



BLYTH TOWN COUNCIL

Minutes of the Finance Committee held in the Council Chamber, Arms Everytne House, Quay Road, Blyth NE24 2AS on Thursday 7th November 2013 at 6.30pm.

Present:

Councillors:

K Ellis (Chair), J R Potts (Vice-Chair), B W Elliott, A Gibbs-Barton, R Parker (Mayor), O Potts and J Reid.

Officers:

Sue Noddings – Town Clerk (Corporate Services)
Sean Robinson – Assets Officer
Alison McCabe – Office Manager
Liam Forsyth - Committee Clerk

033/13/01: APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor G T Knox and K Nisbet.

034/13/02: DISCLOSURES OF INTEREST AND GRANTS OF DISPENSATION

Councillor J Reid declared an interest in the discussions regarding contractual agreements with Northumberland County Council as a Northumberland County Councillor.

035/13/3: MINUTES OF THE FINANCE COMMITTEE 12th SEPTEMBER 2013

Councillor J Reid moved this Minutes to be agreed by the Council, this was seconded by Councillor J R Potts.

The Minutes of the Finance Committee held on the 12th September 2013 were **AGREED** as a true record having already been adopted by the Full Council, and were signed by the Chair.

036/13/4: UPDATE ON THE FINANCIAL REPORTS:-

4.1 Update on the Co-operative Bank

The Town Clerk (Corporate Services) commented that she and the Chair and Vice-Chair of the Finance Committee had met with John Harrison, the National Manager for Public Sector relationship with the Co-operative Bank. It was commented that the current situation and changes in the bank were outlined and areas such as the continued focus on ethics discussed.

The Committee was informed that Mr Harrison outlined how and why the Bank needed to raise the money and noted that after it had received a 70% response to its consultation regarding the changes that it would notify the public of the outcomes. It was noted that the practical impacts that would be most clearly visible, would be the reduction in numbers of front line staff and a greater investment in new technologies to sustain and support the workings of the Bank. The Committee was also informed that the Co-operative Bank would no longer be bidding for the contract of larger local authorities.

The Town Clerk (Corporate Services) commented that discussions had been held regarding banking arrangements. It was noted that new banking arrangements had been agreed.

Discussion was also held regarding the Investment accounts. Further possibilities and plans were also discussed and the Committee informed regarding plans to move money from the current account.

Councillor K Ellis commented that J Harrison had also confirmed that the Town Council is to receive a monthly update on the 90 day investment account.

The Town Clerk (Corporate Services) also commented that the Town Council's insurance fidelity was to be raised. It was noted that discussion had been held with our current insurers and alternatives were looked at.

Subject to ratification

Councillor J R Potts clarified that with some of the outlined accounts that interest would be lost upon withdrawal and thus a balance was sought.

The Mayor, Councillor R Parker sought clarification as to what was meant by a larger local authority. It was outlined that this would affect larger unitary authorities rather than Town/Parish councils. Councillor J R Potts commented that this is due to the labour intensive nature of such relationships.

4.2 Update on the Investment Accounts Future Investments

The Town Clerk (Corporate Services) commented that she had received no balance on the 95 day account and provided an outline for the other account.

4.3 Update on Management Control Reports

The Town Clerk (Corporate Services) provided apologies for the distribution noted that the distribution of updated accounts required amendments to the management control reports.

For the employee costs it was noted that these were currently below budget.

It was noted that Office costs would now tail off and remain stationary for the foreseeable future.

Regarding potential fees and charges it was noted that no great fees or charges were expected.

The Town Clerk (Corporate Services) commented that regarding members expenses that very little had been spent.

The Town Clerk (Corporate Services) also outlined the situation regarding the Allotments Committee it was noted that the variance has been accounted for in order to cover the water bills and infrastructure at Delaval Gardens and Laverock Place.

Regarding the Assets Committee it was noted that there had been a major under spend and this therefore required to be looked at in order to generate a replacement and maintenance management scheme.

The Town Clerk (Corporate Services) commented that she had been informed that the majority of the Planning and Development budget had been allocated to cover the costs of the conduction of a Town Centre audit by Mr G Garnham.

Subject to ratification

Regarding the Events Committee it was noted that an up to date figure accounting for the costs of the Halloween Event would be presented at the next meeting of the Events Committee scheduled for the 19th November 2013. It was commented that there had been higher Health and Safety costs than expected, however this would be offset to an extent by strong wristband sales.

