

Kesgrave Town Council

Finance and Resources Committee

Minutes of the meeting of the Finance and Resources Committee held on Monday 28th April 2014 at 7.15pm in the Council Chamber.

Present: Mr N Beecroft-Smith (Chairman) Mrs S Ogden
Mr A Comber Mr C Rayworth
Mr G Lynch Rev R Spittle (arrived 7.20pm)

In attendance: Mrs V R Read (Clerk to the Town Council)
Mrs L Bennett (Assistant Clerk)
Mr J Ogden
1 member of the public

The Clerk explained for the benefit of all present, or listening, the following:

Mr Matthew Percy had asked for permission to record the meeting. Two copies of the Council's policy have been signed, one for him to retain and an office copy, in acknowledgement.

– As a consequence of the policy being recently adopted the Chairman of the Council and Clerk have discussed the procedure and taken advice from the Suffolk Coastal District Council Monitoring Officer. It is the first time locally that such a recording has been felt to be necessary by a member of the public – no-one has recorded a SCDC meeting and only one recording of a County Council meeting has taken place.

– It was noted that Council meet in Public and a Council meeting is not a Public meeting. Therefore there are a number of issues which Council are duty bound to hold in camera and the written minutes once agreed by the Council are those which stand in the public domain.

– There are two issues which often appear on the agendas for which there is a necessity to exclude the public:

1. is anything to do with staff, as this is an employer/employee confidential matter;
2. is anything to do with commercial contracts

– The agenda on this occasion was issued with an exclusion of the public from Item 15 (Staff) but the Chairman has agreed Item 21 will also be held in camera. As usual these items will be dealt with at the end of the meeting.

– However as with any Council or Committee meeting everyone should be aware that if the debate on any item is to include the mention of commercially sensitive information it will be necessary to defer that item to the end of the meeting.

1. Apologies

None.

2. Declaration of interests

Members made verbal declarations, which they have recorded on the form attached at **Annex 1** to the permanent copy of these minutes.

3. Minutes of the last meeting held 2nd December 2013

The minutes having been circulated were taken as read, approved and signed by the Chairman.

4. Matters arising

None.

5. Minutes of the Extraordinary meeting held on 7th February 2014

The minutes having been circulated were taken as read, approved and signed by the Chairman.

6. Matters arising

None.

An adjournment was declared:

As the meeting was being recorded, for the benefit of members of the public the Clerk explained the following: If any resident wishes to address the Committee but does not wish his or her statement to be recorded he or she must say so and Mr Percy will be asked to switch off his machine for the duration of that issue.

Neither member of the public present wished to speak.

7. Auditor Checks

a. Internal Auditors Report

The Clerk summarised the most recent report from the IIA and his comments were noted. He has yet to complete the 2013/2014 Annual Return but the Clerk will contact him to make arrangements for this to be done.

His commendatory report covered an overview of the MJH project and is held on file. Questions were raised regarding an account being set up to provide for the maintenance/depreciation of the MJH building when completed. The use of any future profit was also discussed.

b. Internal Auditor appointment

The Committee **agreed to recommend to Full Council** that Mr Ian Farthing be asked to act as the IIA for a further year and a letter of confirmation will be sent. It was noted Mr Farthing is no longer the Chairman of the Youth Club Support Group.

c. Members Finance Checks

- i. The check** The Committee carried out checks to ensure that:–
 - Accounting records are up to date
 - Income due is collected promptly and fully and is banked without delay
 - Interest earning accounts are employed to the maximum
 - Tax and NI procedures for staff are properly operated
 - Cash Book and Bank Statement totals agree

d. Risk Register – Government Procurement Card

The Government Procurement Cards have now been received and activated. Members were informed there is a maximum of £300 per transaction, and a combined total of £500 on all three cards per month.

e. Effectiveness of Internal Audit

Members were reminded of the need to consider annually the Effectiveness of Internal Audit as advised in the External Auditors Bulletin. This states that the Review must cover the following five areas:

Scope of Internal Audit – has the scope of the Internal audit been discussed with the Internal Auditor to ensure that the audit covers all the relevant risks areas;

Independence – is the Internal Auditor sufficiently independent, unbiased and objective;

Competence – does the Internal Auditor have sufficient knowledge to be able to carry out the Audit;

Relationships – are the relevant responsibilities of Members, Clerk/RFO and Internal Auditor defined;

Planning and reporting – is the body aware of a timetable of when the Internal Audit or Audits will take place and when a report, if any, will be reported.

It was **agreed to recommend to Full Council** that procedures are effective.

