

**DRAFT Minutes of the Finance Committee Meeting held on Thursday 17<sup>th</sup> September via Zoom at 7.00pm**

All documents relating to this meeting were made available to Councillors prior to the meeting

**1. Apologies:**

Cllr C Collins

**Present:**

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

**In attendance:**

Mrs E Coe (Town Clerk/RFO)

**2. Declarations of Interest:**

None.

**3. Minutes of previous meeting:**

**3117920** Cllr Carter proposed approval of the minutes of the last meeting held on Thursday 9<sup>th</sup> July (previously circulated in draft form) as an accurate record, which was seconded by Cllr Eastwood and with one abstention due to absence, all were in favour.

**4. Public Comment:**

None.

**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.

**5/3 Ear Marked Reserves:**

The updated copy of the EMR was noted.

**5.4 Current Investments:**

Cllr Carter explained the current position regarding investments. At the July Finance Committee meeting it had been agreed that a recommendation should be put to the August Full Council meeting that if it was possible to invest funds with National Savings & Investments (NS&I) on acceptable terms, this would be done. If this was not possible, funds would be placed on a three-month investment with HSBC. When the Town Clerk/RFO had contacted NS&I it had been explained to her that it was not possible to invest with them as they did not accept investments from town councils. Consequently, the funds had been retained with HSBC. By way of clarification, the rate for three-month investments had fallen to just 0.1% pa, the same as the amount which was available for instant access. In light of this development, the funds were being held on instant access.

Cllr Carter further reported that the Town Clerk/RFO had successfully made contact with Barclays and provisionally made an appointment to meet their Business Manager with two councillors on 18 December in Ipswich. Barclays could potentially offer deposit facilities to the Town Council but were not able to provide terms and conditions ahead of that meeting. However, they had explained that this would only be possible if

the Town Council opened and maintained an active current account with at least £50,000 of transactions passing through the account annually.

Cllr Carter recapped that under the Investment Strategy, security of investment had to be prioritised. Where protection under the Financial Services Compensation Scheme (FSCS) was not available, this would involve considering the financial strength of institutions, with third party credit ratings used as the relevant measure. Currently HSBC had the highest credit rating (AA- with Fitch's). The remaining high street banks were rated one rung lower at A+, and of these banks only Barclays were currently open to the possibility of an investment from the Town Council. Nationwide Building Society were A rated and therefore at the very minimum level acceptable under the Investment Strategy. Each of the institutions had been given a "negative" outlook the last time they had been evaluated by Fitch's.

Cambridge Building Society was receptive to investments from town councils but did not have a credit rating so, at present, it would not be possible to deposit funds with it within the Investment Strategy."

**The Town Clerk /RFO reported that she had contacted SALC and the advice received direct from the FSCS was that the £85k protection would be based on the 'yearly turnover' of the Town Council which would be the gross income, and as the income for 2019/20 is over E500,000 the Town Council would not currently be covered.**

The Town Clerk/RFO was instructed to confirm with SALC that if the Town Council has under E500,000 income in 2020-2021 and this will also be the case in 2021-2022, then from the new Financial year beginning on 1<sup>st</sup> April 2021 it would be covered.

It was noted that the Town Clerk/RFO had arranged a meeting with the Barclays Business Manager on 18<sup>th</sup> December in Ipswich, which was the earliest date available as they were prioritising applications from critical sectors first. Two Councillors would accompany her to discuss the possibility of opening an account with them depending on the terms and conditions.

The Town Clerk/RFO requested that if two current accounts were held (HSBC and Barclays) then she would need clear instructions on which funds would go where. It was noted that the new account could pay the expenditure of staff contracted hours, HMRC and Pensions, with an income transfer from HSBC each month.

There was some discussion of the level of risk between now and April and where would be the safest place to hold the Town Council funds. It was felt that the realistic options were limited to HSBC and (subject to the outcome of the proposed 18<sup>th</sup> December meeting ) Barclays.

Subject to the response from SALC re FSCS it was hoped that a wider range of deposit-takers would be available in the future.

### **5.5 Future Investments:**

Discussed as above.

### **5.6 Interim Audit- SALC**

The responses from other Councils re testimonials about Interim Audits was noted. It was felt that the Town Council procedures were sufficient to take it through to April when a full Internal Audit could take place for the end of year.

It was noted that the Interim Audit would not look at how the Town Council works together, but SALC had provided details of a trainer that could help with this process. Cllr Carter reminded the committee that it had voted in July unanimously to recommend to Full Council that an Interim Audit should be held based on the information provided, including the detailed scope from SALC, which had previously been circulated to committee members. However, on the basis of the comments made by members, Cllr Carter now recognised that there was no longer support for this and the recommendation would need to be withdrawn.

**5117920** Cllr Carter proposed not to proceed with an Interim Audit at this stage, which was seconded by Cllr Kitching, and with one abstention all were in favour.

## **6. Town Council Office:**

### **6.1 Network attachment storage for office computers:**

Cllr Garrett provided some information and estimated the cost would be between £300-£700. It was agreed for Cllr Garrett to investigate further with a view to making a recommendation for approval to Full Council. The Town Clerk/RFO advised that there was £200 in the Budget.

**6117920** A transfer from Budget 1138 of £500 to Budget 1127 to accommodate the expenditure was agreed with all in favour.

