

FINANCE AND AUDIT

MINUTES
Wednesday 22nd February 2017

Present: Chairman Cllr Southern, Cllr Ball, Cllr Morris, Cllr J Barnes, Cllr Dyball, Cllr Komolafe, Cllr Searles,

Also Present: Cllr Hogg, Cllr Horwood, Cllr Scott, Cllr Willingale

Officers: CEO Steve Nash, Civic Manager Toni Roast, Estates Manager Dan Sutton

1. APOLOGIES FOR ABSENCE

All Present

2. DECLARATIONS OF INTEREST

None Received

3. MINUTES OF THE PREVIOUS MEETING

To approve as correct the Minutes of the Meeting held on Wednesday 8th February 2017

AGREED

4. FINANCE UPDATE

The Chairman was pleased to note that the council are now receiving detailed financial information on all aspects of the councils operation, including debtors and creditors and financial projections.

Cllr Scott expressed concerns over how the accounts had previously been handled and wondered if there was a need to investigate further. Cllr Southern stated there would be a huge cost in investigating further and as things were now on track it might be a wasted expense. The CEO backed this by explaining that current priorities are to identify Debtors and reduce costs. Cllr Hogg also raised concerns about financial reporting but was pleased to see things were now more transparent.

RESOLVED: To accept reports A/B

5. COST REDUCTION

The Chairman again said how pleased he was to see that contracts were being looked into and was astounded by how much the council had been paying for these services up to this point. The CEO pointed out that the council will save over £25,000 this year just by switching contracts as indicated in Report C

RESOLVED: That the CEO take up the new contracts under his delegated powers.

6. SWITCHING ENERGY PROVIDERS

The CEO outlined the plan to seek a more economical provider and further reduce costs to the town council. Cllr Morris asked if the energy tariff would still be paid to us if we switched provider. The CEO advised that this would not be known until the provider had been identified but explained that the system had been disconnected from our building so that we receive no direct reduction on costs at present.

The Chairman supported the idea of reducing costs by seeking best value and commended this to councillors.

RESOLVED: That the CEO arrange to switch energy providers under his delegated powers

The Chairman expressed his thanks to the CEO for the savings made so far and hoped that this would continue

7. Date of next meeting

22nd March 2017

MEETING CLOSED AT 20:20 hrs

If you would like further information on any of the agenda items, please contact Mr Steve Nash, on 01322 611663 or snash@swanleytowncouncil.gov.uk

Committee Members:

(Chair) Cllr Southern, (Vice Chair) Cllr Morris, Cllr Ball, Cllr Dyball, Cllr J Barnes, Cllr Searles, Cllr Komolafe