8. **Budgetary monitoring report**

The Report had been issued with the agenda. A copy is attached at **Annex 2** to the permanent copy of these minutes. The Committee having examined this, were satisfied that receipts and expenditure at financial year end were generally within budgetary limits. The Clerk explained she continues to work on a method of providing this report in a manner which is more easily understood and compiled. The intention is to have a new format for the July meeting.

Mr Lynch suggested it might be beneficial if for future projects a monthly report was compiled to include target dates and costing in the manner of the MJH and Market.

9. **Reserve Funds**

i. **Transfers to and from Reserves** None.

10. **Income and Expenditure Account**

Annual Accounts Papers had been issued with the agenda. It was **agreed to recommend to Full Council** the documents as presented and attached at **Annex 3** to these minutes, **including the Explanation of Variances, the Supporting Statement and Summary of Reserve fund transactions be approved**. The FD documents, together with a summary of the Reserve fund transfers will then be available to publish on the website.

i. **Additional transfers** None.

ii. **Audit date** The date has been set for June 30th and notices will be displayed at the time decreed by the External Auditor.

iii. **Audit forms** These will be taken to Full Council in June.

11. **Asset Register**

The entry in the register for the MJH pavilion has been adjusted after advice was sought from SALC and NALC.

12. **Financial Regulations**

i. **Petty cash limit** The Committee **agreed** the Council petty cash limit will remain at £250.

ii. **Youth Club Petty Cash limit increase** The Committee **agreed** a petty cash limit of £250 for the Youth Club also be held.

It was noted all monies are held in a locked cabinet.

13. Risk Register

- i. **The Register** The Risk Register was discussed, and amendments made to:
 - item 2c, bank collapse, impact changed from 5 (catastrophic) to 4 (major);
 - Item 2e, Misuse of Procurement card was also discussed and it was agreed to rate this 2 (unlikely) with a 2 (minor) impact.

A copy is attached at **Annex 4** to the permanent copy of these minutes

14. Resolution to exclude the Public under the Public Bodies (Admission to Meetings) Act 1960.

The Committee resolved that the public and the press be excluded for consideration of Item 15 Staff, since publicity would prejudice staff confidentiality, and that these matters be deferred to follow item 24 on the agenda.

15. Staff

- i. Clerks
 - a. Hours
 - b. Responsible Finance Officer duties
 - c. Succession Planning
- ii. Increments
 - a. Clerks
- iii. Late items

16. Grants

- i. **Timing of Grant applications** The timing of grant applications was considered following a suggestion by the Clerk that this could take place once a year in July instead of at each F&R Committee meeting. However Members **agreed** it would be more beneficial to the community if potential applicants had the opportunity to apply for funding three times a year instead of the possibility of a full year delay.

ii. Grants for consideration

- a. **Magpas** Nil

17. Insurance Cover including New risks

- i. **Government Procurement Cards** A full explanation was given at item 7.d regarding the use and limits of the cards, and the addition to the Risk Register which is attached as **Annex 4** to the permanent copy of these minutes.

18. MJH

Mr Rayworth, as Project Manager, expanded on his MJH Cost Monitoring Report which is held on file, and the Committee noted the project is within budget and only 1 week behind schedule in some areas of the build. This is because of issues out of Mixbrow control.

19. New Financial Regulations

The Clerk explained she had done a comparison between the old and new versions of this document, and made all the necessary amendments. This was discussed, questions were raised and answered satisfactorily. It was **agreed a recommendation will be made to Full Council to adopt the New Financial Regulations** which are attached as **Annex 5** to the permanent copy of these minutes.

20. Photocopier replacement procedure

No information in the form of a recommendation for replacement had been brought to Members since the last Full Council Meeting. However the Clerk was able to update Members on an email which had been received from Councillor Amoss. He had been carrying out further investigations on the current photocopier documentation. He had highlighted that the maintenance agreement requires a one year notice to terminate the contract. With such close proximity to the deadline of 18th May it was agreed to send a letter using recorded delivery before the next Council meeting. The letter is to inform NCS that Council wish to end the maintenance agreement in order to coincide with the termination of the lease. Full Council will be informed of this decision at their meeting in May.

The Committee resolved that the public and the press be excluded for consideration of Item 21 Computer Software, since publicity would prejudice commercially sensitive information, and that these matters be deferred to follow item 24 on the agenda.

21. Computer Software

22. To receive such other communications or matters of sufficient urgency and importance that the Chairman will allow for discussion (to be notified to the Clerk by 12.00 noon on the day of the meeting)

The Clerk had sought advice from SALC regarding the formation of a Working Party to run the Youth Club. SALC's response included advice they had previously obtained from NALC on behalf of another Town Council. NALC state, rather than a Working Party, this will need to be a Committee with Terms of Reference agreed by the Council and these will determine which powers will be full or advisory. It was noted the Committee can include non-Council members. However they would then have to declare their interests in the manner of elected Members. Kesgrave Town Council usually use the benefit of residents expertise in adjournments rather than co-opting non elected members.

