

**MINUTES OF THE MEETING OF THE  
FINANCE COMMITTEE  
HELD ON MONDAY 23<sup>rd</sup> NOVEMBER 2009  
IN THE PARISH CENTRE, LOCKLEYS DRIVE WELWYN  
COMMENCING AT 7.30 PM**

**PRESENT:** Chairman, Cllr. I Skidmore and Councillors S Butler, I Colpitts and P Neville

**IN ATTENDANCE:** A S Pack (Acting Parish Clerk)

**APOLOGIES:** Councillors J Blackburn, C Hukin and B McKay

**2009/041 DECLARATION OF INTERESTS.**

There were no Declarations of Interest.

**2009/042 MINUTES OF THE MEETING HELD ON 16<sup>th</sup> NOVEMBER 2009**

**RESOLVED** "that the Minutes of the Finance Committee meeting held on the 16<sup>TH</sup> November 2009 be approved and signed"

**Unanimously Agreed**

**2009/043 MATTERS ARISING FROM THE MINUTES OF THE MEETING HELD ON THE 16<sup>th</sup> NOVEMBER 2009**

There were no matters arising.

**2009/044 INTERNAL AUDIT**

As recommended by the external auditor a professional company is to be employed to complete the Council's internal audit. A quotation from Auditing Solutions Ltd. was circulated with the Agenda as Appendix 1

It was proposed by the Chairman, Councillor Skidmore, seconded by Councillor Colpitts and

**RESOLVED** "that Auditing Solutions Ltd be employed to complete the Internal Audit of Welwyn Parish Council for the sum of £ 720 per annum with an additional charge in year one of £ 180".

**Unanimously agreed.**

Auditing Solutions are to commence the Internal Audit on Monday 14<sup>th</sup> December 2009

**2009/045 DRAFT BUDGET 2010-2011- SECOND LOOK**

A revised Draft Budget for 2010-2011 was tabled to include

- Budget 2009-2010
- Expenditure and Income to 31<sup>st</sup> October 2009
- Forecast to the 31<sup>st</sup> March 2010
- Draft budget 2010-2011

**APPENDIX 1**

The Chairman's Report was tabled and is attached as

**APPENDIX 2**

The Chairman advised additions to the budget for 2010-2011 are £ 8,890, which is one half yearly loan repayments and £ 8,000 in legal fees.

Following discussion, the Acting Clerk to ascertain whether Welwyn Parish Council owns the freehold of the Public Toilets.

To take out a £ 200,000 loan with the Public Works Loan Board (PWLB) for a 20 year repayment period would cost the following at today's rates. Interest rates are changed on a daily basis and only as the loan is drawn down are the interest rate fixed for the term of the loan.

**Equal installments of principle plus interest (EIP)**

£ 200,000 over 20 years at an interest rate of 3.89% would cost £ 8,890 per half year. This would reduce by £ 97.25 per half yearly installment. Total amount paid over the 20 year period £ 279,745.

**Fixed payment for the term of loan with pays off part of the principle and part of the interest – Annuity Repayment method.**

£ 200,000 over 20 years at an interest rate of 4.01% would cost £ 7,317.57 per half year for the term of the loan. Total amount paid over the 20 year period £ 292,702.80

The loan is for the renovation of the Civic Centre, the Whitehill Centre, the Pavilion and play equipment.

The Acting Clerk advised once a loan sanction has been received, this sanction would be valid for either April – September, or October – March in any one year. If the loan is drawn down in tranches, each draw down is classed as a separate loan. If the life of the loan expires before the entire loan has been drawn down then the remaining loan sanction is cancelled.

Following discussion it was proposed by Councillor Skidmore, seconded by Councillor Colpitts and

**RESOLVED** “that the Draft Budget for 2010-2011, showing a Precept of £ 299,678 be put forward for information and discussion, by Full Council on the 30<sup>th</sup> November 2009”.

**Unanimously agreed”.**

The final decision on the Budget for 2010-2011 to be taken by the Full Council at the Budget Full Council meeting being held on the 14<sup>th</sup> December 2009.

It was agreed the following financial papers would be included with the Full Council Agenda

- Draft Budget Summary for 2010-2011
- Income and Expenditure to the end of October 2009
- Forecast to the 31<sup>st</sup> March 2010
- Detailed Draft budget by Income and Expenditure code for 2010-2011
- Report from the Chairman, Councillor Skidmore.

**2009/046 FINANCIAL REGULATIONS**

The Chairman advised that he and the Acting Clerk would review the Financial Regulations to ensure recent changes had been included and that only the relevant sections of the Model Financial Regulations issued by the National Association of Local Council's (NALC) are included.

A revised draft of the Financial Regulations to be included on the Agenda of the next Finance Committee meeting.

**EXEMPT BUSINESS**

*Under Section 100A (4) of the Local Government Act 1972 for the following item on the Agenda, the Chairman at this point excluded the public and accredited representatives of newspapers on the grounds that it involved the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Act by virtue of the paragraph specified against the item.*

**2009/048      CLOSE OF MEETING**

The Chairman thanked everyone for attending and closed the meeting at 8.05pm

Signed:.....

Chairman of the Finance Committee.

Date: 15<sup>TH</sup> February 2010

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**2009/047      LEGAL FEES**

A report from the Council's Solicitors Debenham Ottoway was tabled and is attached as **APPENDIX 3**

Consideration was given to taking any legal fees incurred from reserves instead of as a 2010-2011 Budget item. Following discussion it was agreed to leave legal fees of £ 8,000 in the budget for discussion at the Full Council meeting being held on the 30<sup>th</sup> November 2009.

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Signed:.....  
Chairman of the Finance Committee.

Date: 15<sup>TH</sup> February 2010