



BLYTH TOWN COUNCIL

Minutes of the Finance Committee held in the Council Chamber, Arms Everytne House, Quay Road, Blyth NE24 2AS on Thursday 11th July 2013 at 6.30pm.

Present:

Councillors:

J R Potts (Vice- Chair in the Chair), B Elliott, A Gibbs-Barton, O Potts and J Reid.

Officers:

Sue Noddings – Town Clerk (Corporate Services)
Stephen Rickitt – Town Clerk (Democratic Services)
Sean Robinson – Assets Officer
Liam Forsyth - Committee Clerk

9/13/1: APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors K Ellis (Chair), G T Knox, K Nisbet and R Parker (Mayor).

10/13/2: DISCLOSURES OF INTEREST AND GRANTS OF DISPENSATION

None.

11/13/3: MINUTES OF THE FINANCE COMMITTEE 21st MAY 2013

Councillor B Elliott enquired as to the nature of the Minutes as they did not record all his comments. The Town Clerk (Democratic Services)

commented that the Minutes of any Town Council Meeting reflect a record of the decisions made rather than a transcript of proceedings. Councillor B Elliott further commented that from Minutes from the 21st May 2013, his comments may be misconstrued. He wished to clarify the Minutes in order to read that his concerns raised were focused on the allocation of County Councillor's small scheme allowance rather than the Briardale Community Centre. The Committee agreed to revise the draft Minutes by the deletion of "Briardale Community Centre" in the first paragraph of minutes 3, and the substitution of "Northumberland County Council's Small Schemes Funding". **Action: LF**

Councillor J R Potts noticed that concerns raised regarding the website from the previous Minutes have been addressed and the operation of the website is now fully in house and operated by the Administration Officer and the Committee Clerk.

Councillor J R Potts also enquired whether there had been any progress on gaining a break down invoice from the County Council regarding the gateway feature at South Beach Roundabout. The Town Clerk (Corporate Services) commented that she had experienced issues with getting in contact with the Landscape Architect as she is no longer with the County Council. Councillor J R Potts noted that it appeared that the lighting had been installed and replacement planting was present. It was **AGREED** that this was to go to the Assets Committee and that the Assets Officer would chase this up.

The Minutes were therefore passed as a true record of the Meeting held on the 21st May 2013 subject to amendment.

12/13/4: UPDATE ON THE FINANCIAL REPORTS

4.1 Update on the Investment Accounts

The Town Clerk (Corporate Services) commented that the Investment Accounts remained unchanged and was seeking clarification and developments from the agreed sub-committee. Councillor J R Potts expressed disappointment that a Meeting had not been arranged in order to arrange the investments. The Town Clerk (Corporate Services) noted that she was to seek a meeting of the sub-committee in order to progress.

4.2 Update on Management Control Reports

The Town Clerk (Corporate Services) provided an outline of the Management Control Reports and noted that forecast, income expenditure should be a separated column in order to avoid confusion.. It was noted that this was designed to support greater clarity and best display the

precept payments. Councillor J R Potts noted that forecast, income, expenditure should be separated column in order to avoid confusion.

Action: SN.

4.3 Committee Spending Review

Councillor J R Potts commented that Finance Committee need to look at the previous accounts in order to clarify but also fully acknowledge any previous overspends and underspends.

Councillor B W Elliott noted that he was seeking clarification on the figures presented and the allocations and dates. Councillor J R Potts noted that the budget process started in September, and wished to note that the aforementioned issues regarding the need to split the columns provides misleading figures and is to be adjusted. Councillor A Gibbs-Barton noted that the precept is received in two parts and this must be acknowledged when inspecting the finances.

Councillor B W Elliott commented that if not amended the Council may need to go back to refocus and clarify the precept. Councillor J R Potts outlined the current situation of the Precept received by Blyth Town Council and the Government rule changes that have altered Council Benefit Allocation. It was also noted that a grant was provided to most parishes, also that some money remained in balances, and there was also income from Allotment rents.

Councillor A Gibbs-Barton commented that perhaps a clearer picture of the accounts could be gained from examining the second line downwards and noted that the variance is what is unspent from the budget. The Town Clerk (Democratic Services) also commented that any money not spent from Section 106 funds is also to be added to the equation and such a situation could allow the Town Council to decide to lower its precept.

Councillor B W Elliott enquired whether there could be a possible situation where the Town Council could be unable to meet its costs. The Town Clerk (Democratic Services) commented that this can not happen as the Town Council is a statutory body and any warning signs would be raised from auditor checks.

Councillor B W Elliott commented whether an individual breakdown was available. Councillor J R Potts commented that the Accounts are reconciled individually every month but noted that the June accounts have not been completed as of the date of this Meeting. It was also noted that on the Budget/Actuals sheet that every item is coded individually.

