

KETTERING TOWN COUNCIL

REPORT FOR DECISION

Item No FC21/049

Committee:-	Finance and Governance Committee
Date:-	26 th November 2021
Author:-	Martin Hammond, Clerk
Report Title:-	INVOICES
Wards Affected:-	n/a

1. Purpose of Report

To approve invoices received, and agree arrangements for the payment of the clerk's salary, tax and National insurance payments arising, and to manage costs arising from the Welcome Back Fund.

2. Recommendations

- a) To approve the payment of invoices received, as listed in 3.1 and 3.3.
- b) To approve arrangements for paying invoices under the Welcome Back fund as set out in 3.2.
- c) To note and endorse the payment of tax and national insurance for October 2021
- d) To agree the proposed arrangements for the payment of the clerks' salary, tax and National insurance to HMRC for future months.
- e) To agree to pay the clerk's net salary for October in the sum of £2219.93 and net salary for November for a sum no greater than £2219.93

3. Information

3.1. The following invoices have been received in respect of Town Council business, and are for approval:-

- NNC - Half cost of traffic order for Remembrance Day	£ 995.00
- Royal British Legion – cost of wreath for Remembrance day	£ 18.00
- Cloudy Group – IT support for November	£ 177.60
- NNC accommodation charge for December 2021	£1000.00

3.2. The Welcome Back Fund is administered by North Northamptonshire Council but NNC have advised that they will only meet the costs of events in arrears, which means that the Town Council will have to meet expenditure up front before recovering grant from NNC. They are also only accepting invoices on three set points over the next four months. This is likely to cause a significant strain on the Town Council's reserves, particularly in the period after Christmas when most cost will be incurred. The only way the Council can manage the expenditure is by committing all of its reserves and delaying some payments until it is clear that it has the cash flow to manage invoices, which means some suppliers may wait some time before being paid. To make sure we remain as responsive as possible and to manage cash flow, authority is sought for the clerk to authorise payments under the Welcome Back Fund, (subject to the usual further confirmatory authorisations from two members to agree bank transfers before a payment is actually made.) This committee will be kept advised of the WBF expenditure.

3.3 The following invoices have been received in respect of the vegan market on 6th November, which are ultimately being met by NNC. Authority is sought to pay these now

Shire Sounds	£100	Broadcast coverage from the site
Juggling World	£200	Street entertainers
Helloprint	£ 38	Flyers
Inflatable theatre co	£300	Balloon modelling
Vegan Market Co	£400	Facebook advertising
Riverside Printing	£200	Advertising for Festive Fayre at SS Peter and Paul

3.4. The clerk's pay arrangements have been recently established, through a payroll service, and the Council needs to pay the clerk, the income tax arising and both employee and employee national insurance payments. The tax and NI payments have to be made to HMRC by the 19th of the following month. For the first month (October), because of the date of this committee, authorisation was sought from the chair of the committee and the Leader, to pay the tax and NI arising from October 2021, as follows:-

Employer's NI	£286.63
Employee tax	£353.20
Employee NI	£242.04
TOTAL	£881.87

3.5. The clerk's net salary of £2219.93 for October is due. A similar sum is likely for November, but because of likely tax code changes, the exact amount will not be known until payroll is run on the last day of the month. To avoid future dissonance between pay dates, tax deadlines and this committee's meetings schedule, members are asked to agree that the arrangements for authorisation of the payments of salary, tax and NI are delegated to the three members authorised to confirm payments (Cllr Skinner, Edwards and Rowley) as the salary is a fixed amount in the budget and the tax and NI amounts due are outwith the Council's control. Details of payments made will still be shown in the bank reconciliation schedule presented to this committee each meeting.

4. Finance, Legal and Resource Implications

- 4.1. There was no budgetary provision for the remembrance day traffic order cost, so this has been drawn from the contingency. All other Town Council business costs are provided for in the budget.
- 4.2. The Council is likely to have approximately £15-20,000 in reserves at any one time. With a £40,000 cost to be borne from WBF activities over a four month period, it is critical that cash flow is maintained during that period, with income from NNC arriving promptly.
- 4.3. The clerks' salary is £33782, and employer's NI contributions amount to £3440 per annum.