



**Essex Association of Local Councils
DRAFT Minutes Finance Committee Meeting
Wednesday 10th March 2021 at 2.00 pm
42B High Street Great Dunmow CM6 1AH (Via Zoom)**

10th March 2021

To: The Treasurer and all Members of the EALC Finance Committee

Members Present:

CLlr David McPherson-Davis (Treasurer)

CLlr Peter Davey

CLlr Jim Devlin

CLlr Roy Martin

CLlr Stephanie Gill

CLlr Stuart Berlyn

CLlr John Gili-Ross (Attends as Vice Chair only)

CLlr Wendy Stamp (Attends as Vice Chair only)

Officers to be present Charlene Slade (Chief Executive Officer)

Business to be transacted

1. Welcome by the Treasurer

Meeting opened at 14:04 pm

Jim Devlin will be joining shortly.

CLlr S Gill declared an interest as she is a part time tutor for the EALC.

2. Apologies for Absence (please send to charlene.slade@ealc.gov.uk or on 01371 879722)

None given.

3. Minutes of the Finance Meeting of 14th January 2021 – (Appendix 1)

Noted.

4. **Finance**

4.1 Budget Report at 31st January 2021 – (Appendix 2)

Looking at column 3 YTD, Courses are not able to be held in the office at the moment in time, they are being held virtually.

Prepayment for the AGM for September 2021 received £7,044.00

Line 14a, amendment required to the YTD figure for the PFCC grant income not showing

Line 19 & 20, Show significant savings in office and premises costs due to virtual courses

Line 22, Committee and Governance EALC meetings held online therefore little expenditure YTD

Line 22, amend narrative to include AGM expenses and to show £1,000 expense YTD and Forecast

Forecast for the 31st March 2022 will show a surplus of £24,916.20

14:11 Jim Devlin joined the meeting

Forecast topline 1 course income has been challenged as some courses have been declared as full. Free courses HWB, some courses are half a day. Executive Training Officer to report back to the Executive to provide a justification for the realistic objectives.

Tutoring online can only hold a maximum of 20 this is for personal one to one interaction and ensure no loss in quality of training. Webinars are a different situation were by delegates provide questions in advance of the webinar taking place are presenting and delivering information only.

The quality will be affected if delegate numbers are increased on certain courses. Events are different to training courses. EALC are looking to optimize the income without losing quality.

Question raised with regards to hybrid meetings, courses in the office at one cost and online courses to be charged at another cost. Courses are not currently held in school holidays; this has been challenged to maximize the training across the year.

We are expecting a profit on the AGM driven by the number delegates $40 \times 200 = £8,000 + £1000$ for the presenters to have lunch included, expenditure will be £9,500

£8,000 in committee and governance for the AGM. Needs to be included in the notes.

Affiliation fee increase has already been agreed at 2.99% assuming 100% membership.

Looking at the plan years, payroll costs are expected to increase along with tutors' costs increasing. Services provide for in house meetings have reduced significantly. Premises costs are expected to increase slightly. Committee and Governance costs show an increase to include the AGM.

If the AGM does not go ahead this year, the funders will retain the money to hold the AGM the following year, this is included in the terms of agreement at the time of booking. The balance of the AGM surplus is to be held in a separate earmarked reserve for the following year's AGM.

Proposal for the next years affiliation fee already set at 2.99% most government services were reviewing the increases to the services linked to inflation. An additional 3% needs to be justified, this is small in monetary terms to the association and its members. The membership voted and agreed to the increase. The affiliation fee is not being recommended to the Executive until May 21.

Advisable to identify a new reserve to separate the additional administration of funds.

CLlr Wendy Stamp left the meeting 15:00

Payroll for the plan year shows a provision for an increase. Plan year line 14/14a shows a reduction in grant administration of £42,500 due to funds ceasing.

Action: CS Show line 14 after the bottom line as exceptional income.

5. Cash Forecast Trading January 2021 (Appendix 3)
Reconciles to the budget report
Noted.

6. EALC Reserves Policy Treasurers Comments (Appendix 4)

The reserves policy needs to be looked at to take into account the cost of redundancies and the rent liability should be included through to September 21 as this is the break clause date of 29th September 21. Notice is required to terminate the lease agreement, notice would need to be given no later than 31st March 2021, therefore, once we go past 31st March 2021 the rent liability will then jump to the end of the lease agreement on 29th September 2025.