An update was provided by the Town Clerk (Corporate Services) regarding the Community Grants Committee. It was noted that £67,000 remained within the Committee for allocation in the final round of grants.

It was also commented that complaints had been received regarding some of the decisions. It was commented that complaints are to be forwarded to the Committee.

Councillor J R Potts wished to note that at the previous round there were more applications than money available. It was also commented that the information received was all that the applications could be judged on. Councillor O Potts commented that the decision process was a tough one and that different ideas will often be generated.

It was **AGREED** that Councillors K Ellis, J R Potts and O Potts are to meet to discuss and address the complaints received.

The Town Clerk (Corporate Services) commented that she believed that a common message was key, in order to ensure fairness in the awarding of grants.

Councillor K Ellis further commented that it was his understanding that the larger community centres in Blyth would receive support due to a shortfall in funding from Northumberland County Council.

Councillor J R Potts commented that this raises difficulties as there are more than three Community Centres within Blyth.

Councillor R Parker commented that it was his understanding that the budget had been increased following his recommendation in order to support the Community Centres which had previously been supported by Northumberland County Council.

Councillor K Ellis commented that as ever it procedure should be reviewed as we progress. Councillor J R Potts commented that this will be and has been conducted.

Subject to ratification

4.4 Budgetary Update and Revisions

The Town Clerk (Corporate Services) provided an update regarding the progress of the budgetary updates and revisions.

4.5 Meeting with Chairs and Vice Chairs of Committee re: Budgets

Councillors J R Potts commented that this had been recommended in order to meet and ensure that overspends are avoided.

Councillor K Ellis requested that the Chairs and Vice-Chairs be contacted in order to go through the budgets and budget setting. **Action: SN/LF**

4.6 Budgetary Planning 2014-2015

The Town Clerk (Corporate Services) provided an update and discussed the pre circulated document.

An outline of the current situation and potential issues such as future rate capping were also discussed. It was noted that this represented the early stages on of an ongoing exercise however it was commented that it sought that Councillors get involved as soon as possible.

The Committee also held discussion regarding band D equivalent properties in Blyth.

Councillor J R Potts enquired as to whether there has been correspondence from Northumberland County Council regarding a potential donation/one-off grant. The Town Clerk (Corporate Services) commented that as of the time of the Meeting she had received no correspondence.

Councillor A Gibbs-Barton commented that there was a need to look at the strategy for this process. Opinions were sought as to whether it should be top down, or a bottom- up process.

Councillor J R Potts commented that there are various sub headings where we can account for the related costs such as salaries, offices costs etc. It was further commented that there was therefore a need for the 5 Committees to dictate what they would like to spend.

JRP – we will know salaries, office costs, and member's expenses to come down. Need for 5 committees to dictate what they would like to spend.

It was noted that the process is to be a bottom up process from the Committees however it was noted that the lack of confirmation regarding the donation from Northumberland County Council should be taken into consideration.

037/13/05: UPDATE REGARDING EBOR HOUSE

The Town Clerk (Corporate Services) commented that she had sent a confirmation letter to the previous land lord detailing that the work had been completed and that if no response had been received that this would be taken as the finalisation of the process. No such response has been received.

038/13/06: CONTRACTUAL AGREEMENTS WITH NORTHUMBERLAND COUNTY COUNCIL

Councillor J R Potts commented that the circulate document was still showing the previous figures within its summary.

It was **AGREED** that the amendments are to be made.

Councillor J R Potts enquired as to whether consideration had been given to next year's contract. The Town Clerk (Corporate Services) commented that initial discussions had taken place today with Northumberland County Council and that recommendations are to be made regarding partnership working.

Councillor K Ellis who attended the Meeting commented that the recommendations received today are to be circulated to all Councillors.

Action LF/SN

Councillor R Parker commented that joint working arrangements with Northumberland County Council are to be further discussed at the extraordinary meeting of the Policy Working Group.

Councillor K Ellis commented that the partnerships are not just to be with the County Councillors, however commented that he was keen to keep the workforce. It was noted that proposals would be match funded and thus involve a joint venture aimed at ring fencing support as well as increasing opportunities.

Councillor J R Potts commented that this represented a large figure and thus decision within a short period of time. Councillor O Potts also expressed concern that it was quite a short timescale.

