



BLYTH TOWN COUNCIL

Minutes of the Meeting of the Finance Committee held in the Council Chamber at Arms Everytne House on Thursday 5 November 2015 at 6.30pm.

Present:

Councillors: K Ellis (Chair) A Gibbs-Barton (Vice-Chair), B W Elliott, K Nisbet, J R Potts, O Potts, J Reid, D Rutter

In Attendance:

Councillor M A Parker
Councillor R Parker

Officers:

S Rickitt, Town Clerk, Democratic Services
Sean Robinson, Assets Officer
Alison McCabe, Officer Manager
Maureen Hawthorne, Committee Clerk
Joe Hughes, Financial Consultant

1	APOLOGIES FOR ABSENCE Councillor G T Knox
2	DISCLOSURE OF INTERESTS AND GRANT OF DISPENSATIONS Councillor Reid disclosed an interest in the item 7(a) as a Director of Arch.
3	MINUTES OF THE FINANCE COMMITTEE HELD ON THURSDAY 3 SEPTEMBER 2015
4	MATTERS ARISING

	<p>The Town Clerk (Democratic Services) commented that he has received a copy of an agreement with Office King for the printer including a direct debit mandate purportedly signed by Sue Noddings. At present the contract has not been terminated due to cost implications. The lease on the equipment runs out in 2017. 3 months notice is required and the Council are then obligated to meet the cost of transporting the printer to Kent. The Town Clerk (Democratic Services) will carry out further investigations.</p>
5	<p>ACCOUNTS FOR 2014/15</p> <p>The Town Clerk (Democratic Services) referred to the completion of the external audit and comments contained within the Issues Arising Report circulated. It was noted that the investments had been recorded in the wrong box – this will be changed as it is something that will likely be raised in the next external audit report. Councillor J R Potts welcomed this change.</p> <p>The Committee resolved to recommend final adoption of the 2014/2015 accounts and to note the issues arising report.</p>
6	<p>THE BUDGET AND PRECEPT FOR 2016/2017</p> <p>Joe Hughes spoke to his report which had been circulated. He thanked Ali McCabe for her help with the work in compiling the draft budget. Joe said the report is self explanatory and sets out the proposed strategy and likely upturn for next year and explained the content of the four appendices. The main budget sets the strategy for level of use and balance and the development of a three year large project budget. It also outlines a timetable for the Council to do this work and the process to be carried out by the spending committees.</p> <p>The Town Clerk (Democratic Services) said latest figures from NCC demonstrate an increase in band D houses in Blyth by 2.9%. If the same precept is levied as last year then council tax bills will show a decrease. Alternatively, the council tax could remain the same which would give Blyth Town Council £30,000 additional spend. Councillor J R Potts said it is important to get the figures confirmed and look at people in receipt of benefits. He added that the Council also need to see if there are any issues in terms of capping.</p> <p>Councillor J R Potts raised the issue of reserves (item 3 in Joe's report). He pointed out a report from SLCC stated that anything between 3-12 months was a satisfactory figure. As it has taken 6 years to build up a reserve of £400,000 he would not like this to be spent in 6 months.</p>

Councillor J R Potts added that in his view a much larger figure should be in reserves. He queried the figure of £12,000 quoted in Appendix A budget forecast – this was confirmed to be the costs for the work carried out by Joe Hughes and Peter Kemp.

Councillor J R Potts also referred to code 403 broadband and telephone rental for Councillors and proposed that this money is taken out of the budget code as none of the Councillors have wished to take up this offer. The Town Clerk (Democratic Services) commented that at present he would like to leave the money where it is and perhaps reconsider at a future date.

Joe Hughes explained that all of the information will be submitted to the Finance Committee in January 2016 to look at the total expenditure and what Councillors want to take out of the figures. Committees can come back and ask for figures if they feel their spend is too low. This information will then be presented to Full Council.

Councillor Gibbs-Barton said he has major problem with Appendix B (Projects) and asked when the Council is going to stop funding the allotments as the current proposal is to spend £150,000 over 3 years. Councillor Ellis agreed that the allotments are heavily subsidised. There are approximately 550 allotments and the holders are going to benefit from a large proportion of the budget. Other Committees could find use for the money that would benefit more of the people of Blyth.

Councillor Reid commented that BTC have worked hard over the past 8 years to improve the allotments and feels it is now time to stop the projects. He suggested allocating £25-£30,000 with a contingency for maintenance issues or if allotments have to be cleared. The Town Clerk (Democratic Services) said he will feedback the comments that the Finance Committee do not look favourably on a three year programme for allotments. This is giving a clear message that expenditure will be reducing. However, there are some areas the Council may have to remain involved with, for example replacement fences and removal of asbestos. Councillor Ellis noted that all of the points made are valid and the Council have to be realistic about an increase in charges. Councillor Ellis asked for a new report, without the £150,000 3 year budget. A new budget head will be included in the report under maintenance programme with a budget of £25,000 attached.

