

OPEN SESSION: There were 2 members of the public present for the Grant Aid application.

MINUTES OF THE POLICY & FINANCE COMMITTEE

Held on Wednesday 18th July 2018 at 7.00pm at Ringwood Gateway, The Furlong, Ringwood.

PRESENT: Cllr Jeremy Heron (Chairman)
Cllr Andy Briers
Cllr Philip Day
Cllr Anne Murphy
Cllr Gloria O'Reilly
Cllr Tony Ring
Cllr Michael Thierry
Cllr Angela Wiseman

IN ATTENDANCE: Chris Wilkins, Town Clerk
Nicola Vodden, Meetings Administrator

F/5591

APOLOGIES FOR ABSENCE

The Town Clerk reported that apologies for absence had been received from Cllrs Ford, Rippon-Swaine and Treleven.

F/5592

DECLARATIONS OF INTEREST

In relation to the Grant Aid application, it was noted that Cllr Thierry was a member of the board at Forest Forge Theatre Company, as Hampshire County Council's representative, and Cllr O'Reilly was the Town Council's representative.

The Town Clerk advised that these did not constitute disclosable pecuniary interests.

F/5593

MINUTES OF THE PREVIOUS MEETING

RESOLVED: That the minutes of the meeting held on 20th June 2018, having been circulated, be approved and signed by the Chairman as a correct record.

F/5594

GRANT AID

Grant Aid Application

Members considered a Grant Aid application from Ringwood Carnival Committee (*Annex A*).

Representatives from Ringwood Carnival Committee and Forest Forge Theatre Company were present and outlined the proposed project with Ringwood Junior School. It was a collaboration between the 3 parties with the aim of teaching carnival art skills and dance to teachers and pupils and to assist them in preparing a float for this year's carnival. The project was presented as of benefit to the wider community and as a contribution to enhancement of the carnival procession as a whole, which can be built on in the future. The theme chosen was topical and the proposed use of a willow artist would enable the scale of the project to be realised.

Members wished to support the Carnival Committee's application and agreed to award it £750, on the basis that it is best placed to determine how this project is taken forward.

Consideration of Grant Aid applications

The Town Clerk wished to give Members the opportunity to consider the process for dealing with Grant Aid applications. Currently any applications received are dealt with at the next meeting of the Committee, but he thought that there may be some merit in having special quarterly, 6 monthly or annual meetings to determine all applications received. As there was a limited budget, this may assist in publicising the availability of grants and comparing the merits of each application received. Members agreed that there be no change to the current system.

RESOLVED:

- 1) That, in exercise of the Powers of General Competence, a grant of £750 be awarded to Ringwood Carnival Committee;
- 2) That there be no change to the administration process of dealing with Grant Aid applications received.

ACTION A Greenfield

F/5595

MONTHLY FINANCIAL REPORTS

Members considered the Monthly Financial Reports attached to these minutes as *Annex B*.

The RFO highlighted payments in excess of £1,000. In relation to payment 3002721, deposit for the Memorial Lantern, it had been agreed that the Council would underwrite the project, so that the work could commence, but this would be reimbursed from the funds raised for the project. The Council was holding £640 in donations and Town Clerk had spoken to Reverend Roberts and Ringwood Rotary Club, about the further funding required for the project to proceed at pace. It was suggested that information be provided within the financial reports, to indicate monies held by the Council, on behalf of other organisations.

ACTION R Fitzgerald

Members considered that the income report (*Annex B(e), Appendix 2*) provided sufficient information for their purposes and that this should be produced monthly, however accepted that for the first two months of the financial year there would be little to report. Members were invited to refer any questions to the RFO in advance of the meeting, where appropriate.

Cllr Day indicated that a £10 voucher had been received from Waitrose, as a result of purchases made by the Events Team for the Royal Wedding Party and this had been handed in to the office for use. (Note: The voucher has been recorded in the hospitality book.)

The RFO referred to *Annex B(d)*, indicating that he was in negotiation with financial institutions with regard to setting up investment accounts and those noted in the report, were to be confirmed. It was suggested that there be 3 or 4 accounts, to choose between, in the future. Once these are set up, the report will show with whom funds are invested and the term of the investment. No more than £250,000 will be invested with one institution.

Members were content with the format of the report, however amended the 'proposed transfers out and in' figures before signing, as the next Committee meeting is in September,

and they wished to authorise the movement of funds and allow the RFO some flexibility with investment decisions, in the interim.

Changes made to report (*see amended version attached*)

Investment account 1 - -£300,000 out - £100,000 in – predicted 31/8/18 £100,000

Investment account 2 - £200,000 in – predicted 31/8/18 £200,00

Totals – cash out -£450,000 – cash in £450,000

The RFO reported (*Annex B(e)*) that overall expenditure is broadly on track and the budget is ahead of plan in relation to income, having received 43% of planned receipts in the first quarter. Carvers Clubhouse is generating income from room hire and café sales and this was not included in the original budget. The Chairman questioned the amendment of the original budget, when this should be set and not changed, as it is then difficult to monitor variances. The RFO explained that this had resulted from expenditure, which had been authorised last year, being held in reserves and not being transferred from reserves, until more recently, when the works were completed and the payment made.

The RFO confirmed that predicted outturn figures are revised at the 6 monthly stage and then monthly until year end and any underspend on earmarked provisions, for example replacement of machinery, is returned to the relevant reserve, with the revised budget being amended accordingly.

RESOLVED:

- 1) That the list of cheque payments on the Imprest account for June be authorised. Cllrs Heron and Day signed the report.
- 2) That the income report (*Annex B, Appendix 2*) be prepared monthly, save for April and May, the first two months of the financial year, when there is little to report;
- 3) That the list of Petty Cash payments for June be authorised. Cllrs Heron and Day signed the report.
- 4) That the AMENDED Statement of Town Council Balances be noted and Inter Account Transfers be authorised. Cllrs Heron and Day signed the report.
- 5) That the Finance Manager's report and budgetary monitoring report Q1 (April – June) be received and noted.

ACTION R Fitzgerald

F/5596

RESERVES

At last month's meeting, Members requested further information and proposals in relation to the Council's reserves. The Town Clerk and RFO prepared a schedule detailing each reserve, its purpose, the current balance and proposals for its future management (*Annex C*). The aim of the policy is to set out clearly the Council's intentions going forward, whereas historically, reserves have been managed on a more ad-hoc basis.

Members agreed that the reserves be rationalised, as suggested, removing those which have been dormant for a number of years, and result in 13 earmarked reserves. This would release £13,673 to be distributed amongst the remaining reserves. In addition, the RFO advised that as general reserve was above 50% of the annual precept, a transfer from this fund of £36,000, to earmarked reserves, could be made whilst leaving sufficient funds to satisfy the 'prudence' test. Appendix 2, of the report suggests how this could be distributed.

It was suggested that in relation to the burial ground, that the accumulation of funds be accelerated, to provide for future options, such as a columbarium. A report on the situation

regarding Christmas Lights was anticipated and it was felt that a decision, with regard to this earmarked reserve, be postponed until the options are known. It was agreed in relation to the Events Fund, that there be no limit specified in the policy document, however should excessive funds build up, that the matter be considered further by the Committee.

- RESOLVED:** 1) That the existing earmarked provisions be consolidated, eliminating 7 of the provisions and releasing £13,673 to be added to those provisions where funds are considered to be inadequate;
- 2) That new earmarked provisions are created for Carvers re-development (including replacement of the sheds), and Infrastructure and Open Spaces;
- 3) That the annual contribution to the machinery replacement reserve be increased by £4,000 to £14,000;
- 4) That the Recreation, Leisure and Open Spaces Committee consider the Burial Ground and Play Equipment funds further to determine whether the annual contribution to these reserves is sufficient or if the accumulation of funds needs to be accelerated to match the Council's intentions;
- 5) That a decision in relation to the Christmas Light reserve be deferred to a later Committee meeting;
- 6) That the sum of £36,000 be transferred from the General reserve to earmarked provisions, to be added to the £13,673 released through consolidation;
- 7) That the individual amounts to be distributed across new and existing earmarked provisions as per the schedule in *Appendix 2* be approved;
- 8) That the reserves policy document be reviewed annually.

ACTION R Fitzgerald

F/5597

MEMBERS ALLOWANCES

Members considered the report on Members' allowances (*Annex D*) and agreed the recommendation therein.

RESOLVED: That the Members allowance be increased by 2% per annum, in line with the pay award granted to officers.

ACTION R Fitzgerald / Jo Hurd

F/5598

INTERNAL AUDIT

Members were referred to the internal audit report (*Annex E*).

In relation to the systems around bank reconciliations, the relevant documentation will be presented to the Committee quarterly. The bank reconciliation for the first quarter was presented at the meeting and the Chairman signed the report.

In relation to dividing investments, a system is being put in place to resolve the issue highlighted in the internal audit report.

RESOLVED: That the internal audit report be noted.

ACTION R Fitzgerald

**F/5599
PROJECTS**

The Town Clerk indicated that all project updates had been highlighted on the reports (*Annex F*).

RESOLVED: That the project reports be noted.

ACTION C Wilkins

There being no further business, the Chairman closed the meeting at 8.38pm.

Note: The text in the Action Boxes above does not form part of these minutes.

RECEIVED
25th July 2018

APPROVED
19th September 2018

TOWN MAYOR

COMMITTEE CHAIRMAN

Ringwood Town Council
Ringwood Gateway
The Furlong
Ringwood
BH24 1AT

13th June 2018

Dear Sir/Madam,

APPLICATION FOR GRANT AID, 2018

An opportunity has arisen where Forest Forge have offered to utilize their professional network to teach Carnival arts skills initially, within Ringwood Junior School, to add a very practical and publicly visible aspect to their Arts teaching, in that the results will be displayed in the Carnival procession.

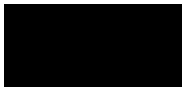
As can be seen from the attached details the theme will be very topical by referencing Environment ,Sustainability ,litter ,single use plastic etc and getting the relevant message out not only to the children but also to the general public. We expect the resulting display to be a credit to the children and staff of Ringwood Juniors.

We see further community benefit in that Forest Forge will be promoting their youth activities ,RTC's involvement can be promoted linked to the environmental aspect and this will also add to the Carnival. There will also be a strong 'teach the teachers' element to maintain the skills for future years. If successful we would hope to roll this initiative out to other schools and organisations in the future.

We understand there are similar initiatives on the IoW which have been so successful they have combined the Carnival Arts aspect within the National Curriculum.

Should you have any queries, or wish a representative to attend your offices, we ,Forest Forge and a representative from the school would be more than happy to attend the Policy and Funding Meeting, at which time I understand our application shall be assessed.

