

MINUTES OF THE FINANCE, POLICY & ADMINISTRATION COMMITTEE
MEETING HELD ON MONDAY 27 JUNE 2011 AT 7.30 PM IN THE ROBING
ROOM, THE CASTLE, HERTFORD

PRESENT: The Mayor, Councillor Mrs Sally Newton in the Chair at the start of the meeting.

Councillors: Miss C Geall, Mrs B Mansfield, P Moore, M McCormick, Mrs S Newton, Dr L E Radford, Miss J Sartin, Miss I Sigmatic and A Stevenson

IN ATTENDANCE: Cllr P Boyle
Cllr P Ruffles
Cllr R Willis
Ms T Carpenter, Civic Administration Manager
Mr S Davies, Responsible Finance Officer

88. ELECTION OF CHAIRMAN

Councillor Miss C Geall was elected Chairman for the forthcoming civic year. The Chairman then took the Chair for the remainder of the meeting.

89. ELECTION OF VICE CHAIRMAN

Councillor A Stevenson was elected Vice Chairman for the forthcoming civic year.

90. APOLOGIES FOR ABSENCE

None.

91. DECLARATIONS OF INTEREST

Cllr Mrs S Newton	Prejudicial	Agenda item 15 Lease arrangements at Seed Warehouse Mayor's chosen charity is a tenant at the Seed Warehouse
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Cllr P Boyle	Prejudicial	Agenda item 9 Community Grants – Employee of one of applicants
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92. THE MINUTES

It was **RESOLVED** that:

- (a) The Minutes of the Finance, Policy & Administration Committee meeting held on Monday 21 March 2011 be approved as a correct record and the Chairman authorised to sign the same.

93. ACTION SHEET

The Council's Aims and Objectives for the forthcoming term would be referred to a meeting of the Full Town Council.

A meeting to discuss a way forward with regard to the maintenance regime of the Castle Grounds would take place with the Chairman, Cllr McCormick and the Civic Administration Manager.

It was **RESOLVED** that:

- (a) The action sheet be received and noted.

94. QUESTIONS AND/OR STATEMENTS FROM MEMBERS OF THE PUBLIC

There were no members of the public wishing to speak.

95. END OF YEAR ACCOUNTS 2010/11

The Chairman advised the Committee that both she and the Vice Chairman had met with the Finance Manager to go through the accounts prior to the finalisation of the report. The Chairman explained the accounts and Annual Governance Statement to the Committee in detail and was pleased to report that all Committees finished in a surplus at the end of 2010/11, with £45,000 being transferred to earmarked reserves.

It was **RESOLVED** that:

- a) The Committee **approves** the end of year financial statements as a fair and accurate record of the Council's financial position at the 31st March 2011.
- b) The Committee **recommends** that the Town Council approves the Accounting Statement and the Annual Governance Statement in the Annual Return for 2010/11.
- c) The Committee **approves** that a balance of £21,139 should be transferred from the General Reserve to the Building Maintenance Reserve.
- d) The Committee **approves** that a balance of £5,000 should be transferred from the General Reserve to the Election Reserve.
- e) The Committee **approves** that a balance of £4,902 should be added to the Community Grants budget (code 7180) for 2011/12.
- f) The Committee **approves** that a balance of £4,483 should be added to the current budget provision of £15,000 for the Town Development Fund (code 6036) in 2011/12.

- g) The Committee **approves** that a balance of £14,010 should be transferred from the General Reserve to the CCTV Maintenance Reserve.
- h) The Committee **approves** that a balance of £4,110 should be added to the current budget provision (code 5346) for the new Garden of Rest for 2011/12.
- i) The Committee **approves** the recommendation from the Development and Leisure Committee that £1,710, being the cost of the replacement door for the TTIC, be funded from the Building Reserve.

The Committee adjourned at 8.00pm to allow the Full Town Council to meet to approve the end of year accounts and Annual Governance Statement.

Following the close of the Town Council meeting, the meeting resumed at 8.05pm.

96. **COMMUNITY GRANT APPLICATIONS**

The Committee considered the following applications and **RESOLVED** in accordance with its powers under section 137 of the Local Government Act 1972 that the Committee should incur the following expenditure, which in its opinion is in the interest of the area, or its inhabitants and will benefit them in a manner commensurate with the expenditure:

The Community Grant Budget for 2011/12 was £13,000, with an additional £4,902 rolled forward from 2010/11. The Committee followed the approved grant criteria which stated that grants would not normally be awarded for general revenue expenditure, but for items of capital expenditure.

Safety Net was awarded £1,000 as a contribution towards providing garden furniture, table x 6 chairs, 1 bench, 1 umbrella, 2 bucket chairs, flowers and tubs etc.

Sele Farm Community Centre. This organisation had requested £1,200 towards the cost of alterations to the Centre in order to provide an additional storage area. The information provided appeared to indicate that the Community Centre operated as a commercial organisation with a current balance of £19,000 in its account, having made a surplus of £13,000 in the previous year. Members therefore questioned whether it was appropriate to award a grant in this case. Nevertheless, the Committee deferred its decision pending consideration of any additional information that the Councillors in Sele Ward might be able to obtain in respect of this application.

Cruse Bereavement Care was awarded £450 to help towards the running costs of its bereavement service in Hertford. Whilst it was noted that the Committee would not normally fund general revenue expenditure, Members

made an exception in this case, but requested feedback on the number of clients in Hertford that would be directly helped as a result of the grant.

