

# FINANCE & GOVERNANCE COMMITTEE

## Minutes of the meeting held on Wednesday 13<sup>th</sup> January 2021

**Due to the Covid19 pandemic and related restrictions the meeting was held remotely using the Zoom Cloud meetings application**

**Present:** Councillors Grisenthwaite (Chair); Bromilow (Town Mayor); Gardner; Jones. Parker and Watson

**In attendance:** Bob Bailey, Town Clerk

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| <b>21001</b> | <b>Apologies:</b> There were no apologies   |
| <b>21002</b> | <b>Declaration on interests and dispensations:</b> There were no declarations of interest or dispensations for items on the agenda  |
| <b>21003</b> | At the suggestion of the Chair and agreement from Councillors, the agenda items for Budget Planning and Precept 2021/22 (21003 and 21004 refers) were considered earlier than had been set out on published Agenda,   |
| <b>21004</b> | <b>Budget Planning and Precept 2021/22:</b> The Chair referred to the budget plans that had been sent out with the Agenda. Two scenarios were set out based on whether or not income from the NHS would be received as a result of the Civic Hall being used as a vaccination centre for a period of up to 12 months. In both scenarios as many of the planned expenditure suggestions received from Committees had been incorporated, resulting in very different income and expenditure totals and, as a consequence, the annual precept and the cost passed to residents through their Council Tax.<br><br>As it now seems likely that the NHS will not be using the Civic Hall, the Chair suggested a range of amendments to the planned budget to reduce the overall net expenditure and precept to a level more in line with the amount of precept demanded in 2020/21.<br><br>Councillors considered and challenged the proposals suggested by the Chair and made suggestions of their own culminating in a revised budget plan and an annual precept of £85,099 (£85,000 in 2020/21). The Clerk reported that this would be equivalent to an annual cost for a Band D property of £51.14, representing a small reduction on the previous year (£51.42) due to a change in the tax base.<br><br>After much discussion, the Committee acknowledged that this version of the budget would mean that plans made on the basis that a fixed amount of income would be received from the NHS could not now be realised. It would, however, enable the Town Council to deliver its functions and activities and continue to build on previous years' development of the local community and would do so without passing on any financial burden to residents after what has been the most challenging of years. |

It was then **RESOLVED** that the draft budget and precept for 1st April 2021 to 31<sup>st</sup> March 2022 be recommended for approval by the Town Council. Councillors are asked to submit any comments ahead of the January meeting of Carnforth Town Council so that these can be addressed at the meeting.

**21005 Urgent Business:** The following items of urgent business was considered:

1) **Request for Financial Support:** The Chair reported that the Council had been approached by a resident for financial support due to the impact that the coronavirus pandemic has had on his livelihood. It was noted that financial support from the Emergency Assistance Grant Scheme had already been given. The Committee agreed that it is not within the powers of a Parish / Town Council to provide such support but it can signpost individuals to other agencies that can help in these circumstances.

2) **Community Engagement Strategy:** The Clerk reported that he is developing a strategy that will outline the Town Council's commitment to provide the local community with genuine opportunities to inform projects, plans, strategies and decisions that affect them whilst providing a plan to deliver a community engagement process that will help the Council to achieve its objectives, build new and be clear about its aims and to plan accordingly.

After some comments, the Committee welcomed the development of a Community Engagement Strategy for consideration and subsequent approval by Town Council and it was **RESOLVED** that: **the Town Council endorses Councillor Branyan as the Council's lead on communications and engagement.**

3) **Skills & Development Audit:** The Chair again reminded Councillors to complete and return their Skills and Development Audit documentation. It was noted that this would help to establish relevant skills that could be utilised to establish Councillor leads on important activities and functions of the Town Council as well as help Councillor's development in fulfilling their responsibilities as elected Members.

Councillors were advised that establishing Councillor's skills and areas of development with a view to making best use of our resources as part of a framework to improve and develop the Council to its full potential, would be a key criterion in any accreditation as part of the *Local Council Award Scheme*.

Councillors who had already completed and returned the form gave assurance that it is not an onerous task to do. It was then **RESOLVED** that: **Councillors again be circulated with the Skills Audit form and reminded to complete and return it by 31<sup>st</sup> January 2021 at the latest.**

- 4) **Councillor Vacancy:** The Clerk reported that the deadline for the Notice of Vacancy had passed and no request for an election to be held had been received. It is now necessary for a Town Council to fill the vacancy by co-option. Councillors were advised that two people had come forward at this stage although the Notice of Vacancy was not in itself an advert for the vacancy and this option was still open to the Council.

After some discussion, it was **RESOLVED** that: **those registering an interest in the vacancy be asked to submit a formal application and that an advert be placed in the Council's Noticeboards and the next edition of the *Carnforth Express* with a closing date no later than the end of February.**

- 5) **Community Benefit Fund:** Councillor Brayan reported that he had been asked to raise a request for funding from the Community Benefit Fund to replace fencing at the sheltered housing accommodation at Gummers Howe Walk where there had been incidents of anti-social behaviour.