Yours faithfully



Howard Cox

For and on behalf of Ringwood Carnival Society

Contacts:

Mobile: 01425 479254

Email: info@ringwoodcarnival.org

Website: www.ringwoodcarnival.org



Find us on
Facebook

Ringwood Carnival



Follow us on
twitter

@RwoodCarnival

A

Registered Charity: 1091788





Ringwood Gateway, The Furlong, Ringwood, Hampshire, BH24 1AT
 Tel: 01425 473883. Email: town.council@ringwood.gov.uk

APPLICATION FOR GRANT AID

Applicant's Details

Name of Organisation requesting grant	Ringwood Carnival Society
Postal Address	[REDACTED]
Name of Contact	Howard Cox
Contact's telephone number	[REDACTED]
Contact's email:	info@ringwoodcarnival.org

Details of Grant Request

Amount requested	£ £930.45
What is the purpose of the grant?	<p>From the attached Forest Forge Project proposal it can be seen there are multiple benefits .</p> <ul style="list-style-type: none"> -Forest Forge get to do more outreach work within the Ringwood school community. -FF also get to promote their youth work and increase their profile in the community. -Ringwood Junior school children will benefit from professional arts tuition involving practical skills to design and make costumes ,they will then be able to show off the results to the community of Ringwood in the Carnival - the school will be able to teach the message of keeping the Environment clean and sustainability to the children and promote the message to the public in the Carnival procession -the project will promote participation in the Carnival
How would the people of Ringwood benefit from your receiving this grant?	<p>The subject matter and practical teaching of Carnival Arts skills will add to the children's interest and education,it will also promote awareness to keep the Environment clean both in the children and the Carnival crowds which is probably most of the population of Ringwood,.The community get to see what the children have been doing so the project will also promote Forest Forge's community work,the school itself and the Carnival.This pilot project could be expanded to other schools.</p>

A

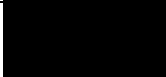
How many Ringwood people would benefit?	Approx. 10,000 on the day. Not known as to the charities/organisations donated to over the years.
Total cost of project	£ £930.45 for materials and professional Artist fees
If the organisation were to be successful in securing a grant, to whom should the cheque be payable?	“Ringwood Carnival Society”

Information about your Organisation

Membership: c.75 members. 12 Committee members. C.15 day helpers.	What facilities do you provide? A registered charity which provides a structure and framework to work within a committee an opportunity to organise and run Ringwood Carnival as well as donating to local charities and organisations. The organisation has to adhere to the rules and regulation of the Charities Commission. The Carnival day it self provides an opportunity for members of the public to take part in the event.
Subscription: £Nil	
Names of competing or similar organisations	Family Fun Day Fan Fare For Spring Ringwood Pedal Car Ringwood Events (organised by Ringwood Events Committee)

Funds available to your organisation

(apart from this grant application)

Cash in hand: c.£26k	Annual income: c.£20k (not guaranteed)	
Other sponsoring bodies and amounts donated by them	Business sponsorship	c.£9-10k
	Fun Fare and trade stands contribution	c.£3.5 – 5.0k
	Other fund raising activities	c.£2-£3k
Have you applied, or do you intend to apply, to any other sponsoring bodies for funding? If so, please give details.	Local businesses and organisations local to Ringwood. Raising funds through dedicated fund raising events organised ‘in-house’..NFDC Arts.Community funding can also be sought.	
Signature of Applicant		Date 13th th June 2018
Position within the Organisation:	Sponsorship Officer & Ringwood Carnival Executive Committee	

Next Policy & Finance meeting where grant applications will be considered	Office use only
Date by which all documentation should be received to be included on the Agenda for the above meeting	

Jo Billingham, 10/05/18.

Ringwood Junior School- “Under the Sea” Carnival ECO Project.

OVERVIEW

We are seeking funding or subsidy to support a project at Ringwood Junior School in the summer term 2018. We wish to fund an artist or artists to run workshops and making sessions with the year 5 pupils in July 2018 with a view to creating a 'Rio Style' carnival float, costumes, and large-scale sculptures for the Ringwood Carnival 2018.

The project aims to explore themes around recycling and eco-living that are current and hugely relevant to the areas of natural beauty we live in.

We would be grateful for any support or funding for any element of the project.

If you have any questions please contact Jo, education@forestforgetheatre.co.uk

PROJECT DETAILS

- On behalf of Forest Forge Theatre Company, Jo Billingham has been meeting with Alex Marriott from Ringwood Junior School to devise and develop a project for Ringwood Carnival 2018.
- The project has been inspired by the recent state of the beaches in the area following a warm May Bank Holiday weekend. Staff, students, and the wider public were shocked at the rubbish left behind by revelers, and wanted to undertake a project exploring themes of recycling, eco living, and minimising waste.
- The project aims to explore these themes through the creation of a series of headpieces and large-scale sculptures made out of rubbish collected by staff and students at the school.
- We then aim to have a float in the Carnival 2018, decorated entirely from our 'rubbish' sculptures, and with a procession of staff, parents and students wearing costumes also made out of fully recycled materials, alongside the large-scale walking sculptures.
- Participants will be year 5 pupils from Ringwood Junior School.
- The school are sourcing and providing all plastic and waste materials which will be used in the construction of the costumes and sculptures.
- The project will also be supported by a dance artist, who will teach the pupils about carnival processions and samba dancing across a one-day workshop.

TIMELINE

The project will take place the week commencing 2nd July 2018, dates and times TBC.

PARTNERS & ARTISTS

A

Jo Billingham, 10/05/18.

Jo Billingham
Education & Participation Officer
Forest Forge Theatre Company,
Endeavour Park,
Crow Arch Lane,
Ringwood, BH24 1SF.
www.forestforgetheatre.co.uk
education@forestforgetheatre.co.uk

Charlotte Morton
Willow Artist
<http://www.charlottemorton.co.uk>

BUDGET

Basic Costings:

Willow Artist: 2 x full days @ £250 per day = £500

Willow Artist Materials: £150

Travel for willow artist to school: 4 x 17.3 miles @ 0.44p per mile = £30.45

Dance Artist (Travel & Materials Included): 1 x full day £250 per day

RINGWOOD TOWN COUNCIL

FINANCIAL REPORTS FOR

POLICY & FINANCE COMMITTEE MEETING

18TH JULY 2018

POLICY AND FINANCE COMMITTEE 18TH JULY 2018

B (a)

**LIST OF PAYMENTS FROM IM PREST BANK ACCOUNT
FOR THE PERIOD 1ST TO 30TH JUNE 2018**

Date	Trans No	Details	Budget	Comm	Description	Amount £
Jun						
2018-06-05	3002725	M J Coakley Electrical	Prems	R&L	Carvers - Electrical work	1,867.00
2018-06-04	3002722	Banner Group Ltd	S&S	P&F	Carvers C/house - Ink cartridges	30.31
2018-06-04	3002720	Community First NF	Prems	P&F	DBS Check - CH	54.00
2018-06-04	3002719	Contact Carpets	Prems	P&F	Carvers C/house - Edging around entrance mat	70.00
2018-06-04	3002721	Ian Parmenter	S&S	P&F	Memorial Lantern - Dep for commence of work	1,500.00
2018-06-07	3002728	Christine Smith	Employs	P&F	Gateway - Contribution to eye test & glasses	82.00
2018-06-12	3002736	Screwfix	S&S	R&L	Small Machinery - Multipurpose drill set	9.99
2018-06-12	3002729	RM Smith Fencing	Prems	R&L	Toad Corner - Install new self closing gate	270.00
2018-06-12	3002733	SM Lockyer	Prems	R&L	Carvers - Excavate trench for elec cable/water pipe	2,634.00
2018-06-12	3002732	Peter Noble	Trans	R&L	Kubota - Service Kubota and repair broken drive	214.82
2018-06-12	3002738	Peter Noble	Trans	R&L	Roller mower - Replace PTO shaft/check tyre leaks	224.96
2018-06-12	3002739	Peter Noble	Prems	Cem	Cemetery - Welding repairs to container	74.44
2018-06-12	3002740	Peter Noble	Trans	R&L	Mower - Blades	161.59
2018-06-12	3002730	Hampshire C.C.	Trans	R&L	Transit - Maintenance May 2018	75.60
2018-06-12	3002737	Hampshire C.C.	S&S	P&F	Gateway - Stationery	27.76
2018-06-12	3002731	NFFM	S&S	R&L	Blower - Plastic choke	4.20
2018-06-12	3002755	New Forest D.C.	S&S	R&L	Gateway - Specsavers safety glass vouchers	186.15
2018-06-12	3002747	Pete Alvis	Prems	R&L	Carvers - Works to supply and install water pipe	1,044.00
2018-06-12	3002750	Water2Business	Prems	R&L	Mount Pleasant Sports Ground A	119.55
2018-06-12	3002751	Water2Business	Prems	R&L	Mount Pleasant Sports Ground B	130.12
2018-06-12	3002753	Water2Business	Prems	P&F	Carvers Clubhouse	142.67
2018-06-12	3002754	Water2Business	Prems	P&F	Greenways	110.12
2018-06-12	3002748	Site Safety Ltd	S&S	R&L	Groundsmen - Outback hat	11.15
2018-06-12	3002752	Charmaine Bennett	S&S	P&F	Carvers C/house - Food for the cafe	199.77
2018-06-12	3002734	Scottish & Southern	S&S	R&L	The Mount - Cable damage	280.58
2018-06-14	3002775	Solent Fire Safety	Prems	R&L/Cem	Carvers Sheds & Cemetery - Fire risk assess.	618.00
2018-06-19	3002774	Screwfix	Prems	R&L	Open Spaces - Line parking spray paint	19.96
2018-06-19	3002761	The Tree Manage. Co	Prems	R&L	Pocket Park - Tree work	144.00
2018-06-19	3002780	Hampshire C.C.	Prems	P&F	Gateway - Stationary & cleaning materials	48.86
2018-06-19	3002783	NFFM	S&S	R&L	Tractor - Rear view glass mirror	19.84
2018-06-19	3002785	NFFM	S&S	R&L	Chain Saw - Investigate issue with tensioning	30.60
2018-06-19	3002787	NFFM	S&S	R&L	Groundsmen - Hygiene sets for ear defenders	43.44
2018-06-19	3002784	Barry Rickman Photo.	S&S	P&F	Gateway - Clr Tony Ring photos	45.00
2018-06-19	3002758	SSE Contracting	S&S	Plan	Carvers - Final 6 monthly inv maint. street lights	153.94
2018-06-19	3002760	WP Group (Upton Oil)	Trans	R&L	Vehicles - Red & White diesel	1,659.11
2018-06-19	3002777	Banner Group Ltd	S&S	P&F	Cemetery - Ink cartridges	37.10
2018-06-19	3002782	Purchase Power	S&S	P&F	Gateway - Postage on franking machine	463.00
2018-06-19	3002786	Itec	S&S	P&F	Gateway - Photocopies and gold support	110.45
2018-06-19	3002773	Ringwood Fire & Sec.	Prems	P&F	Greenways - Interim Fire alarm inspect/fire panel	324.00
2018-06-19	3002767	Future Media	Prems	P&F	Gateway - Repairs to radio microphone F.Suite	146.10
2018-06-19	3002768	Barney Gilpin	S&S	R&L	Groundsmen - Contrib towards safety glasses	62.05
2018-06-19	3002762	Insight Security	Prems	R&L/C/P	Carvers, Cem & C/house - May 18 Alarm Response	144.00
2018-06-19	3002763	Insight Security	Prems	R&L/C/P	Carvers, Cem & C/house - 2018/19 Key holding fee	478.80
2018-06-19	3002772	Insight Security	Prems	R&L/P&F	Carvers, C/house - April 18 Alarm Response	72.00
2018-06-19	3002759	SB Legg	S&S	P&F	Gateway - Oak Tree for Twinning for Pont Audemer	37.50
2018-06-19	3002766	Go New Forest	S&S	P&F	Gateway - Go New Forest Community m/ship 2018	140.40
2018-06-19	3002769	Southern Internal Audit	S&S	P&F	Gateway - Internal Audit	1,500.00
2018-06-26	3002804	Screwfix	Prems	P&F	C/house/Gateway - Downpipe fittings & sprayer	71.25
2018-06-26	3002809	Ringwood Jnr School	S&S	P&F	Gateway - Grant 'Time Out Place' Log Cabin	500.00
2018-06-26	3002811	HALC	Employs	P&F	Gateway - First aid training 4 x staff	432.00
2018-06-26	3002805	Peter Noble	Trans	R&L	Machinery - Tines	2,219.52
2018-06-26	3002803	Hampshire C.C.	S&S	R&L/C/P	Gateway, Clubhouse & Cemetery - Cleaning mats.	63.82
2018-06-26	3002806	New Forest D.C.	Prems	R&L	Open Spaces - Dog waste service	511.68
2018-06-26	3002808	Eco Sustainable Sols	Prems	R&L	Fordingbridge Pitches - Prem. soil for renovation	42.18
2018-06-26	3002807	Portsmouth	S&S	P&F	Gateway - High back office chair	78.00
2018-06-26	3002810	Chris Wilkins	Employs	P&F	Gateway - Eye Test	25.00
					SUBTOTAL	19,766.38