The Committee agreed therefore that the Youth Club will be the responsibility of the Community Services Committee, under which it had previously been planned to have the Working Party. SALC had also stated the Terms of Reference will negate the need for a Constitution and an Annex will therefore be attached to the CS Terms of Reference to cover the specific issues of running the Youth Club..

Some debate was held on the employment of the current Youth Workers and the necessity in the future of pension provision, but it was noted this will be of minimal cost.

23. Kesgrave News Article suggestions

Suggestions put forward included: Grant availability
 Senior Citizens Outing

24. Date of next meeting 28th July 2014

The next Full Council Meeting will be the Annual Council meeting held 12th May 2014.

The Members of the Public left and the Committee were able to consider the following.

15. Staff

i. Clerks

a. Hours for 2013/14 The Assistant Clerk gave details of the average hours worked by the Clerks during the 2012/13 financial year.

	Contracted hours	Average hours worked
Mrs V R Read	34.00	35.92
Mrs J Francis	26.00	28
Mrs L Bennett	22.50 to Sept, 28.00 to Dec and 34 thereafter	34.71
Mrs J Abbott	10	9.98

The Committee accepted that all efforts had been made to keep hours within contracted hours, but were disappointed these had not been entirely successful. It was noted the Assistant Clerk's contracted hours had increased three times within the last year which had resulted in a much closer adherence to contracted hours than those originally anticipated. With the Clerk acting as PA to the Project Manager on the MJH alterations and extensions, her average time spent on dealing with this project equates to approximately one and a half to two days a week of the four working days. Members discussed a suggestion put forward by Councillor Rayworth that some of the overtime payments due to the Clerk be taken from the MJH Reserve fund. The Clerk will prepare figures for consideration at the May Council meeting.

The Clerk also explained she had been creating a different method for recording hours worked. With meetings and the fluctuation of workload at different times of the year, average hours are difficult to adhere to. It is hoped the new method will make it easier to identify on a monthly basis when hours are exceeding those contracted, allowing for potential adjustments to be made.

The Committee **agreed that Full Council be recommended to make overtime payments to the three staff members owed overtime in recognition of the hours on average per week worked in excess of contracted hours.**

b. Responsible Finance Officer duties Members accepted that the new Financial Regulations have the RFO duties flagged but no separate list is available at present. However it was agreed with training being undertaken, the usual checks of one staff member of another's work provides sufficient assurance.

c. Succession planning The Clerk had issued a paper on succession planning for staff, looking forward towards the next five years. It gives more comprehensive details of work to be undertaken by each member of Staff and the proposals for these changes to allow the new set-up for the future. Members discussed the various points relating to numbers of Staff and hours and agreed **that Full Council be recommended to accept the paper in principle with the changes to current Staff members as stated. It was also agreed to recommend that Mrs Bennett should now be titled Clerk Elect.** A copy of the paper is attached at **Annex 6** to the permanent copy of these minutes.

ii. Increments

a. Clerks Allowance had been made in the Budget for an incremental step to be made in salaries for:

- Mrs Bennett to SCP 25 with an additional one also in the Budget for gaining the CiLCA qualification when this is achieved;
- Mrs Abbott to SPC 19. And these were confirmed.

The Committee also **agreed** Mrs Read will receive an increment with effect from this year for the CiLCA qualification, although this was gained in 2008.

iii. Late Items The local firm used to clean the office for two hours, once a month, have decided it is no longer viable for them to carry out this service. They have therefore given notice to terminate the contract. Mrs Abbott had confirmed to the Clerk she would be willing to come into the office when it is closed to carry out the necessary cleaning duties. Members considered her offer but decided as she is already employed by the Council, she cannot be self employed by the Council to do the cleaning. The position will therefore be advertised in Kesgrave News. **Later:** This issue was resolved with the contractor who is to clean the MJH on completion of the work adding the Town Council office to their specification.

21. Computer Software

A paper was issued to Members outlining the background information on the computer system operated by the Staff at present. The maintenance/upgrading/problem solving of the machines was originally carried out “in house” using Staff contacts. This is no longer considered to be a practical solution for the Town Council as the scope of the work grows and the Council takes on more responsibilities.

A proposal to purchase Payroll Manager and to contract qualified technological support was suggested and discussed, following which the Committee asked Staff to compile a “wish list” for considerations by Full Council at their next meeting. A copy of the paper is attached at **Annex 7** to the permanent copy of these minutes. **Later:** A major failure in the networking of the office computers, with nearly one days work being lost, highlighted the need for a professional maintenance contract.

The Chairman closed the meeting at 9.43pm.

Chairman