

## **Minutes of the Finance Committee Meeting held on Thursday 11<sup>th</sup> June via Zoom at 7.00pm**

### **1. Apologies:**

None, all present.

### **Present:**

Cllr D Carter (Chair) Cllr P Collins, Cllr C Eastwood, Cllr S Garrett, Cllr J Jones, Cllr G Kitching and Cllr P Wraight

### **In attendance:**

Mrs E Coe (Town Clerk/RFO) and one member of the public.

**111620** The Chair proposed to re-order the agenda to consider item 8 after item 4 which was agreed.

### **2. Declarations of Interest:**

Cllr Wraight declared a Personal Interest in item 8 4/9 Hour Community.

The Town Clerk/RFP was requested to note this in the Interest Book.

### **3. Minutes of previous meeting:**

**311620** Cllr Carter proposed approval of the minutes of the last meeting held on Thursday 21<sup>st</sup> May (previously circulated in draft form) as an accurate record, which was seconded by Cllr Collins and with five in favour, one abstention due to absence, and one against the proposal was approved by a majority.

Cllr Carter would sign the file copy of the minutes held by the Town Clerk at the earliest opportunity.

**411620** The Chair proposed to adjourn the meeting for the next item, which was agreed.

### **4. Public Comment:**

One person present wished to update the Committee on the current position relating to item 1/9 and 2/9 on the agenda. (Application for Local CIL funding for Furniture Project and Men's Shed)

It was commented that following a conversation with residents and Flagship housing HOUR Community Trustees have agreed that should they end up purchasing the site (which is not guaranteed) they would be more than happy to retain the site for parking (for which they would seek a small rent to cover maintenance etc), along with parking for their own vehicles. They would only purchase the site subject to a clean title and an unencumbered freehold. It was also noted that another site had been identified for which they had a verbal agreement to pursue. With regard to the CIL funding application for the project HOUR Community was still seeking agreement in principle that the project would be one that the Town Council could support with Local CIL money.

It was also commented that £627.84 had been spent from the £3,000 grant and HOUR Community was very grateful for the Town Council's support.

**421620** The Chair proposed to reconvene the meeting, which was agreed.

### **8. Correspondence:**

#### **1/9 Residents of Fairfield Crescent**

Letter containing 30 signatures objecting to the £150,000 CIL application for local CIL funding from HOUR Community.

It was agreed to pass this item to the Strategic Planning Committee which was now responsible for local CIL applications.

#### **2/9 Residents of Fairfield Crescent**

Letter containing 2 signatures objecting to the £150,000 CIL application for local CIL funding from HOUR Community.

It was agreed to pass this item to the Strategic Planning Committee which was now responsible for local CIL applications.

Cllr Jones requested that the Town Clerk/RFO pass all the relevant documents relating to CIL to the DTC as he would be clerking the Strategic Planning meetings, which was agreed.

### **3/9 HSBC**

Letter advising that the recent Safeguarding Review (protecting against financial crime) is successfully completed.

Noted

### **4/9 HOUR Community**

Email advising that £627.84 has been spent from the grant of £3,000 on providing food for those who were unable to get to Food banks etc, so there is a balance of £2372.16 to be returned as agreed, if required. Also, thanking the Town Council for its support with this element of their work, it has proved a god-send to the beneficiaries.

Following some discussion on the potential need for further funds in the future and the depleted Grants Budget, it was suggested that any further funds provided in relation to COVID-19 be considered from an alternative budget source.

**8111620** Cllr Collins proposed to recommend approval to Full Council that HOUR Community return £2,000 of the £3,000 Grant in order that this money may support local organisations in this financial year, which was seconded by Cllr Carter with all in favour.

## **5. Financial Matters:**

### **5.1 Alpha Finance Report of Income and Expenditure to date:**

The Town Clerk/RFO provided the Alpha Report of Income and Expenditure to date which was considered and the detail noted. A copy would be attached to the file copy of these minutes.

The Town Clerk had published a copy of the Payments Sheet approved at Full Council, on the website in accordance with the Transparency Code.

### **5/2 Bank balances and bank reconciliations to date:**

The Town Clerk/RFO provided an HSBC printed copy of the bank balances to date, which was noted and a copy attached to the file copy of these minutes. The Town Clerk/RFO noted that all the reconciliations were complete and up to date.

Cllr Carter noted that following the April payment there was currently a balance of £329,890.56 in the HSBC Local CIL account, which would need to be considered for investment under item 5/7.