Councillor K Ellis commented that discussion should wait until the paperwork and associated documents have been circulated.

Councillor J R Potts enquired as to who holds the responsibility for hedges. The Assets Officer commented that this was to be investigated.

Action: SR

Subject to ratification

Councillor J R Potts also enquired as to whether the Assets list and schedules could be circulated to all Councillors. The Assets Officer commented this is to be completed in co-operation with the NEAT team with the placement of numbered stickers on the Assets. Following on from this confirmation, the lists will be distributed to all Councillors. **Action: SR**

Further discussion was held regarding such lists and the need to update the terminology. **Action: SR**

039/13/07 UPDATE ON THE PROVISION OF CLOUD FACILITIES AND POTENTIAL IT SUPPORT RETAINER

The Committee Clerk provided an update and an outline of the report provided by Mr S Bradley. The recommendations were read aloud and information provided in order to outline the requirements for the Town Council.

Councillor K Ellis commented on the need for a backup system to protect against loss of data.

Councillor J R Potts enquired as to whether it was possible to gain access to the County Council's offsite storage facilities. It was **AGREED** this is to be investigated. **Action: LF**

The Committee **AGREED** that it is to go with the County Council's off site data storage facilities if possible, however if not would go with Mr S Bradley's recommendation of Rackspace.

The Committee also **AGREED** that an IT support retainer was to be taken with Mr S Bradley for an initial 12 month period with a review after 9 months.

040/13/08 EXTERNAL AUDITORS REPORT

The Town Clerk (Corporate Services) provided an outline of the report.

The Committee was informed that concerns were expressed as to how the annual return had been minuted. The Committee discussed this point and agreed that this is to be improved.

Discussion was also held regarding the fidelity guarantee due to the Council holding larger amounts of cash. The Town Clerk (Corporate

Subject to ratification

Services) commented that she had been in contact with the insurance company who had provided 3 recommendations.

Councillor A Gibbs-Barton proposed that the first recommendation be adopted (an increase to £750,000). This was **AGREED**.

The Town Clerk (Corporate Services) commented that this was to be included within the risk assessment. It was noted that the financial regulations and controls are in place.

The Committee **AGREED** with review and risk assessment plans.

The third issue raised was enquiring as to how the Town Council had arrived at a figure however BDO had failed to provide its own workings.

Our internal auditor had expressed concerns regarding this lack of information and had requested a joint letter to be sent to request the calculations.

The internal auditor also commented that he would like to be involved in the evaluation process.

Councillor J R Potts also expressed concerns regarding the quality of the feedback.

Councillor K Ellis commented that he agreed and proposed that a letter be sent in consultation with the internal auditor seeking a logical explanation. This was **AGREED** by the Committee.

041/13/09 UPDATE ON TOWN COUNCIL INSURANCE COVERAGE

It was noted that this had been covered in the previous Agenda item.

042/13/10 ANY OTHER BUSINESS AND ITEMS FOR URGENT ATTENTION

Councillor B W Elliott enquired as to the selection process for the contracting of services. The Town Clerk (Corporate Services) commented that the Town Council has a policy for the contracting of services. It was commented that if they work required is over £5,000 that 3 quotes must be sought.

Subject to ratification

It was also noted that for larger applications that it would go to open tender and bids would be invited via the in place form system. This would also be supported by an advertisement for the job, with the final decision being that of the Council.

The Assets Officer, Sean Robinson provided an update regarding the quote from Victory Signs for wider signage. It was commented that the documentation is to be circulated to all Councillors to decide on preferences.

It was **AGREED** that this is to proceed following consultation with the Assets Officer. **Action: SR**

043/13/11 DATE OF THE NEXT MEETING

It was **AGREED** that the next meeting of the Finance Committee is to be held on Thursday 9th January 2013 at 6.30pm in the Council Chamber at Arms Everytne House.

It was noted that this meeting is to be a budget setting Meeting.

MEETING CLOSED AT 7.45pm.

Confirmed as a true record

And signed by the Chair

Date.....

MEMBERS OF THE COMMITTEE

Councillors:

- K Ellis (Chair)
- J R Potts (Vice-Chair)
- B Elliott
- A Gibbs-Barton
- G T Knox
- K Nisbet
- R Parker (Mayor)
- O Potts
- J Reid

COPIED TO ALL COUNCILLORS.