

STRATFORD-UPON-AVON TOWN COUNCIL
FINANCE & SCRUTINY COMMITTEE MEETING

12 JUNE, 2018

MINUTES

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Present:
Councillors:

Applin	Fojtik
C Bates	Jackson
T Bates	Lowe
Dowling (Chairman)	Short

Clerk: Deputy Town Clerk
Press: None present
Public: None present

1. To Appoint a Chairman and Deputy Chairman of the Finance & Scrutiny Committee

In the absence of the Mayor, Senior Councillor Short took the Chair for the appointment of Chairman and called for nominations.

It was Proposed, Seconded and unanimously

RESOLVED: That Councillor William Dowling be appointed as Chairman of the Finance & Scrutiny Committee for the ensuing year 2018/19.

Councillor Dowling then called for nominations for Deputy Chairman.

It was Proposed, Seconded and unanimously

RESOLVED: That Councillor Fojtik be appointed as Deputy Chairman of the Finance & Scrutiny Committee for the ensuing year 2018/19.

2. To Accept Apologies for Absence

Apologies were received from Mayor Bicknell and Councillor Jefferson and accepted for the reasons given.

3. Declarations of Interest on items on the Agenda

There were no declarations of interest.

4. To Receive Written Requests for Dispensation for Disclosable Pecuniary Interests.

There were no written or verbal requests for dispensations.

5. To Grant Any Requests for Dispensation

There were no requests for dispensation required.

6. Public Participation

No one wished to speak during public participation.

7. To Approve Draft Open and Confidential Minutes of the Finance & Scrutiny Committee Meeting held on 13 March, 2018

It was Proposed, Seconded and unanimously

RESOLVED: That the Open and Confidential Minutes of the Finance & Scrutiny Committee Meeting held on 13 March, 2018 be approved as a correct record.

8. Management Accounts for the period 1 April 2017 to 31 March 2018

The Deputy Town Clerk verbally highlighted particular areas of importance, as detailed in the Management Accounts

Summary, and made mention that the deficit for the year was lower than budgeted.

Members noted the report.

9. Management Accounts for the period 1 April 2018 – 31 May 2018

The Deputy Town Clerk gave a verbal update on a number of items, including the bank and investment balances and the confirmation of the Designated and General Reserves, following the year end balance adjustments determined by the Council's accountants.

A query regarding costs associated with grants for free use of the Town Hall was deferred until the next meeting of the Finance & Scrutiny Committee in September, when grant applications for 2019/20 will be reviewed.

Members were advised that the Council's new Building Consultant would be undertaking a condition survey of the Town Hall later in June and it is anticipated that the substantial Building Maintenance Reserve will be needed to fund expenditure over the next 5 years.

It was confirmed the Localism Project Reserve was currently expected to cover the costs to completion including the Referendum Campaign for the Neighbourhood Plan later this year. It was agreed that the spreadsheet summary and detailed analysis of this project will be circulated to Members for information.

It was noted that longer term investments have considerably increased the investment income returns over the last 12 months and the increase in General Reserves may offer an opportunity to invest more money in these, such as the CCLA Local Authorities Property Fund (minimum incremental investment is £10,000). This matter will be considered as part of the investment strategy review at a future meeting.

The YTD Budget deficits shown on the summary page are due to timing. For example, in some cases invoicing is done on a quarterly basis but this set of Management Accounts reflects the position after only 2 months.

Members noted the report.

10. Reporting of Town Hall Income in the Management Accounts

After review of the implications of changing the reporting of Town Hall Income in the Management Accounts to a deferred income basis for consistency with the Annual Accounts, and the impact on comparisons with previous YTD figures which means they are not “like for like” comparisons, it was Proposed, Seconded and unanimously

RECOMMENDED: That the Management Accounts are changed to only show Town Hall Income received within the months of the current year to date, with future income deferred.
A note will be added to the Management Accounts to advise that this reporting basis has changed.

11. Annual Accounts for the year 2017-18 ended 31 March 2018

The Designated Reserve for Old Stratford & Drayton was unchanged during the last year. Members suggested contact should be made with the local community group to encourage them to suggest projects to use these funds to benefit their local area.

Members noted the report and it was Proposed, Seconded and unanimously

RECOMMENDED: That the Audited Accounts for the year 2017-18 be approved by Council.

12. Internal Audit and Annual Governance and Accountability Return for the year 2017-18

Members noted the report which included the Internal Audit Report contained in the Annual Governance and Accountability Return, along with associated documentation.

A letter of response to the Internal Auditors was tabled at the meeting.

The matter of a minor oversight error mentioned in the letter from the Internal Auditors was discussed, and the Deputy Town Clerk accepted responsibility for this. A concern was raised over the sign-off procedures which are the responsibility of the Town Clerk / Responsible Financial Officer in the event of long term absence. It was AGREED this matter will be taken to the Governance & Policies Panel.

It was subsequently Proposed, Seconded and unanimously

RESOLVED: That the letter of response to the Internal Auditor be approved.

It was further Proposed, Seconded and unanimously

RECOMMENDED: That the Annual Governance and Accountability Return for the year 2017-18 be approved by Council.

13. Budget virements to address budget deficits for 2018-19

After confirming the need for budget virements to adhere to procedures of reporting and control, and confirming the process which will be followed when reviewing energy contracts later this year, it was Proposed, Seconded and unanimously

RECOMMENDED: That Budget Virements of £3,525 and £543 be approved by Council to address potential deficits in heating & lighting costs at the Town Hall and Cemetery respectively, to be taken from General Reserves.

In addition, that Budget Virements of £3,066, £345 and £221 be approved by Council to address known deficits for non-domestic rates and water rates at the Town Hall, Cemetery and Hatton Rock respectively, to be taken from General Reserves.

14. Budget virement for additional Cemetery expenditure

To address the potential health and safety issue identified by the Cemetery Foreman, it was Proposed, Seconded and unanimously

RECOMMENDED: That a Budget Virement of £4,600 be approved by Council to fund improvements to the Cemetery driveway, to be taken from the Cemetery Designated Reserve.

15. Deputy Town Clerk's Verbal Report – for information only

A brief verbal update was given on:

- Avon Mooring – it was expected that a new tenant would be in place before the end of June 2018;
- Ken Kennett Centre refurbishment – work was expected to begin on 13 June 2018, though no date has been advised on when the s106 monies will be released and the underwritten amount of £20,000 will be returned to the Town Council;
- Shakespeare Birthday Celebrations – a resident has again queried the true costs of the Celebrations to the Town Council and to local taxpayers. While the summary on page 8 of the monthly Management Accounts shows how much is “in the pot”, it can only reflect the income received and expenditure incurred by the Town Council as “bankers”. It is acknowledged that the District Council has paid further sums (e.g. for increased event security costs) in addition to the £25,000 grant contribution to match funding by the Town

Council, but this additional expenditure is not included in the analysis by the Town Council. It is also acknowledged that not all the management, administration and facilities costs incurred by the Town Council are reflected in recharges to the Celebrations “pot”, though there has been greater emphasis on identifying and calculating these in the last few years. The resident has also expressed concern over whose responsibility it would be to cover any losses, though this situation has not arisen to date and budgeted expenditure has always been determined based on available funds. These points will be taken to the stakeholders review meeting, which is still to take place following other concerns raised by Council after this year’s event in April 2018.

16. Date of Next Meeting

The next scheduled meeting is 11 September, 2018 at 6:30pm at the Town Hall.

To defer issues to Confidential Session

The Chairman proposed and it was AGREED that, due to the confidential nature of the business to be transacted, agenda item 8.8, minuted as 17, be moved to Confidential Session.