7. Bank Balances at 28th February (Appendix 5)

The ECC funds for core grants and the new fund launched on 8th March have not been received to date. however, the funds of £250,000 are soon to hit the account early next week for the Lockdown Support fund and then the additional funding of £500,000 for the COMF Fund will reach the account in two phases.

Action: Check the insurance policy for the liability and fidelity guarantee. During the recruitment of the external auditor, additional checks need to be made requesting/seeking a proposal to the EALC on the best way of protecting the funding streams from ECC and limiting the liability for the Executive Members.

Bank Balances Noted.

8. Affiliation fee update (Appendix 6)
Noted.

Affiliation fees are to be paid before the 30th April 2021. Invoices to be sent on the 1st April 2021. Chairman's letter is being drafted to the membership.

9. Financial Risk Assessment (Appendix 7)

County elections coming up in May, ECC leader standing down potential impact on the association.

Action: line 2.9 Finance - Reduction in membership for Affiliation fees and Grants Received. Strip out Grants Received to show as a separate item, show as medium risk. This makes provision if there is an eventuality of cessation of core grant funding from ECC.

- 9.1 Asset Register (Appendix 8)
Noted.

- 9.2 Costing Review for CiLCA (Certificate of Local Council Administration for Clerks) (Appendix 9)

CIlr Roy Martin Declared an interest. Kelly Holland the EALC CiLCA Tutor is the Clerk to his council.

The cost increase is quantified by the additional time taken to assess each Clerk with an introduction session prior to attending the course.

Action: Seek the list of county association figures for CiLCA across the county.

To propose an increase in the cost of CILCA to £575.00

Proposer: Cllr Stephanie Gill

Secunder: Cllr David McPherson-Davis

All those present agreed.

- 9.3 Transfer of Administration fee (Appendix 10)
EALC on behalf Essex County Council have administered various funding streams and have received the following administration fees:
- Grant Fund EALC Administration Fee Received
Lockdown Support Fund £3,478.40
Winter Support Fund £8,000.00
October Half Term Support Fund £16,500.00
Total £27,978.40
- Proposal to transfer £27,978.40 into the Barclays Current Bank Account
- Propose: Cllr David McPherson-Davis
Seconded: Cllr Peter Davey
All those present agreed.
- 9.4 CCLA Bank account value to open (Appendix 11)
No more than £85K should be held across both Barclays accounts, at 26th February the combined total was £130,501.03
- Proposal to transfer £60,000 into the new CCLA Account from Barclays.
Proposer: Cllr David McPherson-Davis
Seconded: Cllr Stephanie Gill
All those present agreed
10. EALC / ECC AGM and Conference 2021 Sponsorship Update (Appendix 12)
- Report shows funds received in and deposit paid to the venue. Commitment needed up to 200 delegates at £40 x £200
Notice to membership of a 'Save the Date' will be sent with the Chairman letter to the membership.
Full announcement of the event at Hylands House to be made when the government allows large gatherings to take place. April at the earliest. CEO has written the manager of Hylands House with regards to the recent consultation on increases to the parking charges at Hylands House. We expect to be exempt of the increased car park charges and await confirmation.
BHIB declined, Jonathan Owen of the NALC will be asking on our behalf if BHIB will reconsider sponsorship. If not Came and Co will be approached.
11. Report Tender of Auditor for 2021/2022 Year ending 31st March 2022 (Appendix 13)

- 11.1 Template Letter Appendix 13a
Noted.

NS. Danbury contact for auditor, Accounting Solutions to be approached.

12. Personnel

- 12.1 Payroll from 1st April 2021
(Appendix 14)

Provision is needed to cover staffing costs for the administration of the additional grant funding recently launched.

Concern, if after 6 months the funding ends. The contract of A Another would be on a short-term contract only if required.

Proposal to agree the payroll for 1st April 2021

Proposer: Cllr David McPherson-Davis

Seconder: Cllr John Gili-Ross

All those in present agreed.

- 12.2 Payroll Tracker (Appendix 15)
Noted.

13. Next Meeting – See calendar of Meetings (Appendix 16)

6th May

~~8th July~~ NB. change of date to 7th July

2nd September

11th November

July meeting will change from 8th July to 7th July

Use the meeting calendar function to send the meeting links via email.

14. Meeting closure 16.20 pm

Cllr Roy Martin informed the members this will be his last meeting of the Finance Committee and the Executive as he will be standing down from both committees. Cllr Martin is in the process of seeking his replacement.