Councillor B W Elliott also enquired as to whether there was an underspend last year within the Accounts. Councillor J R Potts commented that there was an under spend. Councillor A Gibbs-Barton noted that money has been set aside to pay for things. The Town Clerk (Democratic Services) noted that the Auditors have mentioned that the Council could have one and a half times the precept which is the industry standard. Councillor B W Elliott raised concerns that if money is set aside why it couldn't be allocated to support concerns which had been raised to him by constituents regarding the Newsham Allotment Site. Councillor J R Potts reiterated the importance to have the ability to predict spending. The Town Clerk (Democratic Services) commented that the Council needs to be able to be reactive to potential opportunities and that may arise throughout the year. It was noted that key to this ability was the presence of reserve funds and that at present the Town Council had a quarter of the recognized industry standard available.

The Town Clerks suggested that Councillor B Elliott could make an appointment with them to discuss any further issues following the explanations given by the Committee.

13/13/5: UPDATE ON THE OFFICE MOVE

5.1 Audit of Equipment

The Town Clerk (Corporate Services) noted that the Officers have conducted an Audit of the Equipment needed.

5.2 Update regarding Ebor House

The Town Clerk (Corporate Services) noted that she had received correspondence from previous Landlord outlining that they are seeking for Ebor House to be redecorated and the exterior signage to be replaced. The Town Clerk (Corporate Services) also noted that she had received confirmation from the Business Rates team that the building was no longer occupied by the Town Council from the 17th April 2013. Comment was also passed regarding potential issues arising from the Landlord having failed to attend two arranged inspection meetings, and it was suggested that the Town Council should seek to provide the funds for a team of decorators on behalf of the Landlords, subject to a maximum figure.

Councillor J R Potts informed the Committee that it was a term of the lease that the building was to be put back into the state it was at time of lease, he also noted to the Committee the initial and existing state and that due touch issues with the building, that he would prefer that the Landlords provided a team of decorators in order to move on and reach

the desired quality. Councillor B Elliott noted that the provision of a damp property contravenes County Council rules and an inspection should be sought. He also noted that contacting Environmental Health services would make the Landlord aware of the issues within the building they were seeking to lease.

The Town Clerk (Democratic Services) noted that he was seeking the authority for the Town Clerk (Corporate Services) to be able to negotiate a deal via a pragmatic commercial approach.

Councillor A Gibbs-Barton echoed the concerns of Councillor J R Potts and commented that the redecoration would be used to cover the damp.

The Town Clerk (Democratic Services) outlined his experience of such processes and noted that time is a key resource. The Town Clerk (Corporate Services) expressed disappointment that the arranged meetings did not go ahead in order to address and discuss such issues with the Landlord. Councillor O Potts also commented that there could be potential for bad publicity.

It was **AGREED** that the Town Clerk (Corporate Services) be delegated the authority to negotiate a deal with the Landlord and is to report back to all Members the outcomes.

14/13/6: UPDATE ON CONTRACTUAL AGREEMENTS WITH NORTHUMBERLAND COUNTY COUNCIL

The Town Clerk (Democratic Services) informed the Committee that an updated draft contract had been submitted to Northumberland County Council, following a meeting with Steve Bucknall and Dave Bamford.

The Town Clerk (Democratic Services) also commented that the Town Council is seeking greater responsibility around War Memorials, it has been suggested the Town Council seek an Agency Agreement in order to take responsibility for the land that the Memorials are situated upon, as he noted that his previous experience had shown that land transfers in such locations are usually complex and expensive. This would offer a pragmatic solution. During the Meeting the potential tendering of services from April next year was also discussed. It was agreed that this be taken to the next meeting of the Assets Committee on Tuesday 13th August 2013.

The Town Clerk (Corporate Services) commented that Blyth Town Council was the only such authority which had Service Level Agreements where it has been discovered that the agreements did not cover areas such as the painting and re-painting of assets. Councillor J R Potts commented that following progress the Town Council would seek greater levels of autonomy. Councillor A Gibbs-Barton commented that he was glad of the move away from Service Level Agreements towards formal agreements based on the Town Councils own terms.

15/13/7: IT AUDIT

The Town Clerk (Corporate Services) presented the proposal document entitled Internal Review of Equipment and IT Requirements to the Committee.

Reception Area

It was **AGREED** that a Coat Rack was to be acquired for the Reception area.

Kitchen

Councillor B Elliott commented as to whether potential for a built in hot drinks machine had been considered. He noted the benefits that such a machine could bring to the Town Council and noted that this is a growing industry where representatives are actively seeking custom and can offer reasonable prices. Councillor A Gibbs-Barton commented that not all guests would want plastic cups.