Financial Projections Cash Flow Statement

Fiscal Year begins:
01/04/2016

	Apr 2016	May 2016	Jun 2016	Jul 2016	Aug 2016	Sep 2016	Oct 2016	Nov 2016	Dec 2016	Jan 2017	Feb 2017	Mar 2017	Total
Cash Position (Beginning of Month)	143,592.80	143,592.80	336,133.42	188,704.43	86,879.46	402,210.30	396,928.00	419,327.31	349,579.88	262,904.72	211,012.07	161,833.52	64,191.05
Receipts													
Precept	259,755.00			101,000.00		158,754.00							519,509.00
Other Cash Injection				150,371.14									150,371.14
Cash In	74,185.63	76,876.46	87,757.65	213,416.24	139,866.09	74,715.81	138,902.42	84,351.66	90,207.51	104,472.58	73,010.58	73,010.58	1,230,773.22
Total	-	333,940.63	76,876.46	87,757.65	464,787.38	139,866.09	233,469.81	138,902.42	84,351.66	90,207.51	104,472.58	73,010.58	1,900,653.36
Total Balance Available (Pre Cash Out)	143,592.80	477,533.43	413,009.88	276,462.08	551,666.84	542,076.39	630,397.81	558,229.73	433,931.54	353,112.23	315,484.65	234,844.10	137,201.63
Cash Paid Out	B/f												
Bar	4,945.05	6,187.41	5,891.56	9,427.74	1,243.91	5,934.57	4,291.65	2,329.22	2,296.77	3,424.20	3,424.20	3,424.20	52,820.48
Catering	4,481.05	5,614.63	6,027.64	6,195.95	8,424.17	4,913.92	7,548.77	8,173.18	13,163.84	3,060.69	3,060.69	3,060.69	73,725.22
Functions	3,183.20	1,146.25	3,749.61	1,554.60	92.75	3,823.69	2,449.87	3,029.93	3,580.00	1,755.00	1,755.00	1,755.00	27,874.90
Payroll	62,711.14	51,374.50	52,703.98	62,881.96	47,069.57	48,577.96	44,899.78	45,749.00	42,650.66	63,791.86	31,196.00	31,196.00	584,802.41
Pension	15,725.73	15,132.25	13,789.19	14,807.11	15,359.21	14,177.63	15,099.47	12,836.71	12,821.08	11,156.81	5,802.00	5,802.00	152,509.19
NI & PAYE	18,509.28	17,869.85	16,200.96	16,886.44	14,735.25	13,134.85	16,231.84	13,833.50	14,461.89	13,621.71	5,599.63	5,599.63	166,684.83
Casual Staff	30.54	1,194.00	1,609.00	1,676.51	3,432.84	5,366.42	2,883.54	1,344.96	3,954.98	1,778.17	1,778.17	1,778.17	26,827.30
Stationery	117.41	148.90	73.65	356.05	169.76	62.80	20.40	450.77	404.65	210.59	210.59	210.59	2,436.16
Repairs & Maintenance	2,111.82	2,507.08	1,725.40	55.00	644.05	87.29	8,300.64	698.26	470.39	4,872.00	15,000.00	15,000.00	51,471.93
Equipment & Machinery	0.00	32.62	525.59	414.27	260.00	2,355.00	172.00	2,790.38	61.71	510.52	510.52	510.52	8,143.13
Advertising	105.98	945.98	845.56	671.36	77.98	39.98	39.99	39.98	657.43	180.00	180.00	180.00	3,964.24
Subscriptions	1,811.79	0.00	179.00	604.80	35.00	35.00	481.34	548.01	0.00	410.55	410.55	410.55	4,926.59
Insurance	0.00	31,308.65	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	31,308.65
Accounting & Legal	2,584.00	518.50	1,232.50	2,012.50	331.50	3,221.50	3,417.00	2,312.00	3,034.50	2,272.50	2,800.00	2,800.00	26,536.50
Professional Fees	2,724.00	9,160.22	6,195.54	16,604.08	7,627.18	16,762.21	(28,022.33)	3,779.25	3,316.70	8,055.97	6,000.00	2,500.00	54,702.82
Telephone & Broadband	1,447.61	387.22	289.00	483.73	90.78	443.94	442.97	474.40	209.72	429.00	429.00	429.00	5,556.37
Computer & Software	458.00	145.00	409.00	587.33	237.43	185.33	945.33	220.33	225.76	239.96	239.96	239.96	4,133.39
Gas	0.00	5,860.55	0.00	0.00	879.57	0.00	0.00	1,040.63	0.00	0.00	2,000.00	3,000.00	12,780.75
Electric	3,345.99	1,592.47	1,385.77	12.65	3,430.68	1,859.15	0.00	(13,356.02)	(2,807.74)	1,000.00	4,000.00	3,000.00	3,462.95
Rates: General	10,506.70	10,506.70	11,894.73	11,896.00	11,896.00	11,896.00	11,896.00	11,896.00	11,896.00	11,896.00	11,896.00	11,896.00	139,972.13
Water	0.00	0.00	3,276.43	0.00	886.65	4,632.56	643.18	1,744.43	2,119.61	0.00	2,000.00	2,000.00	17,302.86
Premises Expenses	29.80	11,904.00	990.00	943.00	3,224.00	1,782.00	139.00	1,903.00	905.00	6,480.42	6,480.42	6,480.42	41,261.06
Equipment Leasing	1,044.25	2,750.40	2,518.70	612.28	2,160.31	2,328.11	552.38	2,471.99	1,775.83	451.98	451.98	451.98	17,570.19
VAT	0.00	0.00	0.00	0.00	0.00	30,082.35	23,109.77	0.00	0.00	0.00	25,000.00	0.00	78,192.12
Bank Charges	395.37	406.92	431.49	442.23	379.23	755.76	326.68	700.97	421.67	428.35	428.35	428.35	5,545.37
Other (specify)	5,131.30	47,611.35	57,638.32	330.95	22,460.57	38,612.48	92,780.58	66,015.94	26,479.71	17,624.85	40,000.00	17,624.00	432,310.05
Miscellaneous													0.00
Total	-	141,400.01	224,305.45	189,582.62	149,456.54	145,148.39	211,070.50	208,649.85	171,026.82	142,100.16	153,651.13	170,653.06	2,026,821.59
Unpresented Transactions													
Unpresented Payments	71,885.71	17,390.88	8,985.20	24,695.64	45,920.94	67,233.14	23,494.77	38,182.52	7,351.15	33,904.60			
Unpresented Receipts	(5,987.86)	(10,379.48)	(3,346.97)	(9,455.86)	(8,153.29)	(10,950.45)	(14,611.43)	(6,337.54)	(3,309.92)	(5,122.85)			
Other													
Total	-	65,897.85	7,011.40	5,638.23	15,239.78	37,767.65	56,282.69	8,883.34	31,844.98	4,041.23	28,781.75	-	-
Cashbook Position (End of Month)	270,235.57	181,693.03	81,241.23	386,970.52	359,160.35	363,044.62	340,696.54	231,059.74	206,970.84	133,051.77	64,191.05	17,424.57	
Cash Position (End of Month)	143,592.80	336,133.42	188,704.43	86,879.46	402,210.30	396,928.00	419,327.31	349,579.88	262,904.72	211,012.07	161,833.52	64,191.05	17,424.57

