

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 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 earmarked 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