B (a)**POLICY AND FINANCE COMMITTEE 18TH JULY 2018****LIST OF PAYMENTS FROM IM PREST BANK ACCOUNT**
FOR THE PERIOD 1ST TO 30TH JUNE 2018

Date	Trans No	Details	Budget	Comm	Description	Amount £
June						
2018-06-01	SO	TLC On-line	S&S	P&F	Web Site Maintenance - June 2018	80.00
2018-06-01	DD	New Forest D.C.	Premis	P&F	Cemetery Rates - June 2018	394.00
2018-06-01	DD	New Forest D.C.	Premis	P&F	The Place Rates - June 2018	186.00
2018-06-21	DD	Zurich	Employs	P&F	AVC - May 2018	600.00
2018-06-29	DD	Utility Warehouse	S&S	Cem	Cemetery mobile phones - May 2018	30.00
2018-06-29	DD	Utility Warehouse	S&S	Cem	Cemetery landline - May 2018	24.69
2018-06-29	DD	Utility Warehouse	Premis	Cem	Cemetery electricity - May 2018	34.45
2018-06-29	DD	Utility Warehouse	Premis	Cem	Cemetery club membership - May 2018	2.40
2018-06-29	DD	Utility Warehouse	Premis	R&L	Sports Pav. electricity - May 2018	32.24
2018-06-29	DD	Utility Warehouse	Premis	R&L	Sports Pav. club membership - May 2018	2.40
2018-06-29	DD	Utility Warehouse	Premis	R&L	Pav. Sports Gd electricity - May 2018	71.83
2018-06-29	DD	Utility Warehouse	Premis	R&L	Pav. Sports Gd club mem/ship - May 2018	2.40
2018-06-29	DD	Utility Warehouse	S&S	P&F	Carvers C/ house mobile phones - May 2018	21.63
2018-06-29	DD	Utility Warehouse	S&S	P&F	Carvers C/ house landline - May 2018	25.36
2018-06-29	DD	Utility Warehouse	Premis	P&F	Carvers C/ house electricity - May 2018	111.88
2018-06-29	DD	Utility Warehouse	Premis	P&F	Carvers C/ house club membership - May 2018	2.40
2018-06-28	PAY	Lloyds	S&S	P&F	Bank charges - May 2018	15.51
2018-06-14	BGC	Austin & Wyatt	S&S	P&F	Agents fees - June 2018	136.00
2018-06-18	LloydsCC	NBB Recycled	S&S	Cem	Cemetery - Captains Bench	294.00
2018-06-18	LloydsCC	NBB Recycled	S&S	Cem	Cemetery - Ground anchor for bench	103.84
2018-06-18	LloydsCC	Southern Sheeting	Premis	R&L	Building repairs - Scaffold bolt & nut	52.94
2018-06-18	LloydsCC	McColls	S&S	P&F	Royal Wedding - TV licence	150.50
2018-06-18	LloydsCC	Flag & Bunting	S&S	P&F	Royal Wedding - Union Jack bunting	112.30
2018-06-18	LloydsCC	Ebay	S&S	P&F	Royal Wedding - Table cloths	102.94
2018-06-18	LloydsCC	Comax	S&S	P&F	Royal Wedding - Hire champ Flutes (£575 refund)	746.77
2018-06-18	LloydsCC	Big Game Hunters	S&S	P&F	Carvers C/ house - Connect 4 Game	154.99
2018-06-18	LloydsCC	NFDC	S&S	Plan	Gateway - Planning fees	66.00
2018-06-18	LloydsCC	Food Safety UK	Employs	P&F	Carvers C/ house - Catering course	24.00
2018-06-18	LloydsCC	AJR Engineering	S&S	P&F	Gateway - Keys	30.00
2018-06-18	LloydsCC	Fraud	S&S	P&F	To be reimbursed	441.42
2018-06-15	BP	Hampshire C.C.	Employs	P&F	Pension May 2018	6,552.28
2018-06-22	DD	Inland Revenue	Employs	P&F	May 2018	5,011.93
2018-06-25	Telepay	Staff	Employs	P&F	June 2018	21,949.36
TOTAL						57,332.84

AUTHORISATIONS

DATE

18th July 2018-----
18th July 2018

POLICY AND FINANCE COMMITTEE 18TH JULY 2018

B (c)

LIST OF PAYMENTS FROM PETTY CASH - RTC ACCOUNT
FOR THE PERIOD 1ST TO 30TH JUNE 2018

Date	Voucher No	Details	Location	Description	Amount £
Jun					
2018-06-01	03/01	Rwd Surplus Stores	Carvers C/ house	Pedestal bin liners	1.29
2018-06-04	03/02	Sainsburys	Gateway	Milk	1.90
2018-06-04	03/03	Rwd Surplus Stores	Gateway	Fuses & batteries	3.68
2018-06-04	03/03	Rwd Surplus Stores	Carvers C/ house	Ant powder	2.99
2018-06-12	03/04	Waitrose	Gateway	Milk	0.89
2018-06-13	03/05	Sainsburys	Gateway	Milk & Carpet Cleaner	5.10
2018-06-14	03/06	NFDC	Carvers C/ house	Recycling sacks	2.00
2018-06-20	03/07	Sainsburys	Gateway	Milk	1.90
2018-06-22	03/08	Steadfast Security	Castleman Trail	Key	15.00
2018-06-26	03/09	Transfer	Carvers C/ house	Petty Cash	37.48
2018-06-21	03/10	Jayar	Vehicles	Rear lamp for truck	54.00
2018-06-27	03/11	Sainsburys	Gateway	Milk	1.90
				TOTAL	128.13

LIST OF PAYMENTS FROM PETTY CASH - CARVERS CLUBHOUSE
FOR THE PERIOD 1ST APRIL TO 30TH JUNE 2018

Date	Voucher No	Details	Location	Description	Amount £
Apr-Jun					
2018-04-04	03/01	Sainsburys	Carvers C/ house	Notebook & batteries	10.50
2018-04-04	03/02	Iceland	Carvers C/ house	Milk	1.98
2018-04-01	03/03	Balloonarray	Carvers C/ house	Balloons	5.00
2018-06-20	03/04	Sainsburys	Carvers C/ house	Foam mats	10.00
2018-05-29	03/05	Waitrose	Carvers C/ house	Flan tin	10.00
				TOTAL	37.48

AUTHORISATIONS

DATE

18th July 2018

18th July 2018

B (d)

POLICY AND FINANCE COMMITTEE 18TH JULY 2018

BANK BALANCES & PROPOSED TRANSFERS

<u>Account Name</u>	<u>Predicted</u>		<u>Actual at</u>	<u>Predicted</u>	<u>Proposed Transfers</u>		<u>Predicted</u>
	<u>30-Jun-18</u>		<u>30-Jun-18</u>	<u>Movement</u>	<u>Cash Out</u>	<u>Cash In</u>	<u>31-Jul-18</u>
	£		£	£	£	£	£
Imprest (Current) Account	87,454		294,579	-60,000	-150,000		84,579
Business Account	51,506		51,510				51,510
Investment Accounts 1	500,000		300,000				300,000
Investment Accounts 2						150,000	150,000
Investment Accounts 3							
Greenways Rent Deposit	9,673		9,673				9,673
Petty Cash - Imprest	136		90				90
Petty Cash - The Place	50		50				50
VIC Change Float	50		50				50
Information Desk Float	75		75				75
TOTAL BANK BALANCES	648,944		656,027	-60,000	-150,000	150,000	596,027

nb all balances, other than the investment accounts, petty cash and floats are held with Lloyds Bank plc unless otherwise stated

PROPOSED TRANSFER AUTHORISATIONS:

DATE

18th July 2018

18th July 2018

Investment Accounts 1	Lloyds Bank
Investment Accounts 2	Santander tbc
Investment Accounts 3	CCLA tbc

Notes:

1 **Imprest Account** £
Anticipated net expenditure in month: 60,000

Net Movement on imprest account 60,000

2 **Investment Maturity**
No investments due to mature

3 The bank accounts were reconciled as at 30th June 2018.

4 With reference to the Greenways Rent Deposit Account a) Ground Floor, the initial balance of £7,000 plus interest accrued will be paid over to the tenant at the end of the tenancy subject to the Council having no cause to claim funds due to damages.