2872.95	551.25	3424.2
1490.38	1570.31	3060.69

Payroll Comparison

<u>Item</u>	<u>Process</u>	<u>Supplier Cost (£)</u>	
		<u>Sargeant</u>	<u>Riddingtons</u>
i	Payroll Processing	6,900.00	5,000.00
ii	BACS Processing	300.00	[1]
iii	Quarterly Stats	1,020.00	[2]
iv	Leavers; Starters; Pensions	10,706.00	included
v	Payroll Year End	95.00	included
vi	Meetings	430.00	included
vii	Year End and General Queries	[3]	3,250.00
		19,451.00	8,250.00

[1] With Online banking we can process in house

[2] Can be incorporated into the Accounts role; not sure how Sargeants have carried this out as we have never been asked to provide the information to

[3] Sargeants charge an hourly fee depending on seniority

Sargeant's Costs

<u>Date</u>	<u>Narative</u>	<u>Amount</u>
19/05/2016	Quarter ending 31 March 2016	7,524.00
29/07/2016	Quarter ending 30 June 2016	5,550.00
30/09/2016	Quarter ending 30 September 2016	4,896.00
		17,970.00

We have yet to receive the invoice for period ending 31 December; I have requested a copy

Swanley Town Council

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Overview

<u>Lessor</u>	<u>Sub Lessor</u>	<u>Site</u>	<u>Location</u>	<u>Model</u>	<u>Serial No.</u>	<u>In Use (Y/N)</u>	<u>Contract No.</u>	<u>Term</u>	<u>End Date</u>	<u>Notice Period</u>	<u>Comment</u>
Investec Asset	JPS Clarity	Civic Centre	1st Floor	Ricoh MP C5000	V1305242083	Y	214287721	Fixed	04-Jun-17	None	Equipment reverts to Lease United Kingdom
Investec Asset	JPS Clarity	Alexandra Suite	Ground Floor	Ricoh MP C2050	Unknown	Y	214287721	Fixed	04-Jun-17	None	Equipment reverts to Lease United Kingdom
Investec Asset	JPS Clarity	Link	Office	Ricoh MP C2050	V2205231126	Y	214294091	Fixed	06-Aug-17	None	Equipment reverts to Lease United Kingdom
CF Corporate	Geerings	Civic Centre	1st Floor	Ricoh MP C5502	W543J201105	N	C182608	?	23-May-18	1 Month	
CF Corporate	Geerings	Civic Centre	Ground Floor	Ricoh MP 5002SP	W533J300116	N	C182608	?	23-May-18	1 Month	
CF Corporate	Geerings	Olympic	Office	Ricoh MP C300	S7214000369	Y	C182608	?	23-May-18	1 Month	

Option 1: Do Nothing

This option sets out the cost both on an annual and five-year basis on the assumption that:

- no changes are made to the existing leases / contracts;
- pricing structure remains in place over the period

Annual Cost

Supplier	Monthly Cost	Quarterly Cost	Annual Cost
Investec Asset		300.00	1,200.00
Investec Asset		150.00	600.00
JPS Clarity	250.00	750.00	3,000.00
CF Corporate		1,323.85	5,295.40
Geerings	150.00	450.00	1,800.00
Total		2,973.85	11,895.40

Five Year Cost

Supplier	Annual Cost (Yr1 - Yr5)	Five Year Cost
Investec Asset	1,200.00	6,000.00
Investec Asset	600.00	3,000.00
JPS Clarity	3,000.00	15,000.00
CF Corporate	5,295.40	26,477.00
Geerings	1,800.00	9,000.00
Total	11,895.40	59,477.00

Option 2: JPS Clarity

This option sets out the cost both on an annual and five-year basis on the assumption that:

STC adopt the proposal put forward by **JPS Clarity**, namely:

- JPS Clarity buy out existing agreement with CF Corporate & Geerings;
- JPS Clarity supply an additional machine to replace one currently used machine and two unused machines;
- JPS Clarity reduce the quarterly^[1] charge from £1,070.00 per month to c£750.00 per quarter from year three
- existing print usage remains the same

^[1] The cost to buy out the CF Corporate contract will be £6,619.25 + VAT (54nr payments at £1,323.85) provided arrangement commences March 2017

The cost will be £1,070.00 (incl VAT) per quarter for all lease and services for the first three years, with a reduction to £750.00 a quarter thereafter.