With regard to water rates on the allotments the Council now need to look at when they will be implemented and this will be discussed

	at the Finance Committee in January 2016.
7	<p>UPDATE ON FINANCIAL ISSUES</p> <p>A) Quayside Pods</p> <p>Councillor J Reid did not participate in this discussion and left the room. The Town Clerk (Democratic Services) explained that the Planning and Development Committee recommended that Blyth Town Council identify £20,000 from reserves as a contingency for the pods that are hopefully going to be developed on land next to the office.</p> <p>The Committee agreed to formally recommend this proposal to the Full Town Council.</p> <p>B) Accounting System</p> <p>The Town Clerk (Democratic Services) advised that Joe Hughes and Peter Kemp have looked at the current accounting system in detail and are of the view that this does not meet the requirements of a large Town Council. The recommendation is that the Council move to the SAGE 50 system. It was noted that the current cost codes could be incorporated into the system. The Committee had a detailed discussion regarding the pros and cons of moving toward SAGE. Councillor Ellis thanked everyone for their views and asked the Committee to vote on this proposal.</p> <p>The result of the vote was:</p> <p>3 for, 4 against, 1 abstention.</p> <p>The motion was therefore lost.</p> <p>C) Signatories</p> <p>The Town Clerk asked the Committee to consider whether the current arrangement for signatories should continue. He also asked Committee to consider changing from a credit to a debit card. Councillor O Potts commented that there needs to be provision in case of staff sickness etc and Councillor J Reid queried the level of permitted expenditure.</p> <p>The Committee agreed that the cheque signatories do not need to be changed at present.</p> <p>The Committee agreed to the proposal to change to one debit card,</p>

	<p>which will be held in the office with a £1000 upper limit. The Town Clerk (Democratic Services) and Office Manager, Alison McCabe will be signatories for this.</p> <p>D) The Council's Bankers</p> <p>The Town Clerk (Democratic Services), asked Committee to consider his suggestion that the Council look at another provider in terms of banking. Councillor Gibbs-Barton said the Council will need to be clear where it can bank and suggested exploring the option of using a commercial bank. Councillor J R Potts commented that it would be useful to check responses from call centres when looking at potential banks and reminded the Committee of the initial decision to use ethical bankers.</p> <p>The Committee agreed to the Town Clerk (Democratic Services) carrying out this investigative work.</p>
8	<p>PAYMENTS BY BACS</p> <p>The Town Clerk (Democratic Services) said he is proposing a move to payment via BACS due to the number of invoices that now have BACS on them and the issues that payment via cheques are causing for some people. A provision will be made to allow Chairs and Vice-Chairs to check what payments are being made. Councillor J R Potts commented that recently legislation has changed to allow parish councils to make payments in this way.</p> <p>The Committee agreed to this proposal on the basis set out in the report.</p>
9	<p>ACCOUNTS 2015/2016</p> <p>The accounts were displayed on screen throughout the meeting. Councillor J R Potts referred to the investment account and commented that he raised at the Finance Committee in July 2015 that funds should be transferred to the investment account where it will accumulate interest. He stressed that this should be particularly looked at when the precept is due to be paid.</p>
10	<p>PENSIONS</p> <p>The Town Clerk (Democratic Services) commented that the report (which sets out the two options) will be submitted to Full Council on 19 November 2015. He added that he met with the trade union and is awaiting a written response following that meeting. The general view as that this should wait until Full Council.</p>

11	IT UPDATE The Town Clerk (Democratic Services) noted that the overview of the report circulated demonstrates that Facebook and Twitter are attracting people and this in turn is directing them toward the website. Councillor J R Potts said during an exercise at the Isabella Centre it was apparent we are not getting through to the over 60's. However the information contained in the IT report shows that older residents are accessing information electronically.
12	ITEMS FOR INFORMATION AND URGENT MATTERS None.
13	DATE AND TIME OF NEXT MEETING The next meeting of the Finance Committee is scheduled for Thursday 7 January 2016 at 6.30 pm in the Council Chamber.

The meeting concluded at 7.55 pm

MEMBERS OF THE FINANCE COMMITTEE:

Councillor K Ellis (Chair)
Councillor B W Elliott
Councillor A Gibbs-Barton (Vice Chair)
Councillor G T Knox
Councillor K Nisbet
Councillor J R Potts
Councillor O Potts
Councillor J Reid
Councillor D Rutter