### **5/3 End of Year information:**

The Town Clerk reported that the AGAR and supporting papers would be sent to the External Auditor this week and the Public Notice of Electors Rights had been published on the Notice Board and website as required.

### **5/4 Internal Audit Report - Circulated to Committee with Summons**

#### **The following recommendations arising from the above were considered:**

##### **➤ To include reference to GDPR in the Risk Assessments:**

It was noted that the separate reviewed GDPR Risk Assessment had been approved by Full Council at the last meeting.

##### **➤ To review the level of Fidelity Cover in line with recommended guidelines:**

The Town Clerk/RFO had consulted with other Town Councils and SALC and provided an explanation and had recommended an increase as the Town Council income levels had increased significantly due to CIL income.

It was noted that the Fidelity Cover had been increased to £1,000,000 from renewal on 1<sup>st</sup> June as recommended with approval DC,PC,JJ at an additional premium of £69.24.

- **To note that holiday cannot be replaced with a payment in lieu unless the worker is leaving employment.**

The Town Clerk/RFO reported that as the Deputy Town Clerk had holiday booked at the end of the financial year (March) which was cancelled due to Covid-19, in order to avoid the loss of holiday entitlement for the year, which under the circumstance would be unfair, or carrying over 75.5 hours, which is not normally permitted either and would mean that almost 9 weeks holiday would need to be taken in the year 2020/2021, she had suggested that it was split to pay 2 of the weeks due in 2019/2020 year and carry forward the rest, which was agreed by the Chairman and the DTC. Therefore, 2 weeks was paid and 31.5 hours carried forward. This was before the new regulations stated that up to 4 weeks holiday can now be carried forward for the next 2 years due to COVID-19. She noted that she was now clear on the process and this has been supported by SALC.

- **To record interests as Non-pecuniary or Pecuniary**

To be noted by Councillors when making entries in the Register of Interests Book and to be noted in the minutes.

The recommendations and explanations were accepted and the Internal Audit Report for 2019/2020 would be published on the website as required.

#### **5/5 VAT Registration:**

The Town Clerk/RFO reported that registration from 1<sup>st</sup> April 2020 had been completed and a Direct Debit set up for payments as required, which was noted.

#### **5/6 To consider options for the investment of funds not needed in the short term.**

It was agreed that it would be prudent to diversify, spreading the investments with other banks/building societies etc and options should be investigated. However, an equivalent or better credit rating than HSBC would need to be achieved and it was noted that Nationwide and Ipswich Building Societies both had a poorer credit rating than HSBC.

Cllr Wraight suggested the Unity Trust Bank which was used by other Town Councils and was covered by the FSCS, but she did not know the credit rating.

Cllr Carter noted that the FSCS did not apply currently due to the Town Council exceeding the limit of income, but it could be eligible in the future as it had done in the past.

It was agreed that the committee would consider options from high credit rating organisations at the next meeting. Cllr Carter noted that this would need to be at least an A credit rating as HSBC was higher than this.

Cllr Jones noted that the Committee would need to consider what funds were needed for projects in the next 12 months before any investments could be considered.

Cllr Carter agreed to investigate options. Specifically, he agreed to collate details of banks and building societies, investments with which would satisfy the security and liquidity requirements set out in the Investment Strategy agreed by Full Council on 4 June 2020, for consideration at the next meeting of the Finance Committee.

#### **5/7 To note the CIL payment of £29,445.34 received from ESC on 28<sup>th</sup> April 2020 and to consider investment**

Cllr Carter noted this payment was part of the balance of the Local CIL account noted under item 5/2 and would be considered as part of the investment options at the next meeting.

#### **5/8 Compliance with Transparency Code and other relevant regulations and review of procedures and processes – advice from SALC**

Cllr Carter noted the following advice from SALC which had been circulated:

"For councils with income over £200,000 but under £6.5 million it is recommended practice that they comply with the local government transparency code 2015, however it is not legally binding. Please see attached briefing paper paragraph 2.1"

The Town Clerk/RFO had been requested at the last meeting to investigate options and advice from SALC and she reported first on the Transparency Code:

**1. Quarterly report on expenditure exceeding £500**

The monthly summary income and expenditure report has been published on the website as recommended, but this has now been replaced with the monthly payment document which show ALL payments whether over £500 or not and SALC has advised that this will fully comply with the Code

**2. A schedule of land/property including details on whether freehold/leased/rented etc**

A new document can be produced using the information from the Asset Register

**3. An annual schedule of grants to voluntary organisations –**

Published in the minutes and in the Annual Report , but a separate document can be produced if required.