5 With reference to the Greenways Rent Deposit Account b) 1st Floor, the initial balance of £2,637.50 plus interest accrued will be paid over to the tenant at the end of the tenancy subject to the Council having no cause to claim funds due to damages.

The existing deposit for the outgoing tenants has been used to meet outstanding rent arrears. As a new deposit has been received from the incoming tenants the balance on this bank account has remained unchanged over the periods.

6 A temporary nominal account has been implemented to act as a change float for the VIC. This will be in operation only for the period when the VIC is open during the spring and summer at weekends and bank holidays.

7 A nominal account has been implemented to reflect the float held by the Information Desk.

8 The Town Council's Imprest and Business bank accounts are held with Lloyds Bank plc

B (d)

POLICY AND FINANCE COMMITTEE 18TH JULY 2018

BANK BALANCES & PROPOSED TRANSFERS

Account Name	Predicted	Actual at	Predicted	Proposed Transfers		Predicted
	30-Jun-18			30-Jun-18	Movement	Cash Out
	£	£	£	£	£	£
Imprest (Current) Account	87,454	294,579	-60,000	-150,000		84,579
Business Account	51,506	51,510				51,510
Investment Accounts 1	500,000	300,000		-300,000	100,000	200,000
Investment Accounts 2					150,000	150,000
Investment Accounts 3					200,000	200,000
Greenways Rent Deposit	9,673	9,673				9,673
Petty Cash - Imprest	136	90				90
Petty Cash - The Place	50	50				50
VIC Change Float	50	50				50
Information Desk Float	75	75				75
TOTAL BANK BALANCES	648,944	656,027	-60,000	-150,000	450,000	596,027
				-450,000	450,000	

nb all balances, other than the investment accounts, petty cash and floats are held with Lloyds Bank plc unless otherwise stated

PROPOSED TRANSFER AUTHORISATIONS:

DATE

18th July 2018

18th July 2018

Investment Accounts 1	Lloyds Bank	
Investment Accounts 2	Santander tbc	
Investment Accounts 3	CCLA tbc	Proposed

Notes:

1 **Imprest Account** £
Anticipated net expenditure in month: 60,000

Net Movement on imprest account 60,000

2 **Investment Maturity**
No investments due to mature

3 The bank accounts were reconciled as at 30th June 2018.

4 With reference to the Greenways Rent Deposit Account a) Ground Floor, the initial balance of £7,000 plus interest accrued will be paid over to the tenant at the end of the tenancy subject to the Council having no cause to claim funds due to damages.

5 With reference to the Greenways Rent Deposit Account b) 1st Floor, the initial balance of £2,637.50 plus interest accrued will be paid over to the tenant at the end of the tenancy subject to the Council having no cause to claim funds due to damages.

The existing deposit for the outgoing tenants has been used to meet outstanding rent arrears. As a new deposit has been received from the incoming tenants the balance on this bank account has remained unchanged over the periods.

6 A temporary nominal account has been implemented to act as a change float for the VIC. This will be in operation only for the period when the VIC is open during the spring and summer at weekends and bank holidays.

7 A nominal account has been implemented to reflect the float held by the Information Desk.

8 The Town Council's Imprest and Business bank accounts are held with Lloyds Bank plc

REPORT TO POLICY & FINANCE COMMITTEE – 18th JULY 2018
BUDGETARY CONTROL - 2018/19 QUARTER 1 (TO END JUNE)

1. BACKGROUND

- 1.1 The purpose of this report is to inform Members of the actual income and expenditure for the first quarter of the year, April to June 2018. Revised budget forecasts and outturn predictions will be made as the financial year progresses.

2. BUDGET 2018/19

- 2.1 The Council approved a base expenditure budget for 2018/19 of £655,820. In addition, members approved recurring growth of £3,825 per annum and one off additional spend for the year of £48,060, giving a total expenditure budget of £707,705. Income is predicted to be £206,796 and net transfers from earmarked reserves were to be £270 giving a net budget for the year of £500,640. This will be funded by a draw on the general reserve of £15,444 and a precept of £485,196.
- 2.2 In June 2017 approval was given to carry out some work to upgrade the electricity supply to the sheds on Carvers. This work was to be funded from reserves but the work did not commence until the current year. As a result, expenditure has increased by £3,700 although this will not impact the net budget as funds were set aside in reserves.
- 2.3 The expenditure budget has therefore been increased by £3,700 along with the contribution from earmarked reserves. The expenditure budget is now £711,405 with a net contribution from earmarked reserves of £3,970.

3. INCOME & EXPENDITURE APRIL 2018 to JUNE 2018

- 3.1 Expenditure to the end of June totalled £ 191,913, or 27% of the updated budget. This slight apparent overspend at this point in the year is explained by the purchase of a significant item of equipment at the beginning of May and that some significant expenditure is incurred half yearly, at the beginning of each half year. In addition there has been some expenditure on items that were not included in the original budget, as set out below. A summary budget report is included at Appendix 1.
- 3.2 Income received to date, excluding the precept, stands at £89,357, or 43% of planned receipts. Again, this is largely explained by a few, significant receipts which are received at the beginning of the year together with some larger than anticipated receipts as detailed below. Income is summarised in Appendix 2.
- 3.3 The one off growth items approved for the current year included £20,000, to be funded from reserves, for the replacement of a ride on lawn mower and associated fittings. I am pleased to report that this item of equipment has been purchased for £16,346, a saving against budget of £3,654. Of the other growth items approved for inclusion in the budget for this year, work on the Millennium Clock has commenced with £580 spent to date and the funds of £1,500 set aside for a commemoration event for the anniversary of the end of WW1 have been applied, temporarily, as a deposit to secure commencement of work on the Remembrance Lantern sculpture.
- 3.4 A feasibility study into the future of Long Lane has been commissioned and expenditure of £2,500 has been incurred. This cost is not covered in the budget and will be met from developer's contributions. However, the cost is currently included in the expenditure figure noted in 3.1. Similarly, expenditure on the installation of new alarms at the cemetery following a break in and theft earlier in the year, was not included in the original budget. The spend of £1,500 will be met from reserves.

B

- 3.5 The Youth service provision centred on Carvers Club House (formerly “The Place”) is covered by an expenditure budget of £62,237 including a contribution to earmarked reserves for future investment in the clubhouse. At the end of June expenditure was £10,453 or 17% of the budget. This underspend is largely explained by staffing vacancies. However, in addition, the service has generated receipts so far this year of £2,197 for the hire of rooms and £560 for café sales, neither of which were included in the budget established in January.
- 3.6 The Royal Wedding celebration event incurred expenditure of £6,820 and generated receipts of £6,852. The budgeted income and expenditure for the year for events was set at £5,000.
- 3.7 Grounds staff have been successful in obtaining contracts to provide some services to Fordingbridge Town Council. To date this work has generated receipts of £4,180 which was not anticipated when the budgets were approved. In addition, cemetery receipts are somewhat higher than originally anticipated with 45% of the budget already achieved.
- 3.8 It should be noted, however, that whilst income receipts are generally ahead of plan, there are some areas where income targets may not be achieved. Some sporting activities, such as cricket and tennis, are performing less well than anticipated.

4. FINANCIAL IMPLICATIONS

- 4.1 It is perhaps too early in the year to draw any firm conclusions about performance against the budget, however, the figures do suggest that broadly the Town Council is on target to spend to budget.
- 4.2 The additional spend, receipts and savings detailed above will impact on the level of reserves, a summary of which is included at Appendix 3. Reserves stood at £496,935.67 at the 1st of April (£197,695.48 of Earmarked Reserves and Provisions and £299,240.19 in the General Reserve). If all budget plans are met reserves will decrease by almost £20,000.

5. RECOMMENDATION

It is **recommended** that:-

- 4.1 This report is noted.

For further information please contact:

Rory Fitzgerald, Finance Manager or

Tel: 01425 484723

rory.fitzgerald@ringwood.gov.uk

For further information please contact:

Chris Wilkins, Town Clerk

Tel: 01425 484720

Chris.wilkins@ringwood.gov.uk

**SUMMARY BUDGETARY CONTROL REPORT
PERIOD APRIL 2018 - JUNE 2018**

ALL COMMITTEES	Original Budget	Year To Date		Annual Forecast
	£	Actual	Unspent Budget	Outturn
		£	£	£
REVENUE EXPENDITURE				
POLICY & FINANCE COMMITTEE	406,246	105,335	300,911	406,246
RECREATION, LEIS & O/S COM	265,358	82,421	182,937	265,358
PLANNING TOWN & ENVIRON	21,801	4,156	17,645	21,801
TOTAL REVENUE EXPENDITURE	693,406	191,913	501,493	693,406
CAPITAL EXPENDITURE				
POLICY & FINANCE COMMITTEE	0	0	0	0
RECREATION, LEIS & O/S COM	10,000	0	10,000	10,000
PLANNING TOWN & ENVIRON	8,000	0	8,000	8,000
TOTAL CAPITAL EXPENDITURE	18,000	0	18,000	18,000
TOTAL EXPENDITURE	711,406	191,913	0	711,406
REVENUE INCOME				
POLICY & FINANCE COMMITTEE	-119,717	-49,368	-70,349	-119,717
RECREATION, LEIS & O/S COM	-85,969	-38,889	-47,080	-85,969
PLANNING TOWN & ENVIRON	-1,110	-1,100	-10	-1,110
TOTAL REVENUE INCOME	-206,796	-89,357	-119,829	-206,796
CAPITAL INCOME & FINANCE				
POLICY & FINANCE COMMITTEE	0	0	0	0
RECREATION, LEIS & O/S COM	0	0	0	0
PLANNING TOWN & ENVIRON	0	0	0	0
TOTAL CAPITAL INCOME & FINANCE	0	0	0	0
TOTAL INCOME	-206,796	-89,357	-119,829	-206,796
COUNCIL'S NET COMMITTEE EXPEND	504,610	102,556	399,664	504,610
Add Transfers To Provisions	41,300	4,225	0	37,075
Deduct Transfers from Provisions	-45,270	-20,631	0	-20,985
Transfer to/ from(-) General Reserve	-15,444	156,448	0	-171,329
Budget Required before new bids & grants	488,850	242,598	0	244,425
Transitional & Identifiable grant from NFDC	0	0	0	0
Net Precept 2018/19	485,196	242,598	244,425	485,196
Non recurring bids for 2018/19 included above				
POLICY & FINANCE COMMITTEE	2,500	2,080	420	2,500
RECREATION, LEIS & O/S COM	34,160	16,346	17,814	34,160
PLANNING TOWN & ENVIRON	11,400	66	11,334	11,400
Less transfer from provisions	-38,000	-16,346	-21,654	-38,000