It was pointed that the accommodation is on Lancaster City Council land and, as such, should be asked to consider replacing the fence in the first instance. **ACTION: Councillor Brayan to contact Lancaster City Council, Council Housing to discuss further and report back.**

- 6) **Exempt item:** Councillor Gardner requested that the Committee considered an exempt item under the provisions of Schedule 12A of the Local Government Act 1972, exclusion of press and public, as the matter related to, and would reveal the name of, an individual member of staff. It was **RESOLVED** that: **the matter would be considered at the end of the meeting and the Clerk and Proper Officer be asked to leave the meeting.**

**21006 Minutes:** It was **RESOLVED** that **Minutes of the last meeting held on Wednesday 9<sup>th</sup> December 2020 be approved.**

**21007 Budget Monitoring:** The Clerk presented the up to date 'Net Position' of the Town Council's budgets as at 8<sup>th</sup> January 2021. The report sets out against each budget heading the net position of receipts and payments and the Committee noted an overall favourable variance of £45,265. The Committee acknowledged that despite unplanned expenditure arising from remedial works at the Civic Hall some planned expenditure had not materialised due to the coronavirus pandemic and the Town Council had benefitted from a £10,000 COVID19 business grant and both unplanned and unused expenditure arising from the coronavirus pandemic.

The Clerk also presented a *Bank Reconciliation Report*, generated from the Scribe Accounting System setting out the bank and petty cash balances that had been reconciled to the accounting records.

This had been previously requested by the Committee as part of their review of the assertions set out in the Annual Governance and Accountability Return (AGAR) which identified that Councillors should be assured that regular bank reconciliations are being undertaken.

The bank reconciliation presented showed that balances had been reconciled to the accounting records and that as at 12<sup>th</sup> January 2021 bank and petty cash balances amounted to £68,074.

After some comments and questions it was **RESOLVED that the net position and bank balances be noted and that the Clerk and Proper Officer presents an update on both reports at each monthly meeting of the Finance & Governance Committee.**

**21008** **Payments List:** The Town Clerk presented the Payments list. The total payments amount to £9,134 including payments relating to the Carnforth 'Steps into the Light' project and the latest edition of the *Carnforth Express*. Councillors asked several questions including arrangements in place to review existing contracts. It was then **RESOLVED** that the payments listed be **RECOMMENDED** for approval by the Town Council at its meeting on 20<sup>th</sup> January 2021 and that the Assets Management Committee undertake a review of all contracts as part of their work programme.

**21009** **Crag Bank Village Hall:** Following the decision of Town Council to proceed with the takeover of Crag Bank Village Hall, the Chair and Cllr Watson had now reviewed the trading accounts for the last two full financial years (2018/19 and 2019/20) and were able to confirm that in each year a surplus had been achieved. In the financial year 2020/21 despite the pandemic leading to the building being effectively 'mothballed' for ten months, the financial situation was stable as the Hall had received a business grant from Lancaster City Council.

Councillors were reminded that the building is sound and has been routinely maintained. Taking the latest position into account it had been concluded that the proposal to take on the management of the building presents no financial risk to the Council.

The briefing note presented by the Chair set out the next steps, being seeking the necessary legal advice and two/three Councillors being appointed as trustees to oversee the formation of a management committee with additional trustees (up to a maximum of 12) being appointed in due course. The purpose of the committee will be to undertake a thorough review of the operations of the Hall in collaboration with existing users in order to maximise its use and value to the community.

After some discussion, it was **RESOLVED** that: Carnforth Town Council be **recommended to approve the actions outlined to facilitate the takeover of Crag Bank Village Hall in a timely fashion.**

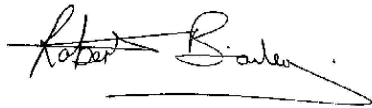
**21010 Effectiveness of Internal Controls:** The Chair took the Committee through a paper provided by the Clerk covering a review of Assertion 2 of the Annual Governance and Accountability Return (AGAR) on Internal Control aimed at providing assurance that the Council maintains an 'adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness'.

The review set out clearly that of the seven standards under this assertion, one did not apply to Carnforth Town Council, five had been met in full and one had been partially achieved.

The partially achieved standard related to duties under employment legislation and pension obligations and payment of staff. These are currently provided by the Clerk and Proper Officer to an acceptable standard but there may be an opportunity to enhance this control and introduce independence and objectivity into the arrangements by outsourcing this responsibility. After some comments, it was **RESOLVED** that the Finance & Governance Committee carries out a review of the payroll function with a view to recommendations being brought to Carnforth Town Council in due course.

**21011 Date of next meeting:** The next meeting of Finance & Governance Committee will be on **Wednesday 10th February 2021** at 5:15pm. **The meeting closed at 6:45pm**

**21012 Exempt Item:** The Clerk and Proper Officer left the meeting.



Clerk to the Council Date: