

Steventon Parish Council – Finance Paper December 2020

During 2020 there has been a level of disruption due to:

- (1) the change in parish council clerk, which led to our January meeting being informal and unminuted; and
- (2) the impact of COVID-19 which led to some changes in the timetable for the submission of accounting returns to PKF, the limited assurance reviewers for smaller authorities.

The purpose of this paper is to put on record the implications of this disruption on the parish council's governance activities in 2020 and for members of the parish council to discuss and agree appropriate remediation activities.

This paper also serves as a prompt for discussion of the precept level for 2021/22 which will need to be requested via BDBC in early 2021 and seeks approval for forthcoming items of expenditure.

Points for discussion and agreement by the parish council

1. Precept 2020/21

The Parish Council met informally on 7 January 2020 to discuss a number of items including the Parish Clerk vacancy. At this meeting the level of precept for 2020/21 was discussed and it was agreed that the precept should be set at £1,200, the same level as the previous year, and that this would be kept under review in future years.

The Parish Council formally acknowledges and records, at its December 2020 meeting, that the review and agreement of the 2020/21 precept took place at the meeting on 7 January 2020.

2. Extension of submission deadline for 2019/20 financial returns to PKF

In March 2020 the accountancy firm PKF issued a communication to parish councils effectively pausing the requirement to submit annual returns until further notice. The pause was due to the COVID-19 lockdown, which prevented meetings in person and therefore the manual signing of the relevant documents.

In Summer 2020 PKF issued subsequent guidance which set out the new timetable for submission of the annual finance and governance return, including the new dates for the exercise of public rights. Steventon Parish Council did not receive this guidance and therefore we were unaware of the new submission deadline (30 September 2020) until PKF informed us that we had missed it.

Following correspondence with PKF we were granted an extension of the deadline to 31 October 2020 and this submission deadline was met.

It should be noted that the Annual Financial Report for Steventon Parish Council was presented and approved at the Annual General Meeting on 11 May 2020 which was held as a Zoom meeting and which was open to the public. This included the approval of the governance statements contained in the annual return made to PKF.

The Parish Council notes that the impact of COVID-19 caused a delay in the submission of documents to PKF, but that good governance was maintained throughout the period in question.

3. Approval of the Certificate of Exemption for 2019/20

The certificate of exemption applies to all smaller authorities where the higher of gross income or gross expenditure did not exceed £25,000 in the year of account ended 31 March 2020; by certifying that the parish council meets the exemption criteria we avoid a limited assurance review by PKF for which a fee of £200 + VAT is payable.

In 2019/20 Steventon Parish Council's gross income was £1,203 and its gross expenditure was £438.

In order to make the return by the extended deadline of 31 October, the parish council's Chairman and the Responsible Financial Officer signed the Certificate of Exemption in relation to the Annual Governance and Accountability Return on 23 October 2020.

The parish council retrospectively approves, at its December meeting, that Steventon Parish Council meets the exemption criteria also; the parish council also approves the Certificate of Exemption for 2019/20.

4. Delayed period for the exercise of public rights for 2019/20

As we did not receive the relevant guidance from PKF relating to the new timetable for 2019/20, we also did not meet the required timetable for the exercise of public rights, which is the mechanism through which parishioners, on request, may inspect the financial records of the parish council.

The period for the exercise of public rights should have commenced on 1 September 2020; we set our period for the exercise of public rights as soon as possible once we became aware of the issue and this was communicated to all parishioners via email.

The period for the exercise of public rights for Steventon Parish Council commenced on 1 November 2020, for 30 working days.

At its December meeting the parish council noted that it had not met the required timetable for the exercise of public rights and agreed that all reasonable steps had been taken, once the issue was identified, to remediate the situation.

5. Precept 2021/22

The parish council is required to consider the level of precept to be raised in 2021/22 based on its view of likely future expenditure.

The parish council's forecast year end outturn for 2020/21 is **£1,650** which takes into account the following remaining items of expenditure this year:

- £50 village hall hire
- £50 churchyard
- £500 village hall COVID-19 loss of earnings grant

Forecast running costs for 2021/22 are expected to be consistent with 2020/21; future COVID-19 grants which may be awarded to other village groups are unknown.

*It is recommended that a precept of **£1,200** is raised again for 2021/22, consistent with the previous 3 years.*

6. Approval of upcoming items of expenditure

The Parish Council is asked to consider the following upcoming items of expenditure:

- The annual donation to the Parochial Church Council in respect of the Churchyard: value to be determined
- Purchase of lights for the Christmas tree outside the village hall: value to be determined

Harriet Aldridge

Responsible Financial Officer, Steventon Parish Council