Councillor O Potts noted that Councillors should be responsible for any events or Meetings held with invited guests.

It was **AGREED** that proposals concerning the provision of wider refreshment services was to go to the Meeting of the Full Council. It was also **AGREED** that a coffee machine is to be costed. **Action: LF.**

Members' Room

It was **AGREED** that Councillor Doug Rutter is to be reimbursed for the purchase of a 5m USB Cable, a coat rack is also to be purchased.

Council Chamber

It was **AGREED** that a TV stand, Media Stand and 2 further rectangular folding tables be purchased.

Town Clerk (Democratic Services)

It was **AGREED** that Dragon Dictation Software be purchased

Main Office

It was **AGREED** that Two Desk End Bookcases and new Desktop Computers be purchased for the Assets Office and the Committee Clerk.

Store Room

It was **AGREED** that a Tall Metal Cupboard and a coat rack was to be purchased for this room.

Other Equipment

It was **AGREED** that supplies of High Vis Vests and Jackets, hard hats, safety specs and over specs are to be purchased.

It was noted by the Committee that these as well as for safety they are useful for PR purposes. Councillor A Gibbs-Barton commented that these are requirements and thus must be purchased.

16/13/8 TOWN COUNCIL INSURANCE COVERAGE

The Town Clerk (Corporate Services) commented that she had received a renewal offer from the Came and Co (Insurance Brokers). It was outlined that a discount of 12% was offered for taking out a three year plan and a 5% reduction offered over a shorter plan.

The Committee enquired as to Public Liability Coverage, other figures relating to fidelity bonds and negligence. It was **AGREED** that the Town Clerk (Corporate Services) was to check the coverage regarding these matters. **Action: SN.**

The Town Clerk (Democratic Services) commented that in his experience and wider context that this was a very good deal. This was seconded by the Town Clerk (Corporate Services) who noted that she would recommend the 3 year renewal.

Councillor B Elliott enquired as to whether Councillors are individually responsible for staff within the Council. It was noted that the Councillors are not so responsible as the Council is a corporate body.

17/13/9 CREDIT UNION

The Town Clerk (Corporate Services) informed the Committee that the cheque had been sent and that £7,000 would be used for schemes in Blyth. Councillor J R Potts also provided an outline of the Credit Union and its work.

18/13/10 DIRECT DEBIT PAYMENTS

Councillor J R Potts commented that he had been initially wary and had engaged in conversations with the Co-operative Bank, and noted that the inability of Councils to officially make use of Direct Debits was due to a legislative backlog. It was commented that some bills are to be transferred to direct debit. Councillor A Gibbs-Barton asked whether it had been considered that the Council be able to receive payment via Direct Debit. Councillor J R Potts commented that this could cause issues regarding tracking and wondered whether the number of such transactions would justify such an arrangement. It was **AGREED** the Town Clerk (Corporate Services) was to review this and seek contact with John Harrison. **Action: SN.**

19/13/11 USE OF LOCAL CONTRACTORS

The report from the Town Clerk (Democratic Services) was discussed by the Committee. It was noted that the report is in line with current legislation and that its adoption would make the Town Council ahead of the Northumberland County Council, in proposing that preference be given to Blyth Businesses.

Councillor B Elliott noted that many potential applications may be put off by the forms and tendering process and suggested that the Council provide support with applications. Councillor A Gibbs-Barton noted that inclusion must be a key consideration throughout the tendering process. The Town Clerk (Democratic Services) noted that Town Councillors are able to help with applications as long as this is declared during the process, however recommended against Officer involvement as an audit trail would be needed.

The Report **AGREED** and also the Town Council be recommended to attach the report as an appendix to the Financial Regulations. **Action: SER**

20/13/12 ANY OTHER BUSINESS AND ITEMS FOR URGENT ATTENTION.

An update regarding the situation with the External Auditor was provided to the Committee.

The Town Clerk (Corporate Services) also provided an update regarding the Officer Delegation Policy.

Councillor B Elliott enquired regarding the aforementioned situation and the Newsham Allotments. The Town Clerk (Corporate Services) outlined the history of this situation and outlined that this had not been actioned by the previous Assets Officer. Councillor O Potts noted that this should be brought before the Allotments Committee.

The Town Clerk (Democratic Services) noted that he had been in contact with the Blyth Town Facebook Group seeking questions in advance for the Meeting of the Full Council.

21/13/13 DATE OF NEXT MEETING.

The next meeting of the Finance Committee is to be held on Thursday 12th September 2013 at 6.30pm in the Council Chamber.

MEETING CLOSED AT 7.40pm

Confirmed as a true record

And signed by the Chair

Date.....