

## SANDGATE PARISH COUNCIL Minutes of a meeting of the Finance Committee held on Monday on 21st July 2025 at 6.30pm

Present: Chair: Simon Horton

Councillors: Hazel Barrett, Michael Fitch, Gary Fuller, Tim Prater

& Guy Valentine-Neale

RFO Chani Sanger

These Minutes will only be deemed to be a correct record of the meeting when approved and signed at the next meeting.

1. Apologies for absence: None

2. Declarations of Interest: None

3. Minutes: The minutes of the previous Finance Committee meeting on 16th June 2025 were

approved as a correct record.

Proposed by: Councillor Tim Prater Seconded by: Councillor Hazel Barrett

Approved by all present

**4. Monthly finance information:** It was noted that this was circulated early in the month. There would appear to be nothing giving any concern and there were no questions.

## 5. PWLB:

It was noted that current interest rates remain below the 4.44% required to service the PWLB loan. The Responsible Financial Officer (RFO) continues to monitor the market for any competitive rates worth pursuing. A bond offering 4.3% interest over a five-year term with Hampshire Trust Bank has been identified. While the Finance Committee holds delegated authority to approve a two-year bond, Full Council approval is required for a commitment of five years.

Given that the PWLB loan has a remaining term of 40 years, it was considered prudent to secure this bond at the current rate. The proposed investment relates to a single tranche of £85,000, and it was felt that the potential risk of future rate increases was minimal and acceptable in light of the bond's value and term.

Additionally, it was noted that securing a five-year bond would reduce the administrative burden associated with frequent renewals, which require significant staff time. It was felt that, particularly in the short term, it is unlikely that a more favourable rate would become available

It was noted that, even if a more favourable investment opportunity were to arise in the short term, the potential loss of interest would be an acceptable risk. Reference was made to Folkestone Town Council, which currently holds funds in a District Council account and receives interest on those monies. It was suggested that it may be worthwhile to investigate whether the District Council remains engaged in Treasury Management for substantial sums, and whether the interest rates offered are competitive. An added benefit of holding funds with the District Council is the

security it provides, as District Councils are not subject to Financial Services Compensation Scheme (FSCS) limitations and, by law, cannot become insolvent—thus ensuring the safety of the funds.

It was agreed that if the District rate was lower than the proposal for the Hampshire Trust Bond, it would be put on the agenda for Full Council to consider and approve.

## 6. 25/26 Audit: To discuss updates ahead of the 25/26 audit.

It was noted, in line with the guidance provided regarding the Annual Governance and Accountability Return (AGAR), that Members are not permitted to receive payment for covering the duties of the Responsible Financial Officer (RFO) during periods of absence. It was confirmed that during Chani's maternity leave, the Clerk would assume the responsibilities of the RFO. Councillor Horton would provide essential support and oversight to ensure the continuity and integrity of financial management during this period; however, it was emphasised that ultimate financial responsibility would remain with the Clerk.

Under the section on Digital and Data Compliance, it was noted that it is necessary for at least the Clerk to use an appropriately branded email domain address. Authority owned email accounts a provide a clear record of communication and are essential for responsibility and accountability. This requirement has now been actioned and implemented.

It was noted that, while there is no blanket requirement, if parish work is being carried out by individuals other than the Clerk, perhaps the Chairs of Committees, the use of a branded email domain address should be considered, further investigated, and incorporated into future budgeting as part of the parish's risk-based approach.

The need for an IT Policy, along with further information on short-term investment options, was also identified and included in the guidance and would need further investigation and discussion. It was noted that, in future AGAR submissions, significant budgetary variances will require more detailed explanations. It was agreed that this is already standard practice within the parish, supported by a well-informed RFO and a proactive Internal Auditor.

It was noted that Authorities have no legal powers to hold revenue reserves other than for those for reasonable capital needs or for specifically ear marked purposes. Whenever an authority's year end general reserve is less than three months or over twelve months of net revenue expenditure an explanation is required. As a rule of thumb over the last five years the parish has been working to three months budget cover.

Discussions were held regarding the authorised signatories for the bank accounts. It was noted that the process complies with NALC guidance and that our internal controls are robust.

- **7. Correspondence:** It was noted that a letter from HSBC had confirmed that they were removing the £8.00 per month bank charge
- **8. Information:** It was noted that there had been a substantial increase in the charges for the closure of Granville Parade and Castle Road Car Park for the Sea Festival, which would significantly impact the potential donation to the RNLI. It was agreed that Councillor Simon Horton would liaise with the District Council to address this matter.
- 9. Date of next meeting: 15th September 2025

Signed by Chair of Finance Committee	Dated
Chair's initials and date	