Annual Cost

Supplier	Monthly Cost	Quarterly Cost	Annual Cost
JPS Clarity (Yr1 - Yr3)	356.67	1,070.00	4,280.00
JPS Clarity (Yr4 - Yr5)	250.00	750.00	3,000.00
Total			

Five Year Cost

Supplier	Annual Cost (Yr1 - Yr3)	Annual Cost (Yr4 - Yr5)	Five Year Cost
JPS Clarity	4,280.00		12,840.00
JPS Clarity		3,000.00	6,000.00
Total			18,840.00

Option 3: Digital Image Solutions

This option sets out the cost both on an annual and five-year basis on the assumption that:

STC adopt the proposal put forward by **Digital Image Solutions**, namely:

- Digital Image Solutions buy out existing agreements with CF Corporate / Geerings and Investec / JPS Clarity;
- Digital Image Solutions supply four new printers in direct replacement of existing machines and two unused machines;
- existing print usage remains the same

Annual Cost				Five Year Cost		
Supplier	Monthly Cost	Quarterly Cost	Annual Cost	Supplier	Annual Cost (Yr1 - Yr5)	Five Year Cost
Digital Image Solutions	904.96	2,714.89	10,859.56	Digital Image Solutions	10,859.56	54,297.80
Total			10,859.56	Total		54,297.80

Option 4: Review at Renewal

This option sets out the cost both on an annual and five-year basis on the assumption that:

- when the CF Corporate lease expires in 2018, we renew but with only one machine;
- the renewal of the CF Corporate lease provides for a pro-rata reduction in costs;
- pricing structure remains in place over the period

Annual Cost				Five Year Cost			
Supplier	Monthly Cost	Quarterly Cost	Annual Cost	Supplier	Annual Cost (Yr1)	Annual Cost (Yr2 - Yr5)	Five Year Cost
Investec Asset		300.00	1,200.00	Investec Asset	1,200.00	1,200.00	6,000.00
Investec Asset		150.00	600.00	Investec Asset	600.00	600.00	3,000.00
JPS Clarity	250.00	750.00	3,000.00	JPS Clarity	3,000.00	3,000.00	15,000.00
CF Corporate (Yr1)		1,323.85	5,295.40	CF Corporate (Yr1)	5,295.40	0.00	5,295.40
CF Corporate (Yr2 - Yr5)		450.00	1,800.00	CF Corporate (Yr2 - Yr5)	0.00	1,800.00	7,200.00
Geerings (Yr1)	150.00	450.00	1,800.00	Geerings (Yr1)	1,800.00	0.00	1,800.00
Geerings (Y2 - Yr5)	75.00	225.00	900.00	Geerings (Y2 - Yr5)	0.00	900.00	3,600.00
Total			14,595.00	Total		14,595.00	41,895.40

Swanley Town Council



Summary Report Dec 2016

Bank Reconciliation 31 December 2016

Bank Statement Balance:	Current Account		211,012.07		
					<u>211,012.07</u>
Other Bank & Cash Accounts:	Darlington Building Society		-		
	Mayor's Account		2,170.40		
	Recreation Account		5,202.30		
	Alexandra Cash Account		5,418.46		
	Olympic Cash Account		4,491.25		
	Link Cash Account		4,501.90		
					<u>21,784.31</u>
					<u><u>232,796.38</u></u>
Unpresented Payments		<u>Date</u>	<u>Ref</u>	<u>Amount</u>	
		31-Dec-16	Balance	39,025.16	
					<u>39,025.16</u>
					<u><u>193,771.22</u></u>
Unpresented Receipts:		<u>Date</u>	<u>Ref</u>	<u>Amount</u>	
		31-Dec-16	Balance (19,634.58)	
					<u>(19,634.58)</u>
					<u><u>213,405.80</u></u>
Closing Book Balance:	Current Account		191,621.49		
	Other Bank & Cash Accounts		21,784.31		
					<u>213,405.80</u>
					<u><u>-</u></u>

Chairman of Finance Committee

Signature

Date

Responsible Financial Officer

Signature

Date