Keech Hospice Care. Whilst recognising that the Keech Hospice provided an excellent service, the Committee noted that the claim was for revenue expenditure, which would not normally be funded under the grant scheme, particularly on a regular basis. The Committee therefore declined the application given that the Keech Hospice had benefitted from the Mayor's Charity Fund in 2009/10 and had received revenue funding from the Council in 2010. It was however recommended that the application be placed on a list which could be re-assessed at the end of the financial year, should funds remain available.

East Herts Citizens Advice Service was awarded £1,200 to contribute towards the cost of computer equipment. The Committee noted that the Service had a large Hertford clientele and, given the current downturn, was happy to support the application.

River Beane Restoration Association was awarded £150 towards the cost of a laptop projector for presentations. The Committee noted that rivers were fundamental to Hertford and were happy to support this application.

Children's Integrated Playscheme. CHIPS: This Organisation had originally applied for funding as a Rock at the Castle beneficiary, and the application had been referred by the Development and Leisure Committee for consideration under the Grants Scheme, where the criteria fitted more appropriately given the amount of grant requested. The Committee recognised the local service it provided and were happy to support its diversity and integration ethos. CHIPS was therefore awarded £817 towards funding for various items of play and sensory equipment and a trip for siblings.

Note: Cllr Boyle left the room during the discussion on this item.

97. REVIEW OF CONSTITUTION OF THE COUNCIL

The Committee received various policies from the Council's Constitution which had been updated to reflect minor changes in regulations, staff positions and Councillor contact details etc. In addition to the changes outlined the Committee recommended deletion of Standing Order 2.6.3, which stated that 'If the Mayor was in attendance at a Committee they must assume the Chair of the meeting' and made minor alterations to the telephone contact numbers within the Emergency Plan.

It was **RESOLVED** that:

- (a) The Finance, Policy and Administration Committee approves the Constitution for 2011/12.
- (b) The Committee recommends the adoption of the revised Treasury Management Report for 2011/12.
- (c) The Committee recommends the adoption of the revised Constitution to the Full Town Council.

98. INTERNAL AUDIT

The Committee received results and recommendations of the internal audit conducted by East Herts Council in May 2011. There were no findings requiring action by the Town Council.

The Committee reviewed the scope of current and future internal audit practices in accordance with the Code of Audit Practice and standards set out in "Governance and Accountability in Local Councils in England and Wales – A Practitioners' Guide 2003" and agreed this to be effective for 2010/11.

The Committee was advised that the Council had recently sourced an alternative provider for 2011/12 that it was felt would provide a more comprehensive review of internal processes.

The annual review of the financial risk assessment was made and it was noted that following the recent cheque fraud the Council had experienced, measures to identify and action this type of risk had been included in financial risk assessment. The Committee was advised that following swift action by the Finance Manager with HSBC, no losses were incurred by the Council.

Bad debt management would continue to be monitored closely, with payment being taken in advance for weddings and other large events. A photocopy of all cheques received would be copied and kept on file. It was noted that with effect from 1 July 2011 the cheque guarantee card would no longer be valid and it was therefore imperative that all cheques were cleared in advance of any service provided.

It was **RESOLVED** that:

- (a) The Committee **notes** the findings of the Internal Auditor
- (b) The Committee approves the final Review of Internal Audit for 2010/11
- (c) The Committee approves the proposed Finance Risk Assessment.

99. FUTURE OF LOCAL PUBLIC AUDIT CONSULTATION

The Committee received a Consultation document from the Department of Communities and Local Government on the Future of Local Public Audit. The closing date for receipt of comments was 30th June 2011 and it was therefore requested that delegated authority be given to the Town Clerk, in consultation with the Chairman and Vice Chairman to provide a response on the Council's behalf.

Of particular concern in the Consultation Paper was the possibility that local councils may have to rely on the County Council to appoint its

external auditor. This was considered to be inappropriate and larger local councils should be in a position to appoint its own external auditor.

It was **RESOLVED** that:

- (a) The Committee grants delegated powers to the Town Clerk, in consultation with the Chairman and Vice Chairman to prepare the Council's response to the Consultation.

100. FINANCE

(a) Bank Reconciliations

The Committee had received bank reconciliation summaries for March and April 2011.

It was **RESOLVED** that:

The Committee notes the bank reconciliation summaries for March and April 2011.

(b) Payment Schedules

The Committee had received payment schedules from March, April and May 2011.

It was noted that the expenditure over £500, which now published on the website, required updating.

It was **RESOLVED** that:

The Committee notes the payment schedules from March, April and May 2011.

(c) Bank Mandates

It was **RESOLVED** that:

Councillors Peter Ruffles, David Poole, Sally Newton and Andrew Stevenson be appointed cheque signatories for the forthcoming Council term.

(d) Non cheque payments

It was **RESOLVED** that:

That the schedule of direct debit and BAC's payments made during 2010/11 be noted.

(e) Debtor and Creditor Payment times

The Committee received a report outlining the time the Council takes to pay its suppliers and receive payments from its creditors.

It was **RESOLVED** that:

The Committee note the report.

(f) Debtors

It was noted that there were no debtors over 90 days old.

101. EXCLUSION OF PUBLIC

It was **RESOLVED** that:

In view of the confidential nature of the following items, which relate to the business matters of other individuals and organisations, the public shall be excluded while the following item was discussed. This is in accordance with the Public Bodies (Admission to Meetings) Act 1960, as amended by the Local Government Act 1972.

102. LEASE ARRANGEMENTS AT THE SEED WAREHOUSE.

The Finance Manager updated the Committee on the current position regarding the lease discussions with one of its tenants at the Seed Warehouse.

Note: Having declared a prejudicial interest, Cllr Mrs Newton left the room during the discussion on this item.

There being no further business the meeting closed at 21:10.