

LOWER MEDWAY INTERNAL DRAINAGE BOARD



MINUTES OF A MEETING of the **Finance Committee** held at
The Boards Offices, 17 Albion Place, Maidstone
on **Monday 26 September 2016**

Members of the Committee Present

Chairman: H R Neaves

S Batt
R Hinge
J C Lewis
D Dewar-Whalley

In attendance

M D Watson - Clerk & Engineer
P Bush - Technical Engineer
L Collins - Office Administrator

1. APOLOGIES FOR ABSENCE

Apologies received from S Mair.

2. MINUTES

RESOLVED that the Minutes of the Finance Committee Meeting held on 6 June 2016 are correctly recorded and that they be signed by the Chairman.

(As attached to these Minutes)

3. MATTERS ARISING FROM PREVIOUS MINUTES

REPORTED that there were no matters arising from the previous minutes.

4. BILLS COMMITTEE

RECEIVED the Minutes of the Bills Committee Meetings held on 27 May, 28 June, 26 July and 25 August 2016.

(As attached to these Minutes)

REPORTED that at the June Bills Committee meeting S Batt queried the cost of £418.00 for the IAS19 Report received from KCC.

The Office Administrator explained that it is a pension accounting disclosure report which highlights the Boards current pension situation whether the fund is surplus or deficit. This is a requirement of the Auditor.

Historically, KCC used to produce and issue the reports free of charge. However, since 2014 there has been a cost involved.

S Batt also queries the cost of £507.84 against office telephone on the Lower Medway recharge invoice.

The Office Administrator apologised and explained that this cost should have been broken down further for members. £463.77 related to the purchase of the office telephone system. £44.07 related to the office telephone calls and line rental charges.

Previously, the telephone system was rented at a quarterly cost of £231.48 (£925.92 annually). The leasing term had come to an end and there was an option to either continue leasing the equipment, or purchase it.

Having reviewed the leasing costs, against the purchase price, just over 12 months rental charges would equate to the purchase price. Therefore, a decision was made to purchase the system outright.

5. **BANK BALANCES**

The Bank Statements were produced for the Chairman to sign and showed balances as at 31 August 2016:

| | |
|----------------------------------|----------------------|
| NatWest Treasurers Account | £88,521.60 |
| NatWest Imprest Account | £19,472.05 |
| NatWest Special Interest Account | £680,344.10 |
| HSBC | £138,634.01 |
| Lloyds Bank | £136,368.07 |
| Santander | £175,149.87 |
| TOTAL BANK BALANCES | £1,238,489.70 |

D Dewar-Whalley informed members that he has been regularly checking bank interest rates and unless the Board wishes to invest sums of money for a period of time, there are no better rates available.

The Chairman thanked D Dewar-Whalley for this update.

6. **RATES AND SPECIAL LEVY**

REPORTED that the Rates and Special Levies collected as at 31 August 2016 amounted to £460,315.46, which represents 51.43% of the total due for the year.

7. RECHARGABLE WORKS

REPORTED that the following amounts for rechargeable work have been invoiced since the last meeting:

| | | | |
|-------|-----------|-------|-----------|
| UMIDB | £1,859.66 | UMIDB | £3,732.84 |
|-------|-----------|-------|-----------|

REPORTED that the following amounts for rechargeable work have been received since the last meeting:

| | |
|-------|-----------|
| UMIDB | £1,859.66 |
|-------|-----------|

The Office Administrator informed Members that the UMIDB Bills Committee Chairman will be signing a cheque tomorrow for the £3,732.84.

8. REVIEW OF EXPENDITURE

RECEIVED details of the Boards expenditure to date.

(As attached to these Minutes)

The Office Administrator explained that there was currently 1 area of overspend amounting to £14 under the heading of Equipment Supplies & Maintenance.

REPORTED that this was due to purchasing a dipstick to accurately measure the fuel in the fuel tank and bowser at a cost of £65.48.

D Dewar-Whalley queried the following:

Equipment & Supplies Rentals – The current year spend is £2,849 compared to the budget figure of £4,250. The Office Administrator was asked to look into this cost and report back to members, as three quarters of the budget has already been spent.

J/A Office Costs Insurance – The current year spend is £7,453 compared to the budget figure of £7,500. The Office Administrator explained that the Boards Insurances are due in April each year, so the premiums for the year have already been paid. The only additional costs expected for the rest of the year will relate to the franking machine and the streamline card payment machine.

J/A Office Costs Telephone & Fax – The current year spend is £662 compared to the budget figure of £750. The Office Administrator explained that this was due to the purchase of the office telephone system, as reported in item 4 on the Agenda.

D Dewar-Whalley suggested that the accounting figure be looked at, as this is not expenditure.

J/A Office Costs Publications – The current year spend is £418 compared to the budget figure of £500. The Office Administrator explained that this related to the IAS19 Report produced by Kent County Council. Members were informed that the Board queried the KCC pension charges a couple of years ago, as some items had incurred a 20-30% increase from the previous year. It was reported back that they are what they are.

D Dewar-Whalley offered to query the costs again with KCC.

D Dewar-Whalley asked what was covered under the heading of Members expenses. The current expenditure to date is £38.

The Office Administrator explained that this relates to any mileage expense claims from the Board Members that represent the landowners. Councillors claim their expenses from the relevant Local Authority, whereas the landowners can claim for mileage when they attend Board Meetings.

9. ANNUAL RETURN – YEAR ENDING MARCH 2016

REPORTED that at the time of producing the Agenda the approved IDB Annual Return for year ending 31 March 2016 had not been returned from PKF LittleJohn. However, the Annual Return has now been received and no areas for concern have been raised.

The Office Administrator showed members a copy Section 3 – The External Auditor Certificate and Report 2015/16 Certificate.

Members were informed that this item is on the main Board Agenda and the approved Annual Return will be displayed on the Boards Website in due course.

10. ANY OTHER BUSINESS

There was no other business to discuss.

11. CLOSURE

There being no further business the Chairman thanked Members for their attendance and declared the meeting closed.