	Original Budget £	Year To Date			Annual Forecast Outturn £
		Actual £	Profiled Orig Bud £	Variance From O.B. £	
POLICY & FINANCE COMMITTEE					
EXPENDITURE					
Establishment	105,283	31,804	0	73,479	105,283
Maintenance	38,603	560	0	38,043	38,603
Employee Direct Costs	2,053	377	0	1,676	2,053
Employee Allocated Costs	112,783	27,281	0	85,501	112,783
Member Costs	9,930	1,503	0	8,427	9,930
Grants	9,000	900	0	8,100	9,000
Other (includes THE PLACE, figures below)	97,048	27,137	0	69,912	97,048
Debt Charges	31,546	15,773	0	15,773	31,546
Capital	0	0	0	0	0
COMMITTEE EXPENDITURE	406,246	105,335	0	300,911	406,246

INCOME

INCOME

Revenue Income (Including THE PLACE)	-119,717	-49,368	0	-70,349	-119,717
Capital Income/Finance	0	0	0	0	0
TOTAL COMMITTEE INCOME	-119,717	-49,368	0	-70,349	-119,717

TOTAL NET EXPENDITURE	286,529	55,967	0	230,562	286,529
------------------------------	----------------	---------------	----------	----------------	----------------

BEFORE TRANSFERS TO PROVS

Add Transfers To Provisions	24,400	0	0	24,400	24,400
-----------------------------	--------	---	---	--------	--------

Deduct Transfers From Provisions	0	0	0	0	0
----------------------------------	---	---	---	---	---

TOTAL NET EXPENDITURE	310,929	55,967	0	254,962	310,929
------------------------------	----------------	---------------	----------	----------------	----------------

AFTER TRANSFERS TO PROVS

HOLDING ACCOUNTS

EXPENDITURE

Employee Direct Costs	416,951	97,603	0	319,348	416,951
-----------------------	---------	--------	---	---------	---------

HOLDING ACCOUNTS EXPEND.	416,951	97,603	0	319,348	416,951
---------------------------------	----------------	---------------	----------	----------------	----------------

HOLDING ACCOUNTS INCOME	-416,951	-97,603	0	-319,348	-416,951
--------------------------------	-----------------	----------------	----------	-----------------	-----------------

TOTAL NET EXPENDITURE	0	0	0	0	0
------------------------------	----------	----------	----------	----------	----------

	Original Budget £	Year To Date			Annual Forecast Outturn £
		Actual £	Profiled Orig Bud £	Variance From O.B. £	
Youth Service - Carvers Club House					
EXPENDITURE					
Establishment	8,962	1,892	0	7,070	8,962
Maintenance	1,760	659	0	1,101	1,760
Employee Direct Costs	500	20	0	480	500
Employee Allocated Costs	46,015	6,078	0	39,938	46,015
Other	0	554	0	-554	0
COMMITTEE EXPENDITURE	57,237	9,203	0	48,034	57,237

INCOME

INCOME

Revenue Income	0	-2,757	0	2,757	0
TOTAL COMMITTEE INCOME	0	-2,757	0	2,757	0

TOTAL NET EXPENDITURE	57,237	6,446	0	50,791	57,237
------------------------------	---------------	--------------	----------	---------------	---------------

BEFORE TRANSFERS TO PROVS

Add Transfers To Provisions	5,000	1,716	0	3,284	5,000
-----------------------------	-------	-------	---	-------	-------

TOTAL NET EXPENDITURE	62,237	8,162	0	54,075	62,237
------------------------------	---------------	--------------	----------	---------------	---------------

AFTER TRANSFERS TO PROVS

	Original Budget £	Year To Date			Annual Forecast Outturn £
		Actual £	Profiled Orig Bud £	Variance £	
RECREATION, LEISURE & OPEN SPACES COMMITTEE EXPENDITURE					
Establishment	11,115	2,619	0	8,496	11,115
Maintenance	23,267	9,213	0	14,054	23,267
Machinery	29,504	19,484	0	10,020	29,504
Employee Direct Costs	1,600	407	0	1,193	1,600
Employee Allocated Costs	130,604	32,975	0	97,629	130,604
Planters	510	0	0	510	510
Activities Expenses	8,566	1,716	0	6,850	8,566
Other	1,173	426	0	747	1,173
Capital Expenditure	10,000	0	0	10,000	10,000
CEMETERY					0
Establishment	5,205	1,415	0	3,790	5,205
Maintenance	8,376	2,857	0	5,519	8,376
Employee Allocated Costs	33,380	8,435	0	24,946	33,380
ALLOTMENTS					0
Establishment	1,000	73	0	927	1,000
Maintenance	1,216	464	0	752	1,216
Employee Allocated Costs	9,608	2,338	0	7,270	9,608
Other	235	0	0	235	235
COMMITTEE EXPENDITURE	275,358	82,421	0	192,938	275,358
INCOME					
Recreation, Leisure & O/S	-34,870	-15,805	0	-19,065	-34,870
Cemetery	-45,999	-20,670	0	-25,329	-45,999
Allotments	-5,100	-2,414	0	-2,686	-5,100
Capital Expend Finance	0	0	0	0	0
COMMITTEE INCOME	-85,969	-38,889	0	-47,080	-85,969
TOTAL NET EXPENDITURE BEFORE TRANSFERS TO PROVS	189,389	43,532	0	143,468	189,389
Add Transfers To Provisions	16,900	4,225	0	12,675	16,900
Deduct Transfers From Provisions	-36,270	-20,631	0	-15,639	-36,216
TOTAL NET EXPENDITURE AFTER TRANSFERS TO PROVS	170,019	27,126	0	142,894	173,673

	Original Budget £	Year To Date			Annual Forecast Outturn £
		Actual £	Profiled Orig Bud £	Variance £	
PLANNING, TOWN & ENVIRONMENT COMMITTEE EXPENDITURE					
Establishment	5,656	260	0	5,396	5,656
Employee Allocated Costs	16,145	3,896	0	12,249	16,145
Capital Expenditure	8,000	0	0	8,000	8,000
COMMITTEE EXPENDITURE	29,801	4,156	0	25,645	29,801
INCOME					
Capital Income & Finance	-1,110	-1,100	0	-10	-1,110
COMMITTEE INCOME	-1,110	-1,100	0	-10	-1,110
TOTAL NET EXPENDITURE BEFORE TRANSFERS TO PROVS	28,691	3,056	0	25,635	28,691
Add Transfers To Provisions	0	0	0	0	0
Deduct Transfers From Provisions	-9,000	0	0	-9,000	-9,000
TOTAL NET EXPENDITURE AFTER TRANSFERS TO PROVS	19,691	3,056	0	16,635	19,691



**ANALYSIS OF INCOME AGAINST BUDGET
PERIOD APRIL 2018 - JUNE 2018**

	2018/19 Original	2018/19 Revised	Quarter 1 Actual	Notes
Revenue:				
Policy & Finance Committee				
Rent (Greenways & Southampton Rd)	40,272	0	13,596	Some paid quarterly
Gateway Re-charges	68,735	0	24,979	A proportion of this is charged back to RTC as a share of overall Gateway costs.
Market Stalls	3,000	0	660	
Civic Celebrations	5,000	0	6,852	Income from the Royal Wedding Event
Other Grants & Donations *	0	0	0	Only to the extent that they are applied to the revenue account
VIC Sales	1,750	0	317	Includes event ticket sales
Carvers Club House - Café sales and room hire	0	0	2,757	
Interest on investments	960	0	7	
Other Income	0	0	200	
Recreation & Leisure Committee				
Ringwood Schools	15,612	0	3,545	Note, Ringwood school have cancelled their contract w.e.f. September 2017.
Sponsored Flowerbeds	2,488	0	1,167	
Bowling	1,530	0	665	
Cricket	2,000	0	1,195	
Football	6,750	0	2,871	
Rugby	2,000	0	440	
Tennis (including Floodlighting)	200	0	0	collected by NFDC and remitted at year end
Castleman Trail	700	0	0	Paid by HCC towards year end.
Other use of recreation grounds	3,500	0	5,831	Includes additional (unplanned) receipt from Fordingbridge for repair of pitches
Other Income	90	0	91	Wayleaves £91
Cemeteries	45,999	0	20,670	Income receipts have generally been above anticipated
Allotments	5,100	0	2,414	
Planning Town & Environment Committee				
Parish Lengthsman Grant (HCC)	1,110	0	1,100	
Total Revenue Income:	206,796	0	89,357	
Capital				
s106	0			
Grants	0			
Loans				
Other				
Total Capital Income	0	0	0	
Total Budgetted Income	206,796	0	89,357	
Precept and other income taken to reserves				
Precept	485,196		242,598	
Other Grants & Donations *	0	0	0	
Total Precept and other income taken to reserves	485,196	0	242,598	
Total Income	691,992	0	331,955	