### **6.2 Town Council Office and Meeting Room RA along with the COVID-19 RA—Cllr Kitching**

**6217920** It was unanimously agreed to recommend the document to Full Council for approval.

## **7. Policies and Documents and Risk Assessments Annual Review:**

### **7.1 Annual Review of Town Council Policies and documents – All on Website**

The current Policy and Document List would be emailed to all Committee members to share the review workload. The Town Clerk would confirm the allocations and members would provide the reviewed document to the Town Clerk to be circulated prior to the next meeting.

The Town Clerk noted that SALC had provided updated information on procurement and Cllr Wraight noted that the procedures for Tenders would need to be amended.

### **7.2 Annual Review of the Effectiveness of Internal Audit:**

Deferred to the next meeting to allow members time to digest the contents.

### **7.3 Annual Review of Risk Assessments:**

Lone Working -Cllr Wraight

Credit Card – Cllr Jones

Financial Management and Control – Cllr Carter

Once the above reviews had been carried out the Town Clerk would circulate the documents for consideration at the next meeting.

## **8. Budget 2021/2022:**

It was noted that the Budget documents had been circulated to all Councillors and the Deputy Town Clerk on 03/09/20

The Town Clerk advised that she would be meeting with Committee Chairs to go through budget items specific to their committees, the figures would then be considered by the relevant committees at the next meeting. The Deputy Town Clerk would be involved in this process for the committee's that he clerks.

The budget document would then be discussed by the Finance Chair and Town Clerk/RFO before presenting a final draft to the Finance Committee for consideration in November, or December at the latest in order to put a recommendation forward to Full Council in January.

## **9. Correspondence: (PP)**

### **1/9 East Suffolk Council**

Letter re Covid 19 Small Business Support Grants advising that as the Town Council pays rates for the Cemetery it is eligible for a grant of £10k. The Town Clerk/RFO confirmed that the funds had been paid into the COVID-19 Income Budget.

Cllr Kitching noted that bookings for the hire of the Pavilion on Pageant Field were beginning to be received and some of these funds could be used for the deep cleaning and hygiene related matters, including hand sanitisers during the Covid-19 period.

Cllr Kitching also requested a Working Budget of £1k for Covid-19 related items with approval of 2 x Cllrs and the Town Clerk/ RFO.

**9117920** It was unanimously agreed to recommend approval to Full Council to use £2,000 of the grant for deep cleaning and hygiene related matters, for the Pavilion on Pageant Field including hand sanitisers and £1,000 as a COVID-19 working budget (the spend to be approved by two Councillors and the Town Clerk/RFO).

Excess funds remaining at the year-end would be transferred to an EMR for future use.

## **2/9 Friends of Suffolk Record Office**

Email relating to the bidding at auction for six early charters for Framlingham, which if successful would be deposited in The Hold archive building in Ipswich. The Framlingham & District Local History and Preservation Society has pledged 500 towards the purchase if FOSRO is successful. (Upper Limit of £3,375 including 35% commission fee.) Asking if the Town Council would be prepared to pledge some money towards the purchase.

It was noted that this was important from a historical point of view. The outcome of the auction would be known on 25<sup>th</sup> September and if the FOSRF were successful the Town Council could still contribute towards the costs.

**9217920** It was agreed to add an Agenda item for Full Council on 1<sup>st</sup> October to consider contributing funds to the Friends of Suffolk Records Office towards the cost of six early charters for Framlingham following the Auction on 25<sup>th</sup> September.

## **10.Action Plan:**

### **Updates:**

The Town Clerk would update the Action Plan following Committee meetings in October and publish on the website. Cllr Carter reviewed the Credit Ratings on 13.9.20.

## **11. Employment Matters:**

**A resolution to exclude the press and public will be passed by virtue of the Public Bodies (Admissions to Meetings) Act 1960 s1 (2) for the next two items because of the confidential nature of the business to be transacted.**

**Members of the Public and Press will be requested to leave the meeting**

Withdrawn as no members of the public were present.

### **11.1 DTC Interim Appraisal – DC/JJ/EAC**

The Interim Appraisal had been completed by the Town Clerk, Cllr Carter and Cllr Jones. A review had been arranged for January.

There was some discussion on succession planning and the Town Clerk, Cllr Carter and Cllr Jones would meet to discuss this matter further and report back to the next meeting.

### **11.2 Annual Staff Appraisals**

The Town Clerk/RFO's annual appraisal would be carried out by Cllr Collins, Cllr Carter and Cllr Wraight  
The Office Assistant's annual appraisal would be carried out by the Town Clerk, Cllr Jones and Cllr Wraight

### **11.3 Mobile phone contribution review**

There was some discussion on this matter concluding with Cllr Garrett agreeing to look at mobile phone costs and packages for the Town Clerk/RFO and Deputy Town Clerk, which would be considered at the next meeting.

Cllr Jones left the meeting at this point.

### **11.4 NALC 2020-2021 National Salary Award:**

The National Salary Award details from 1<sup>st</sup> April 2020 were noted.

**11117920** Cllr Carter proposed to accept the increases to be back dated to 1<sup>st</sup> April 2020, which was seconded by Cllr Kitching with all in favour.

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

Grant Applications received by the deadline of 30<sup>th</sup> September

**13. Date of next meeting:**

Please note revised date:

**Thursday 15<sup>th</sup> October 2020 at 7.00pm**

Meeting closed at 22.21