

MINUTES OF THE FINANCE AND GENERAL PURPOSES COMMITTEE HELD ON 8TH MARCH, 2016

Present: Councillor S Cudlip (Chair) and
Councillors B Allen, Mrs B E Allen,
E Bell, Mrs J A Bell, Mrs G Bleasdale,
B Burn Snr, B Burn Jnr, Mrs S Forster,
Miss S Morrison, I Paul, K Shaw,
C Snowball, R Whitehead, K Younger.

Apologies: Councillors Mrs H Cahill, B Taylor.

Prior to commencement of the meeting the Chair advised members of this Committee and members of the public that in line with the amendment to 'the public bodies (admission to meetings) act 1960', which came into force in August, 2014, parts of this meeting may be recorded by photographic, video and audio means.

1. DISCLOSURE OF INTERESTS

Members were reminded prior to the start of the meeting of the need to disclose any interests, prejudicial or personal, in accordance with the Code of Conduct.

2. MINUTES OF THE LAST MEETING HELD ON 9TH FEBRUARY, 2016

RECOMMENDED the Minutes of this meeting, a copy of which had been previously printed and circulated to each Member, be approved and signed as a correct record by the Chairman.

3. AUDIT ISSUES

3.1 Internal Audit – Annual Report for 2015/16

The Committee considered the Annual Report of the Internal Auditor which outlined work completed over the 2015/16 financial year and Mr. Fletcher elaborated on the report which gave Substantial/Full Assurance to the Town Council. In discussion Members were pleased to see that the additional work carried out on the Oldfields agreement demonstrated a gradual improvement in assurance from Moderate to Full as a result of increased internal controls. It was also clarified that the internal audit work carried out with regard to the Oldfields agreement is at the instruction of the Town Council for it to obtain assurance on the financial controls and transactions.

RECOMMENDED the Council accept the report.

3.2 Internal Audit Three Year and Annual Plan of Work for 2016/17

The Committee considered the proposed Internal Audit Three Year and Annual Plan of Work for 2016/17. Mr Fletcher elaborated on the risk analysis used to determine the plan. In discussion Members wished to have further details provided with regard to the terms of reference for the Corporate Governance Arrangements audit.

At this point the Chair thanked Mr Fletcher for his attendance and for all of the work he had completed. Mr Fletcher then left the meeting.

RECOMMENDED:

- (i) The Council accept the report of the Internal Auditor which detailed his proposed three year and annual plan of work for the 2016/17 financial year.
- (ii) The terms of reference for the Corporate Governance Arrangements audit be provided to the Committee prior to the commencement of the work to enable Members to comment on the scope.

3.3 Renewal of Internal Auditor Three Year Contract

The Committee was advised that the review of the three year contract between Seaham Town Council and the Internal Auditor was due for renewal. Within the contract the evidence had been provided by Mr Gordon Fletcher of his continued professional development. Members were advised that if his contract was to be renewed, Mr Fletcher's prices would remain the same as the previous three years and be fixed at that level for the three year period from 1st April 2016 until 31st March 2019. In discussion, Members felt it would be appropriate for Mr Fletcher to provide evidence of his continued professional development to this Committee, at six monthly intervals, throughout the period of the contract to give the Council added assurance with regard to the quality of the service being provided.

RECOMMENDED authority be granted to renew Mr Gordon Fletcher's, contract for a three year period at the same fee as current.

3.4 The Future of External Audit for Smaller Authorities – Update One

The Committee considered the correspondence from Mr Mike Attenborough-Cox, Chairman of the Smaller Authorities' Audit Appointments Limited which detailed the way forward and proposed fee structure with regard to the provision of external audit to smaller authorities. All Councils with an annual turnover of less than £6.5m are automatically part of the scheme unless they decide to opt out and appoint their own external auditors and the deadline to do this is 31st March 2016. In discussion, Members acknowledged that remaining within the scheme was the only viable option at this time.

RECOMMENDED the Council note the information provided.

4. PAYSHEET NUMBER 11 - 2015/2016

4.1 Expenditure

RECOMMENDED:

- (i) that all payments in Paysheet Number 11 – 2015/2016 be approved, it being noted that the direct debits, BACS and cheque payments including Imprest expenditure amount to £82,322.87 being the total sum authorised under this Paysheet.
- (ii) that the BACS authorisation sheet be signed by three Members and the credit transfers be actioned immediately;
- (iii) that the cheques relating to suppliers not being paid by BACS be signed by three Members and the payments be released immediately; and
- (iv) that the Clerk's Imprest Account be reimbursed the sum of £1,041.22 for Civic Expenditure, and authority be granted for this to be signed by the Chairman and Responsible Financial Officer.

4.2 Income

RECOMMENDED the summary sheet showing the range of income received by the Council during the current month be accepted.

4.3 Bank Balances

The Committee considered a statement of Bank Balances held by the Council at the month end, a copy of which had been previously circulated. The Chair examined statements in respect of the Town Council's three bank accounts which were made available to view and the Finance Officer responded to queries raised.

RECOMMENDED the Council note the information and approve the Finance Officer's report.