PROVISIONS AND RESERVES

Title & Code	Balance 31/03/2018 £		Cash Receipts	Transfer fr Revenue £	Sub Total £	Transfer btwn resv £	Transfer to Revenue £	Balance 31/03/2019 £
EAR-MARKED PROVISIONS & RESERVE								
I.T. & Equipment TM602	33,400.00			4,500.00	37,900.00			37,900.00
Repairs To Pavements (Root Damage) TM603	1,600.00				1,600.00			1,600.00
Gateway TM604	23,177.00			4,000.00	27,177.00			27,177.00
Maint in Closed Churchyard TM605	4,800.00				4,800.00			4,800.00
Built Estate TM607	0.00			8,000.00	8,000.00			8,000.00
Election TM608	8,641.88			2,900.00	11,541.88			11,541.88
Mach Replace TM610	16,300.02			10,000.00	26,300.02		-20,000.00	6,300.02
Play Equipment TM611	38,150.50			6,900.00	45,050.50			45,050.50
Memorials TM612	3,000.00				3,000.00			3,000.00
Christmas Lights TM613	397.00				397.00			397.00
Festival TM614	3,000.00				3,000.00			3,000.00
Grants TM616	2,750.00				2,750.00			2,750.00
Capital Fund TM617	3,744.00				3,744.00			3,744.00
Poulner Lakes TM619	500.00				500.00			500.00
Built Envir-Furn TM621	1,375.00				1,375.00			1,375.00
Armed Forces Day TM624	704.00				704.00			704.00
The Place - future development TM625	16,551.00			5,000.00	21,551.00			21,551.00
Skatepark development provision TM626	0.00				0.00			0.00
Ringwood Events TM627	5,342.00				5,342.00			5,342.00
Sub Totals	163,432.40		0.00	41,300.00	204,732.40	0.00	-20,000.00	184,732.40
Dev Contribs TM680	5,436.13				5,436.13		-3,340.00	2,096.13
Cem Maint TM681	1,900.00				1,900.00		-230.00	1,670.00
Dev Cons(CIL) TM682	12,046.95				12,046.95		-8,000.00	4,046.95
Capital Receipts TM684	13,125.00				13,125.00			13,125.00
Grants Unapplied TM685	1,755.00				1,755.00			1,755.00
Loans Unapplied TM686	0.00				0.00			0.00
Total Earmarked Provisions & Reserve	197,695.48		0.00	41,300.00	238,995.48	0.00	-31,570.00	207,425.48
--Gen Reserve B010 TM699	299,240.19				299,240.19		-29,144.00	270,096.19
Total Provisions and Reserves	496,935.67	0.00	0.00	41,300.00	538,235.67	0.00	-60,714.00	477,521.67
Decrease(-) or Increase in Reserves & Provisions during 2018/19:-								-19,414.00

Grants Unapplied (TM685) Balance of £1,755 made up as follows:

- | | |
|-----------------------------------|----------------------------|
| i) Graffiti Wall | £1,000 rec'd December 2012 |
| ii) Interpretation Board | £ 500 rec'd Feb 2010 |
| iii) SSE Grant for flood defence | £ 255 rec'd July 2016 |
| Balance at 31st March 2017 | £1,755 |

REPORT TO POLICY & FINANCE COMMITTEE – 18th JULY 2018

RESERVES & PROVISIONS.

1. BACKGROUND

- 1.1 Reserves and Provisions held by the Council at the 1st April 2018 amounted to £496,935.67. Proposals for rationalisation of the reserves were brought before this Committee in June and members asked for further information on the background and reasons behind the establishment of individual reserves.
- 1.2 This paper provides further information and seeks member approval for both rationalisation and the establishment of additional reserves.

2. SCHEDULE OF RESERVES

- 2.1 A schedule of reserves has been produced and is included at Appendix 1. This sets out the reason for the creation of the reserve together with some indication as to how the reserve might be managed to ensure that it is sufficient to meet the needs of the Council when required.
- 2.2 The schedule is broken down into three categories:
 - ∩ Earmarked Provisions are established to meet the perceived future needs of the Town Council. This includes reserves for machinery and IT replacement, building repairs and so on. The total balance across these reserves stood at £163,432.40 at the 1st of April.
 - ∩ Capital Reserves include funds granted to the Council for specific categories of work, such as developer's contributions and CIL receipts. The total balance on these reserves stood at £34,533.08 at the 1st of April.
 - ∩ General Reserve. This is the default reserve to cover any unanticipated or otherwise unfunded expenditure and is a provision against risks or contingencies not covered by specific earmarked or capital reserves. A prudent level of general reserve would be around 50% of the annual precept. At the 1st of April the General Reserve stood at £299,240.19 which is 61.6% of the annual precept of £485,196.
- 2.3 It should be noted that the General Reserve includes balances arising because of slippage of planned expenditure from 2017/18.

3. RATIONALISATION OF EARMARKED RESERVES

- 3.1 At the June meeting Members considered proposals for rationalisation of reserves. A table summarising those proposals has been included at Appendix 2
- 3.2 There are currently 17 earmarked reserves with funds invested in them. Members also previously approved the creation of a buildings reserve with initial funds scheduled to be transferred from the revenue account in 2018/19.
- 3.3 The proposal is to remove 7 of these reserves and create a further 2 new earmarked reserves for Carvers Recreation Ground and for Infrastructure and Open Spaces.
- 3.4 Around £36,000 may be transferred from the General Reserve whilst leaving sufficient funds to satisfy the "prudence" test for that reserve. Deletion of the 7 dormant reserves will release a further £13,673 and the proposals make recommendations for the distribution of these funds across the new and remaining earmarked reserves.

4. RECOMMENDATIONS

C

It is **recommended** that:-

- 5.1 the existing earmarked provisions be consolidated, eliminating 7 of the provisions and releasing £13,673 to be added to those provisions where funds are considered to be inadequate.
- 5.2 New earmarked provisions are created for Carvers re-development (including replacement of the sheds), and Infrastructure and Open Spaces.
- 5.3 the annual contribution to the machinery replacement reserve be increased by £4,000 to £14,000.
- 5.4 Members consider whether any other annual contributions to earmarked provisions, such as that for play equipment,(currently £6,900 pa), be adjusted.
- 5.5 The sum of £36,000 be transferred from the General reserve to earmarked provisions, to be added to the £13,673 released through consolidation.
- 5.6 Members consider and/or approve the individual amounts to be distributed across new and existing earmarked provisions per the schedule in Appendix 1.

For further information, please contact:

Rory Fitzgerald, Finance Manager

Tel: 01425 484723

rory.fitzgerald@ringwood.gov.uk

or

Chris Wilkins, Town Clerk

Tel: 01425 484720

chris.wilkins@ringwood.gov.uk



A description of the reserves maintained by Ringwood Town Council and how they will be managed

General principles guiding the management of reserves:

1. Annual budgets should make adequate provision for expected recurrent expenditure without recourse to reserves.
2. Significant expenditure of a non-recurrent or capital nature (whether planned or unplanned) should be met from either a suitable ear-marked provision that has been built up over time or a loan repayable over time, in order to spread the cost over an appropriate number of financial years, thus avoiding either unfair calls upon local council tax-payers in any one year or excessive fluctuations in the precept.
3. Receipts of a capital nature and/or for specific or restricted purposes should be treated in a manner that fully respects the Nolan principles of accountability and openness.
4. This document should be **consulted**
 - ∩ Before funds are transferred from or added to any reserve;
 - ∩ When an Annual Financial Risk Assessment is undertaken;
 - ∩ When an Annual Governance Statement and Accounting Statements are considered; and
 - ∩ When a Budget is being considered and before a Precept is agreed.
5. This document should be **reviewed**
 - ∩ Before an existing reserve is re-named, re-purposed, reduced to nil, closed or merged with another reserve;
 - ∩ Before a new reserve is created;
 - ∩ When a significant change in the financial risks facing the Council occurs; or
 - ∩ When a significant change in the Council's assets or plans occurs.

Schedule of reserves				
Title	Code	Balance 1/4/18	Purpose(s)/Function(s)	Management
Ear-marked provisions and reserves				
I.T. & Equipment Fund	TM602	£33,400	To meet the cost of completely replacing/updating the computers, telephones and related equipment when obsolete or at the end of life.	Expected major upgrade in FY 2019-20. Annual contributions of £4,500 to be reviewed following upgrade.





Schedule of reserves				
Title	Code	Balance 1/4/18	Purpose(s)/Function(s)	Management
Gateway Fund	TM604	£23,177	To meet expected future demands for contributions towards the costs of major repairs or capital works to The Gateway council offices building. Original contribution to building costs was £300,000. Our contribution to major repairs or capital works is not expected to exceed £50,000	We will transfer £4,000 into this reserve each year until the total of £50,000 is reached, at which point contributions will be reconsidered and possibly suspended until funds are applied.
Burial Grounds Fund	TM605	£4,800	To meet expected future capital costs of either extending or improving the cemetery owned and managed by the Council or of maintenance works memorials there or to the closed churchyard for which the Council is liable. The Council is expected to provide further cemetery capacity once the existing cemetery is full.	We will transfer £4,000 (£5,200 in 2018/19) into this reserve each year until the total of £50,000 is reached, at which point contributions will be reconsidered and possibly suspended until funds are applied.
Elections Fund	TM608	£8,642	To meet expected future demands for contributions towards the costs of elections to membership of the council (both general and by-elections) (not currently expected to exceed £15,000)	Expected to be drawn upon for general election in FY 2019-20. Annual contributions of £2,900 to reviewed in FY 2020-21 to establish the rate required to achieve a total of £15,000 by the start of FY 2023-24.
Vehicle & Machinery Fund	TM610	£16,300	To meet the cost (currently estimated at £140,000 in total) of replacing each vehicle or large item of machinery used by the Council's Grounds Maintenance Staff every 10 years.	We will transfer £14,000 into this reserve each year until the total of £140,000 is reached, at which point contributions will be suspended unless and until funds are transferred from it
Play Equipment Fund	TM611	£38,151	To meet the cost of replacing/updating or conducting major repairs to children's play equipment on the various sites owned or managed by the Council according to a cyclical programme of prioritised works commissioned every [3] years (currently estimated at £40,000 per cycle)	We expect to spend £40,000 in FY 2018-19. Annual contributions of £6,900 to be reviewed to achieve a total of £40,000 by the start of FY 2021-22.

Schedule of reserves				
Title	Code	Balance 1/4/18	Purpose(s)/Function(s)	Management
Christmas Lights Fund	TM613	£397	To meet the cost (currently estimated at £28,000) of completely replacing the Christmas lights owned by the Council every [5] years.	Expected to be depleted completely in FY 2019-20. Annual contributions to be agreed to meet cost of future replacement..
Carvers Clubhouse Fund	TM625	£16,551	To meet the capital costs of any major repairs, enhancements or redevelopment of Carvers Clubhouse that the Council approves in future.	Annual contribution of £5,000 Officers will bring forward proposals for increasing or making use of this fund when service user needs become clearer.
Events Fund	TM627	£5,342	<ol style="list-style-type: none"> 1. To act as a contingency fund against possible losses incurred by the Council in organizing public events in Ringwood. 2. To provide a fund for the awarding of grants to other organisations to cover costs of putting on events in Ringwood. 	<p>Surpluses generated by events will be transferred into this fund [unless and until it reaches £5,500.</p> <p>Deficits incurred by events will be met from this fund.</p> <p>Grants or donations from other organisations into this fund will be accepted.</p>
Buildings Reserve	TM630	£0	To act as a sinking fund to cover costs of major building repairs (for which the Council is liable) at either Greenways or 92 Southampton Road (not currently expected to exceed £50,000)	We will transfer a sum roughly equal to 20% of annual rental income from both properties into this fund each year until the total of £50,000 is reached, at which point contributions will be reconsidered and possibly suspended until funds are applied.
Carvers Recreation Ground Fund	TM631	£0	To meet the capital costs of such enhancements to facilities other than Carvers Clubhouse at Carvers Recreation Ground as the Council approves in future.	Proposal that £15,000 be transferred into this fund from the General Reserve in 2018/19. Officers will bring forward proposals for increasing or making use of this fund when needs become apparent.





