as set out in the agenda item 7, dated 24 June 2021, giving an update in regard to the internal audit programme. Members were advised the interim audit, held in March 2021, had not raised any items that needed to be drawn to Members attention. The final audit for the year had been completed, and a verbal update from the auditor confirmed no items of concern had been raised and the report was awaited. Members were advised, also, the internal auditor had issued the Annual Internal Audit Report 2020/21 for inclusion into the Annual Governance and Accountability Return.

The External Audit report for 2019/20 was presented, subsequent to the meeting, to Members highlighting the error in regard to giving the right notice period to residents to inspect the accounts.

**RESOLVED that**

- a) To approve the internal audit report,
- b) To note the contents of the External Audit Report, and
- b) Approve the re-appointment of Auditing Solutions Ltd as the Council's internal auditors.

**69. FINANCIAL RESULT FOR THE 2020/21 FINANCIAL YEAR (SUBJECT TO AUDIT)**

Members received a report, as set out in the agenda item 8, dated 24 June 2021, setting out the financial result for the year ending 31 March 2021.

The report highlighted a surplus of £55,151 would be posted which was inclusive of the allocations on monies of £25k towards the Site Allocation Representation Fund and a £23k repayment of the outstanding Burial Ground Loan.

The report also noted that whilst there was a marginal decline in income of £4k when compared to budget, some £59k of savings against various budget items had been realised.

During the ensuing conversation, the RFO confirmed he would look into the level of funds being set aside for tree works and advise Members accordingly.

The report also considered the disposition of the year's surplus with a recommendation in should be transferred to the General Reserve to support the town council's Beehive loan application. This was agreed by Members.

**RESOLVED that**

- a) For the RFO to clarify the extent of tree works, and
- b) For the full surplus of £55,151 be transferred to the General Reserve.

## **70. ANNUAL GOVERNANCE AND ACCOUNTABILITY RETURN PART 3**

Members received a report, as set out in agenda item 9, dated 24 June 2021, presenting to them the Annual Governance and Accountability Return (AGAR) for 2020/21 financial year.

The report highlighted the financial statements contained within the AGAR and the work and procedures undertaken to ensure the Council was in compliance with the regulations as laid down by the Local Audit and Accountability Act 2014 and the Accounts and Audit Regulation 2015. Members confirmed, also, their responsibility for ensuring there is a sound system of internal control, including the preparation of accounting statements.

### **RESOLVED that:**

- a) To approve the Annual Governance Statement 2020/21 contained within the Annual Governance and Accountability Return,
- b) To approve the Accounting Statements 2020/21 contained within the Annual Governance and Accountability Return, and
- c) For the Chairman of the meeting and Chief Executive Officer to sign the documents accordingly.

## **71. REVIEW OF BUDGET YEAR 2021/22**

Members received a report, as set out in agenda item 10, dated 24 June 2021, providing an initial review of the current 2021/22 financial year. The report noted that after only two months of the year, there was no known significant variances to report save for the potential savings on the events programme, some of which had been cancelled due to the pandemic. Members noted it was too early to confirm any final savings.

### **RESOLVED that:**

To note the contents of the report.

## **72. EARMARKED RESERVES**

Members received a report, as set out in agenda item 11, dated 24 June 2021, providing an update to the status of the council's Earmarked Reserves. The report gave an overview of the position as at 1 April 2021 with a review and recommendations against various selected funds.

During the ensuing conversation, clarification was given to Members in regard to a number of funds and their purpose with examples of the type of expenditure incurred.

### **RESOLVED that:**

- a) Consultants/Legal Fund – to note the contents of the report,
- b) CIC set-up fund – for the residual funds to remain with Burgess Hill Town Council unless required by the CIC,

- c) CIO/Pantry – to note the contents of the report,
- d) Trading Spaces (CIC) - for the residual funds to remain with Burgess Hill Town Council unless required by the CIC,
- e) Summer festival/Fayre/Town Events – for the current level of funds to remain in situ until a clearer picture emerged of the final residual amounts, and
- f) To approve the overall schedule of Earmarked Reserves.

### **73. REVIEW OF FINANCIAL REGULATIONS**

Members received a report, as set out in agenda item 12, dated 24 June 2021, requesting an amendment to the town council's Financial Regulations dealing with payment authorisation and petty cash as a result of a change to working practises brought about by the pandemic.

#### **RESOLVED that:**

- a) To amend the Financial Regulations to allow approval of payment requests by Members via email in addition to in-person on-site approval, and
- b) To amend the Financial Regulations to allow the use of a company debit card to withdraw cash for the purposes of topping-up petty cash requirements. Each request to be approved by the Chairman or Vice-chairman of the Finance KAG.

### **74. BANK RECONCILIATION AND OTHER BALANCES**

Members received a report, as set out in agenda item 13, dated 24 June 2021, providing a recent bank reconciliation for review and details of the town council's current balances.

#### **RESOLVED that:**

To note the contents of the report.

### **75. DATE OF THE NEXT MEETING**

Members were informed the date of the next meeting would be in November 2021 with the actual date being advised to Members closer to the time.

#### **RESOLVED that:**

To note the contents of the report.

*Meeting ended 19.01 hrs*