

KESGRAVE TOWN COUNCIL

Minutes of the meeting of the Finance and Governance Committee held on 2 March 2020

Councillors present:

Cllr K Archer
Cllr A Athwall
Cllr N Beecroft-Smith
Cllr A Comber
Cllr J Ogden

Officers present:

J Abbott – Town Clerk
A Dougall - Responsible Financial Officer (RFO)

1. **Welcome and to Receive and Accept Apologies for Absence** – The Chair, Cllr J Ogden welcomed those present and confirmed apologies from Cllr D Fairbrother (personal), Cllr G Lynch (work) and Cllr B Patten (work). All apologies were acknowledged and accepted following the vote.
2. **Declaration of Interests** – Cllr J Ogden declared a non-pecuniary interest, items 7 – Scout Leader. Cllr A Comber declared a non-pecuniary interest, items 7 Scout Leader, IT service provider and market promotions (Copy in minute book).
3. **Minutes of the last Meeting** held on the 13 January 2020, the Committee received, considered and all agreed following the vote.
4. **Clerks/Officer Report/Update** –
 - J Abbott advised that the KTC boiler had been serviced today by British Gas. Unfortunately, the Engineer explained that the positioning of the boiler does not conform to regulations (the flue is positioned 20mm too close to the window and should go out through the ceiling). The quote by British Gas to reposition is £780 and for a new boiler approx. £3000. J Abbott suggested that it may be a good time to investigate quotes for a replacement so that we can also fulfil our obligations towards achieving goals as part of the 'Climate Emergency'. This was agreed following the vote. A carbon monoxide monitor was purchased and fitted to meet the regulations.

A Dougall provided an update to the query raised at the meeting held on 13 January 2020 regarding the SCC Pension and potential fund shortfalls. Having spoken to a member of the SCC Pensions Team, the Council can be reassured that as a smaller council we pay into a pool at pool rates. These pensions are checked and reconciled each month and have all been paid correctly. The misunderstanding that has occurred lies with the larger councils. There would only be a potential shortfall if **all** members were to retire today (at the same time) but this is highly unlikely as members include a mix of new starters, retired employees and existing members of all ages, so each will retire at a different time. The figures show this small deficit but in the long term (>20 years) there is not a problem. Large Councils have been asked to make an additional amount to

cover the potential deficit over a large time span. For reassurance, at today's valuation, the fund is 98.8% fully funded (assuming that everyone wished to retire on the same day) – some areas remain 100% fully funded. The deficit will be clawed back over a 20-year timespan. Every 3 years, an independent Actuary calculates how much the employer should contribute to the scheme. It has been agreed that the percentage employer contributions will be reduced from 25% 19/20 down to 24% 20/21 (then 23% in 21/22 and 22/23) for Town and Parish Councils. This shows that the fund is in a good position.

5. **Members of the Public** – None present.
6. **Bank Reconciliation** – A Dougall presented a copy of the Bank Statements to verify the balance on the Bank Reconciliation reports dated 31/01/2020. Councillors received, considered and agreed following the vote. Bank Statement balances as at 31/01/2020 were £72,517.28 (current account) and £424,883.99 (savings account).
7. **Receipts and Payments** – A Dougall presented accounts for the period ended 31/01/2020, these were received, considered and agreed following the vote.
8. **Councillor/RFO Audit check** – As part of the Internal Audit review Cllr N Beecroft-Smith agreed to conduct a finance check in April/May to ensure the finances for the Council are in order.
9. **Internal Audit Review/Plan** – A Dougall presented the updated Internal Audit Review Policy for the year ending 31 March 2020. This was considered and following the vote, agreed to recommend approval at the next Full Council meeting 16 March 2020.
10. **Risk Register and Assessments** – A Dougall presented an updated version of the Risk Register for the period ending 31 March 2020. The changes highlighted on the draft document in red were discussed. Additional amendments to include: item 19 to include the Firework event and a new item 22 to include risks taken by employed staff whilst carrying out Council duties were also discussed. Following the vote, all agreed to recommend for approval at the next Full Council 16 March 2020 with the updated amendments. J Abbott presented the Risk Assessment Summary folder 2020/21. This was considered and accepted following the vote.
11. **KTC Asset Register** – A Dougall presented the updated Asset Register for the period ending 31 March 2020 (version as at 26/02/2020). It should be noted that the Asset Register has four main purposes:
 - It forms a basis for completion of box 9 in the 'Annual Return.'
 - It forms a basis for decisions on risk and insurance issues.
 - It provides information on the age and potential lifespan of certain items.
 - It provides assurance of the continued existence of Council's property.

Once recorded on the asset register, the value of the assets remains unchanged from year to year until disposal. Depreciation adjustments are not appropriate for local councils.

A Dougall has revised the format of the Asset Register as follows:

- Assets have been sorted into location order.
- New column showing the assets as per Box 9 Annual Return for 31/3/2019.

- New column for assets acquired during 2019/20 at purchase price (net of VAT) or nominal value of £1. There may be more purchases during March 2020 and an adjustment may be made.
- New column for any disposed assets during the year – these will be added to the schedule of disposals at 1/4/2020 and then removed from the register.
- New column to show the assets held on the register as at 31 March 2020. This will be the value of Box 9 on the Annual Return.
- New column showing the date the asset has been physically evidenced. Any assets that have not been located have been included as disposals.
- New column to show the assets which have been included on the Insurance Schedule for 20/21. It should be noted that this insurance value may also cover other assets on the register if a location has not been specified on the Insurance Schedule (cover may be provided for any assets in the territorial limits of Kesgrave if not insured for a specific location).

Following the vote, all agreed to recommend the revised Asset Register (with the addition of any assets acquired in the interim period) to the Full Council at the next meeting.

12. **KTC Meeting Schedule 2020/21** – J Abbott presented an updated calendar for Council and Committee meetings planned from 1/6/2020 to 7/6/2021. Following a discussion, all agreed following the vote.
13. **Financial Regulations 2020/21** – A Dougall presented the revised Financial Regulations 2020/21 updated 25/2/2020 for review. The changes highlighted in red (sections 3.1, 3.3, 5.5 (c), 6.3, 6.11, 7.4, 9.4 – change to ‘if less than £100’, 10.2, 14.1). All agreed following the vote that these amendments should be made, and the revised document was recommended for Full Council to approve at the next meeting.
14. **KTC Policies** – J Abbott confirmed that the list of policies prioritised in May 2019 are still awaiting review. Following a discussion, it was agreed that the policies with a high priority should be reviewed before the next Annual Town Council meeting 11 May 2020. These revised high priority policies are to be reviewed by Cllr J Ogden and J Abbott then emailed to all F & G Committee members for review in the absence of a planned F & G meeting before May 2020.
15. **Other/Urgent Communications** – None.
16. **Date of Next Meeting** – Monday 1 June 2020 at 7.15pm in the Council Chamber of the Town Council offices.
17. **Agenda Items for Next Meeting** – None.
18. **Resolution to exclude the Public under the Public Bodies (Admission to Meetings) Act 1960** – no public present.
19. **Confidential Minutes of the last Meeting** held on 13 January 2020.

- 20. Staffing Matters –**
- a. **RFO contracted hours -**
 - b. **Estate Operatives Holiday**
 - c. **Contracts –**
 - d. **Youth Club -**

Agenda items 19 and 20a,b,c&d were then discussed in the CONFIDENTIAL part of the meeting

(This part of the meeting finished at 8.15pm)

Chairman.....

Date.....

DRAFT