**4. An organisational chart –**

Staff details are on the website with job titles along with Councillors information

**5. Senior salaries if they earn above £50k –**

None.

**6. Pay multiple – ratio highest to lowest paid**

The Town Clerk and Finance Chair are working on a document similar to an example received from another Town Council.

The Town Clerk reported that SALC had advised that an Interim Internal Audit could be carried out in October at a cost of £600. The Auditor would spend the day going through everything relating to Town Council business and provide a written report with recommendations for improvement. This would be in addition to the Internal Audit at the end of the financial year . The Town Clerk/RFO advised of funds in the Internal/External Audit/VAT Consultant Budget 1115 (£2,750) for this purpose.

SALC had also suggested that as the 'Quality' Council Award achieved by the Town Council for the last two terms expires next year the Town Council may like to consider going for the Quality Gold Award Scheme, as this would provide a framework for improved performance with policies in place for continued development, as well as good continuity and succession planning. SALC felt that this would be a good project for DTC to undertake after he has achieved his CILCA qualification.

There was also an opportunity for SALC Training for both Councillors and Staff which would cover the following:

Identifying skills and weaknesses

Working together as a team

Objectives going forward and identifying the risks

Cllr Wright advised that she had investigated several Town Councils and their compliance with the Transparency Code and the details were clearly identified on one page which she noted was best practice. She also advised that there were several items missing from the above list such as Parking and Contracts over £5,000.

It was noted that the 28 spaces currently free parking on the Market Hill would need to be listed along with the Town Council Contracts and the Town Clerk agreed to action these points and requested that Cllr Wright provide a list of Town Council websites that she had visited to help with the task, which was agreed.

Cllr Wright noted that at the SALC Councillor Training Course a copy of the Good Councillors Guide to Finance and Transparency had been made available and within this publication it clearly states what needs to be done.

There was some discussion on the Interim and end of year Internal Audit and the Town Clerk was requested to obtain a specification and scope of what both would cover for comparison purposes, which would be considered further at the next meeting.

The Chair proposed to re-order the agenda to take item 7 before item 6 which was agreed.

#### **7. Town Council Office:**

##### **Network attachment storage for office computers – Cllr Garrett**

Deferred until the move to the new office is complete.

##### **Town Council Office Lease:**

The details and documents had been circulated to members and Cllr Carter noted that Full Council had delegated the power to approve the final lease (subject to the satisfaction of the Town Council solicitor) to the Finance Committee.

**7111620** Cllr Carter proposed to approve that the lease be accepted and signed by the Town Clerk/RFO and Town Council Chair, which was seconded by Cllr Jones with all in favour.

##### **Office move:**

The Town Clerk reported that it had almost been a military operation organising the move to comply with social distancing measures, but this would happen on 24<sup>th</sup> June and arrangements had been made to separately move the photocopier and phone line.

Staff would still have the option of working from home and this would be reviewed at the end of July depending on Government guidelines. The Office weekly cleaning would also resume.

It was agreed for the Town Clerk to continue working on the tasks associated with the move.

Cllr Jones and Cllr Eastwood agreed to re-paint the Library Office after 2pm on Tuesday 30<sup>th</sup> June, keeping social distancing measures in place. The Town Clerk noted that the Library was preparing for re-opening on 6<sup>th</sup> July.

**6111620** The Chair proposed to exclude the public for the next item by virtue of the Public Bodies (Admissions to Meetings) Act 1960 s1 (2) because of the confidential nature of the business to be transacted" which was agreed.

The member of the public present left the meeting.

#### **6. Employment Matters:**

- **To consider extra staff hours worked on COVID-19 response issues for DTC:**

Agreed.

➤ **Continuity and succession planning:**

Some discussion and the Town Clerk would request help and advice from SALC which would be considered at the next meeting

➤ **Disability issues – use of assistance dog in the Town Council Office:**

Agreed.

The member of the public was invited to return to the meeting, but had left the ‘room’.

**9. Full Council and Committee Structure – Cllr Carter**

Cllr Carter advised that he wished to defer this item. Cllr Jones suggested that this item be considered at the Strategic Forum as it affected all Councillors and Staff, which was agreed.

**10. Action Plan:**

Updates:

Annual Investment Strategy

Fidelity Insurance

Quarterly review of credit ratings

VAT quarterly return

**11. Matters of report or items for next agenda:**

None.

**12. Date of next meeting:**

Thursday 9<sup>th</sup> July 2020 at 7.00pm

Meeting closed at 21.00