Schedule of reserves				
Title	Code	Balance 1/4/18	Purpose(s)/Function(s)	Management
Infrastructure & Open Spaces Fund	TM632	£0	To meet the costs of: <ul style="list-style-type: none"> ∩ replacement of or major repairs to infrastructure (benches, bus-shelters boardwalks, notice-boards, etc.); or ∩ major tree works or other environmental works or enhancements not covered by annual budgets. 	We will transfer £3,000 into this reserve each year until the total of £24,000 is reached, at which point contributions will be reconsidered and possibly suspended until funds are applied.
Other historic & dormant funds:			All of these are "dormant" reserves on which there has been no movement for some years.	It is proposed that these reserves be removed and the funds distributed across the remaining earmarked provisions.
- Repairs to Pavements	TM603	£1,600		
- Memorials	TM612	£3,000		
- Festival	TM614	£3,000		
- Grants	TM616	£2,750		
- Capital Fund	TM617	£3,744		
- Poulner Lakes	TM619	£500		
- Built Environment - Furniture	TM621	£1,375		
- Armed Forces Day	TM624	£704		
Capital reserves				
Developer Contributions	TM680	£5,436	Contributions received towards the cost of facilities and infrastructure pursuant to planning obligations entered into under section 106 Town & County Planning Act 1990.	Officers will bring forward proposals for making use of these funds when suitable opportunities become apparent [and in any event no later than [?]].
Cemetery Maintenance	TM681	£1,900	A commuted sum received by way of contribution to the costs of maintaining burial grounds in the town.	A sum of £230 will be drawn down each year (leaving a projected £1,670 at the end of FY 2018-19) by way of such contribution until it is exhausted (in or about [2025-26])

Schedule of reserves				
Title	Code	Balance 1/4/18	Purpose(s)/Function(s)	Management
Community Infrastructure Levy	TM682	£12,047	The Town Council's share of CIL receipts collected by NFDC and remitted half-yearly.	Councillors will make proposals for use of these funds for decision by the Council (or a committee under relevant delegated powers).
Capital Receipts	TM684	£13,125	Proceeds from past sales of Council-owned assets (currently standing at £13,125).	Officers will bring forward proposals for making use of these funds by purchase of suitable assets when appropriate needs become apparent.
Grants Unapplied	TM685	£1,755	Unused balances from grants received currently standing at £1,755: i) Graffiti Wall £1,000 rec'd Dec 2012 ii) Interpretation Board £500 rec'd Feb 2010 iii) SSE Grant for flood defence £255 rec'd July 2016	
Loans Unapplied	TM686	£0	A temporary holding fund for loans received but not used (currently standing at nil).	If and when loan monies are received in future they will be transferred into this fund to the extent that they have not been spent for the required purpose at the relevant FY end and transferred out when they are so spent.
			General reserve	
General reserve	TM699	£299,240	<ol style="list-style-type: none"> 1. Default recipient of funds under-spent from annual budgets. 2. Default source of funds for over-spends on annual budgets. 3. Provision against all risks and contingencies not covered by an ear-marked or capital reserve. 	When agreeing annual budgets and setting precepts or when adjusting reserve balances in year we will aim to ensure that the expected balance of the general reserve at the financial year end will be roughly equivalent to 50% of the precept set for that year.



Adopted: //



DRAFT

RESERVES AND PROVISIONS

Title	Status Retain/Delete/ New	Balance Sheet Codes	Balance 01/04/2018 £	Transfers to and from reserves included in the 2018/19 Budget		Balance 31/03/2019 per budget £	Proposed Consolidation and transfers between Reserves and earmarked provisions		Proposed Balance 31/03/2019 £
				Transfer from Revenue £	Transfer to Revenue £		Proposed Transfers Out £	Proposed transfers in £	
EAR-MARKED PROVISIONS & RESERVES									
I.T. & Equipment	Retain	TM602	33,400.00	4,500.00		37,900.00			37,900.00
Repairs To Pavements (Root Damage)	Delete	TM603	1,600.00			1,600.00	-1,600.00		0.00
Gateway	Retain	TM604	23,177.00	4,000.00		27,177.00			27,177.00
Cemetery Extension (Renamed from "Maintenance in closed Churchyard")	Retain	TM605	4,800.00			4,800.00		5,200.00	10,000.00
Election	Retain	TM608	8,641.88	2,900.00		11,541.88			11,541.88
Mach Replace	Retain	TM610	16,300.02	10,000.00	20,000.00	6,300.02		5,000.00	11,300.02
Play Equipment	Retain	TM611	38,150.50	6,900.00		45,050.50		5,000.00	50,050.50
Memorials	Retain	TM612	3,000.00			3,000.00			3,000.00
Christmas Lights	Retain	TM613	397.00			397.00		10,000.00	10,397.00
Festival	Delete	TM614	3,000.00			3,000.00	-3,000.00		0.00
Grants	Delete	TM616	2,750.00			2,750.00	-2,750.00		0.00
Capital Fund	Delete	TM617	3,744.00			3,744.00	-3,744.00		0.00
Poulner Lakes	Delete	TM619	500.00			500.00	-500.00		0.00
Built Envir-Furn	Delete	TM621	1,375.00			1,375.00	-1,375.00		0.00
Armed Forces Day	Delete	TM624	704.00			704.00	-704.00		0.00
Carvers Clubhouse Fund	Retain	TM625	16,551.00	5,000.00		21,551.00			21,551.00
Ringwood Events	Retain	TM627	5,342.00			5,342.00			5,342.00
Greenways/Southampton Road Bdg Reserve	Retain	TM630	0.00	8,000.00		8,000.00			8,000.00
Carvers Grounds Development	New	TM631	0.00			0.00		15,000.00	15,000.00
Infrastructure & Open Spaces Fund	New	TM632	0.00			0.00		9,473.00	9,473.00
Sub Totals			163,432.40	41,300.00	20,000.00	184,732.40	-13,673.00	49,673.00	220,732.40
Dev Contribs		TM680	5,436.13		3,340.00	2,096.13			2,096.13
Cem Maint		TM681	1,900.00		230.00	1,670.00			1,670.00
Dev Cons(CIL)		TM682	12,046.95		8,000.00	4,046.95			4,046.95
Capital Receipts		TM684	13,125.00			13,125.00			13,125.00
Grants Unapplied		TM685	1,755.00			1,755.00			1,755.00
Loans Unapplied		TM686	0.00			0.00			0.00
Total Earmarked Provisions & Reserves			197,695.48	41,300.00	31,570.00	207,425.48	-13,673.00	49,673.00	243,425.48
GENERAL RESERVE		TM699	299,240.19		29,144.00	270,096.19	-36,000.00		234,096.19
Total Provisions and Reserves			496,935.67	41,300.00	60,714.00	477,521.67	-49,673.00	49,673.00	477,521.67
Decrease(-) or Increase in Reserves & Provisions during 2018/19:-									-19,414.00



REPORT TO POLICY & FINANCE COMMITTEE – 18th JULY 2018

MEMBERS ALLOWANCES

1. BACKGROUND

- 1.1 New Forest District Council have increased their basic members allowances by 2% from the 1st of April 2018 in line with the National Local Government pay award. This has an impact on the recommended basic allowance paid to members of Town and Parish Councils within the District.

2. MEMBERS ALLOWANCES – FINANCIAL CONSIDERATIONS

- 2.1 For 2017/18 Ringwood Town Council paid a basic members allowance of £720.00 per annum. Currently eight members are in receipt of the allowance.
- 2.2 The District allowance is now £6,299 per annum and the recommended allowance for this Council is 12.5% of the District Council allowance, or £787.38. This would represent an increase of 9.35%.
- 2.3 The Town Council does not have to accept the increase, and need not adhere strictly to it, but 'must have regard to' the recommendations of the Independent Remuneration Panel when setting any allowances it has chosen to pay.
- 2.4 If the full increase is applied, spend will increase by £539 per annum which could be managed within the existing budget.
- 2.5 However, currently only 8 of 14 Councillors claim the allowance (Co-opted members are not eligible to claim the allowance). Should all Councillors claim, expenditure would increase by £5,263 and the budget would need to be increased by £4,393.
- 2.6 An increase of 2%, in line with the increase awarded to staff, would increase total costs by £115 per year and bring the basic allowance up to £734.40 per annum, well within the current budget provision.

3. Recommendations

- 3.1 It is recommended that the members allowance be increased by 2% per annum in line with the pay award granted to officers.

For further information please contact:

Rory Fitzgerald, Finance Manager or

Tel: 01425 484723

rory.fitzgerald@ringwood.gov.uk

For further information please contact:

Chris Wilkins, Town Clerk

Tel: 01425 484720

Chris.wilkins@ringwood.gov.uk

REPORT TO POLICY & FINANCE COMMITTEE – 18th JULY 2018

INTERNAL AUDIT REPORT 2017/18

1. BACKGROUND

- 1.1 The purpose of this report is to inform Members of the outcome of the audit of financial controls and accounting records carried out by the Southern Audit Partnership in May and June 2018.

2. INTERNAL AUDIT 2018/19

- 2.1 The overall opinion of this review is that **adequate assurance** can be placed on the effectiveness of the framework of risk management, control and governance designed to support the achievement of management objectives.
- 2.2 The Internal audit report is attached.

3. AUDIT FINDINGS, MANAGEMENT RESPONSE & ACTION PLAN

- 3.1 The audit review made three observations for management to consider. Two of these were of medium priority and the third was seen as high priority.
- 3.2 The medium priority issues centre on the systems around bank reconciliations. These will now be carried out by the finance officer, checked by the RFO and presented to P&F on a quarterly basis for member endorsement.
- 3.3 The high priority issue is that of dividing investments across more than one establishment, an issue that has become more important as the Council has built replenished reserves. This issue is currently being addressed with the RFO investigating alternatives to the Council's own bank to deposit funds.
- 3.4 The findings, management response and action plan are all included in the attached audit report.

4. RECOMMENDATION

It is **recommended** that:-

- 4.1 This report is noted.