5. SPECIAL BACS PAYSHEET

RECOMMENDED that authority be granted for the Finance Officer to arrange a special BACS paysheet in order to facilitate payments and avoid unnecessary accounting processes involving accruals in the period up to 31st March, 2016.

6. APPLICATION FOR GRANT

6.1 ACE's Internet Café Ltd

The Committee considered an application from the ACE's Internet Café Ltd who sought a grant of £800 towards the costs of the purchase of essential equipment. In discussion, a number of questions were raised by Members with regard to the services provided and the project in general so it was agreed that there was a need for additional information before a decision could be made.

RECOMMENDED an invitation is made for representatives from the ACE's Internet Café Ltd to attend a future meeting to inform Members about the project prior to a decision being made on the application.

6.2 Durham Miners' Gala

The Committee considered a letter from The Durham Miners Association who sought support in the form of an advertisement in the brochure for the 132nd Durham Miners' Gala which was to take place on 9th July, 2016. In discussion Members were advised of the costs for both a half page at £325 and a quarter page advertisement at £165.

RECOMMENDED the Council agree to take a half page advertisement at a cost of £325 in the programme for the 132nd Durham Miners Gala.

7. SEAHAM TOWN HALL – BOOKINGS

The Committee considered the schedule of bookings for the Town Hall for February, 2016 and Members were also informed that only two Saturdays over the next year weren't booked for events. In discussion a Member queried what disaster recovery measures were in place in order to utilise the Town Hall should a major incident occur in the Town. It was confirmed that the Town Council has a robust Business Continuity Plan in place for major incidents affecting the operations of the Town Council and that any external need to use the Town Hall, by the emergency services, would follow guidance from the police, fire brigade etc. and the resultant impact bookings would be unavoidable.

RECOMMENDED the schedule which detailed the bookings made in respect of the Town Hall for February, 2016, together with Income and Expenditure be noted.

8. BUDGET STRATEGY – MEDIUM TERM FINANCIAL PLAN

The Committee considered the Town Clerk's report which identified the key financial issues the Council were to face over the next three years. This initial draft of the Medium Term Financial Plan took account of central Government advice, the loan repayment policy and borrowing strategy, the revised budget for 2015/16 and the budget for 2016/17, budget issues for 2017/18 and risk management issues and the Town Council's financial strategies.

The document had been prepared for discussion by Members and also for initial guidance. In discussion, amendments were suggested with regard to sections 4.2, 7.3 and 7.6 and it was agreed that these should be incorporated into the document.

RECOMMENDED the Council accept the Medium Term Financial Plan subject to the required amendments being included.

9. KEY STRATEGIC RISKS

A list of the current key strategic risks had been previously submitted to Members for consideration prior to incorporation into the Annual Report and Council Plan for 2016. The Committee was advised that these risks would be reviewed on an annual basis with a report being submitted to the Clerk's Advisory Sub-Committee.

RECOMMENDED the Council accept the current Key Strategic Risks.

10. RISK ASSESSMENTS – ANNUAL REVIEW FOR FINANCIAL YEAR 2015/16

The Committee considered a summary copy of the annual review of the risk assessments for the financial year 2015/16 in respect of all services. The risk assessments for each individual risk had been assessed previously by the relevant Committees and Sub-Committees and this annual review was a requirement of audit.

RECOMMENDED the Council accept the annual review of the risk assessments carried out in respect of all Town Council services.

11. TOWN COUNCIL UTILITIES – GAS & ELECTRICITY

The Committee considered details of the energy assessment exercise conducted by John Alderson of the Great Annual Savings Group, Spectrum Business Park, Seaham. This recent independent review of the current utility provider costs for gas & electricity indicated the potential to make significant savings by switching to alternative providers on a 36 month contract for electricity and a 60 month contract for gas. Both proposed contracts are fully fixed so regardless of changes in the energy market the prices would remain the same. In discussion, Members agreed that the new contracts should be approved and were in accordance with the Town Council policy to achieve value for money. Members also commended the Finance Officer for completing this diligent work in striving to continually make savings.

RECOMMENDED the Council approve the new 36 month contract for electricity supply from Haven and 60 month contract for gas supply from Gazprom.

12. OLDFIELDS ANNUAL REPORT

The Committee was informed that at the Town Hall Working Party it had been agreed that Mr Oldfield and Mr Wood will attend the March Finance and General Purposes Committee meeting on an annual basis to give a report on the preceding year's performance. Unfortunately this hadn't been arranged but Mr Oldfield and Mr Wood would be invited to the next meeting of this committee.

RECOMMENDED the Council note the information provided.

13. NAC CONFERENCE

The Committee considered details of the Health & Social Care Conference arranged by the National Association of Councillors, a copy of which had been previously circulated. The conference was to be held in Scarborough on 8th to 10th April, 2016.

RECOMMENDED that the next two Councillors from the appropriate rota be authorised to attend this event as the Council's representatives, and such attendance rank as an approved duty for payment of appropriate allowances; the bookings would not be made until places were confirmed by Members wishing to attend.

14. PRESS OPPORTUNITIES

RECOMMENDED the Council note that no press opportunities existed from this meeting.