For further information please contact:

Rory Fitzgerald, Finance Manager or

Tel: 01425 484723

rory.fitzgerald@ringwood.gov.uk

For further information please contact:

Chris Wilkins, Town Clerk

Tel: 01425 484720

Chris.wilkins@ringwood.gov.uk

Southern Internal Audit Partnership

Confidential

Final Internal Audit Report

**Supplementary Paper to Annual Governance and Accountability Return
2017/18 Part 3**

Prepared by: Nigel Spriggs

Issued date: 09 July 2018

This document has only been distributed to these individuals:

Name	Title
Chris Wilkins	Town Clerk
Rory Fitzgerald	Responsible Financial Officer (RFO)

1 **Audit objectives**

1.1 This review has sought to assess the effectiveness of controls in place focusing on those designed to mitigate risk in achieving the following key objectives:

- Appropriate accounting records have been properly kept throughout the financial year;
- The Town Council complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for;
- The Town Council assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these;
- The precept or rates requirement resulted from an adequate budgetary process; process against the budget was regularly monitored; and reserves were appropriate;
- Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for;
- Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for;
- Salaries to employees and allowances to members were paid in accordance with the authority's approvals, and PAYE and NI requirements were properly applied;
- Asset and investments registers were complete and accurate and properly maintained;
- Periodic and year-end bank account reconciliations were properly carried out;
- Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded; and,
- The Town Council has met its responsibilities as a trustee.

2 **Audit opinion**

- 2.1 The overall opinion of this review based on the audit evidence obtained, is that **adequate assurance** can be placed on the effectiveness of the framework of risk management, control and governance designed to support the achievement of management objectives.

3 **Executive summary**

- 3.1 Detailed financial results comparing year-to-date actuals against budget are compiled and reported to the Policy & Finance Committee on a monthly basis in a format which provides an audit trail to original transactions within the Agresso financial system.
- 3.2 We tested eighteen points within the Financial Regulations and found a high level of compliance although there was one exception; the quarterly independent review of bank statement reconciliations by a Member is not being carried out. Also, we were unable to obtain a copy of the bank mandate approved by the Policy and Finance Committee in September 2017 and cross-reference it to the actual bank mandate. We understand that the bank mandate is currently being updated therefore no action plan has been raised regarding the mandate.
- 3.3 Testing of payments to suppliers found they were supported by invoices and authorised in compliance with the Financial Regulations, with VAT appropriately accounted for. All petty cash transactions tested were supported by receipts, correctly authorised, and processed compliantly with HMRC VAT guidelines.
- 3.4 Testing of cash receipts and sales invoices found they were raised in compliance with the Council's current charging policies, cash was promptly banked, all receipts were correctly coded, and VAT was appropriately accounted for.
- 3.5 A financial risk assessment report was presented to the Policy & Finance Committee in March 2018 and included an up-to-date and comprehensive risk register. No major projects were undertaken in the financial year which would have required a risk assessment under the terms of the Financial Regulations.
- 3.6 When setting the 17 / 18 precept, all budget-lines were reviewed by the Responsible Finance Officer using linear or zero based budgeting processes as appropriate. A draft budget was presented to the Policy and Finance Committee in October 2016 with recommendations to increase the precept in order to keep general reserves at an appropriate level. The final precept was agreed by Council in January 2017, in compliance with the Financial Regulations, and year-to-date actuals against budget are reported to the Policy & Finance Committee at each monthly meeting.

- 3.7 A specialist company is contracted to ensure monthly salary payments to employees, allowances to members who have elected to receive them, and any related PAYE and NI contributions, are calculated and reimbursed at the correct levels. Our testing found that controls in place to ensure the contractor has the correct information to base these calculations on are robust.
- 3.8 The Responsible Financial Officer maintains a comprehensive fixed asset register, including book valuations and current level of insurance, with controls in place to ensure additions and disposals are updated as necessary. The register also logs the last date each item was physically inspected, with the most recent review carried out in March 2018.
- 3.9 Each of the Council's four bank accounts are reconciled by the Finance Officer on a monthly basis. Testing found reconciliations agreed to reports made to the Policy and Finance Committee. However, as noted under point 3.2, there is no arrangement in place for a member to validate reconciliations on a quarterly basis as stipulated by the Financial Regulations, and, further to this, the Council's Treasury Management Policy states that the maximum amount to be invested with a single institution is £250,000, whereas all four bank accounts are held with a single bank and balances throughout 17 / 18 were typically in excess of £400,000.
- 3.10 All draft budgets and budgetary monitoring reports have been prepared on the correct income and expenditure accounting basis, as will the final accounting statements. A process is in place to ensure the cash book agrees to the year end nominal ledger, is correctly represented within the balance sheet, and that the balance sheet is reconciled to the year end trial balance ahead of the accounts being finalised. A process has been followed to identify and record all debtors and creditors, and a detailed transaction listing will be extracted from Agresso and kept on record to provide an adequate audit trail to underlying records.
- 3.11 The Council is the sole trustee for two funds, both of which have had all necessary Charity Commission Annual Returns completed and are being maintained in separate accounts in compliance with section sixteen of the Financial Regulations.

4 **Action plans**

4.1 The action plans detailed within this report describe:

- Observations where internal audit considered either controls or compliance to be insufficient to mitigate risk to the achievement of management objectives;
- The actions management propose to undertake to bring the risks within acceptable parameters; and
- Internal audit's assessment as to whether management's actions achieve an acceptable level of risk exposure.

Action plan 1 - Bank statements				
Objective		The Town Council complied with its financial regulations.		
Observation		<p>Our testing found that bank statement reconciliations are being carried out by the Financial Officer on all accounts on a monthly basis and that the March 2018 reconciliations agreed to the equivalent figures in the year-end cash-book.</p> <p>However, Financial Regulation 2.2 stipulates that a Member shall be appointed to verify bank reconciliations for all accounts at least once each quarter, signing both the reconciliations and original bank-statements as evidence.</p> <p>Our testing confirmed this is not being followed in practice. In addition, no other responsible officer within Ringwood Town Council is presently reviewing the Financial Officer's reconciliations, risking any errors or inconsistencies remaining undetected.</p>		
Management action				
What		Priority (High, Medium, Low)	Responsible officer	Target date
1.1	Since April 2018 the reconciliations have been performed by the Finance Officer and checked by the Finance Manager. This will be standard practice until further notice.	Medium	RF	Immediate
1.2	The bank reconciliation and referenced bank statements will be presented to the Policy & Finance Committee on a quarterly basis from Q1 2018/19 for endorsement and signature by the Committee Chairman.	Medium	RF	July 2018
Auditor's assessment of management response:				
Proposed actions will help mitigate future risk.				

Action plan 2 - Bank balances				
Objective		The Town Council complied with its financial regulations.		
Observation		<p>A review of the bank account reconciliations revealed that all four accounts are with one financial institution and that combined balances throughout the year were regularly in excess of £400,000.</p> <p>Ringwood Town Council's Treasury Management Policy Statement, point 4.1, however, stipulates that the maximum amount which can be invested with any one institution is £250,000.</p> <p>Placing all of the Council's liquid assets with one institution risks non-compliance with the Council's Treasury Management Policy and, also, over-exposing the Council to any potential financial issues limited solely to that particular institution.</p>		
Management action				
What		Priority (High, Medium, Low)	Responsible officer	Target date
2.1	Arrangements will be established with other approved investment organisations and investments over £250,000 will be split over two or more financial institutions.	High	RF	August 2018
Auditor's assessment of management response:				
Proposed actions will help mitigate future risk.				

Annex A**Key**

The following is the key to quantify observations identified in the audit:

Assurance levels

Opinion	Framework of governance, risk management and management control.
Substantial assurance	A sound framework of internal control is in place and is operating effectively. No risks to the achievement of system objectives have been identified.
Adequate assurance	Basically a sound framework of internal control with opportunities to improve controls and / or compliance with the control framework. No significant risks to the achievement of system objectives have been identified.
Limited assurance	Significant weakness identified in the framework of internal control and / or compliance with the control framework which could place the achievement of system objectives at risk.
No assurance	Fundamental weakness identified in the framework of internal control or the framework is ineffective or absent with significant risks to the achievement of system objectives.

Priority

Priority rating	Current risk
High	A significant risk of; failure to achieve objectives; fraud or impropriety; system breakdown; loss; or qualification of the accounts by the organisation's external auditors. Such risk could lead to adverse impact on the organisation or expose the organisation to criticism.
Medium	A serious, but not immediate risk of: failure to achieve objectives; system breakdown; or loss.
Low	Areas that individually have no major impact, but where management would benefit from improved risk management and / or have the opportunity to achieve greater efficiency and / or effectiveness.

4.2 Annex B

4.2.1 Assignment – Progress Control Sheet

Assignment stage	5 Assignment Progress				Comments
Audit Outline	Presented	17/04/2018	Agreed	24/04/2018	
Fieldwork commenced	Target	08/05/2018	Actual	08/05/2018	
Fieldwork completed	Target	17/05/2018	Actual	17/05/2018	
Close of audit meeting	Target	17/05/2018	Actual	17/05/2018	
Draft report issued	Target ¹	31/05/2018	Actual	31/05/2018	
Factual accuracy agreed and management response	Requested ²	14/06/2018	Provided	26/06/2018	
Draft final report issued	Target	N/A	Actual	N/A	
Senior management sign-off	Requested	N/A	Provided	N/A	
Final report issued	Target	09/07/2018	Actual	09/07/2018	

¹ Within 10 working days of close of audit meeting

² Within 10 working days of draft report issued

³ Within 5 working days of receipt of management response

⁴ Within 5 working days of draft final report issued



⁵ Within 2 working days of senior management sign-off



Item No.	Name	Recent developments	Resource use				Finish in 2018-19?	Notes
			Finance			Staff time		
			Budget	Spent to date	Predicted out-turn			
Projects with budgetary implications (bids included in 2018-19 budget)								
A1	Millennium Clock	A follow-up visit since the main repair in April has now, apparently, ensured that both faces show the same, correct time.	£1,000	£580	£1,200	Moderate	Probable	Competitive quotes/tenders for re-painting the columns and surround are being obtained.
A2	WW1 Armistice lasting addition to remembrance	A proposal for a poppy display on the town roundabout was presented at the meeting on 20 th June	£500	£0	£100	Minimal	Probable	Officers will work with Cllr Wiseman, the RBL and the sponsor Knights Brown to carry this into effect.
A3	WW1 Armistice – contribution to commemorative event	Details of ceremonies and parade and help needed from RTC are awaited from RBL	£1,000	£0	£600	Moderate	Probable	This item has been moved to RL&OS committee and will be deleted from here.
Projects with budgetary implications (not included in 2018-19 budget but added since)								
B1	None							
Projects with no budgetary implications								
C1	Review of Standing Orders	Referred to a Working party which meets on 19 th July.				Moderate	Probable	

