

Minutes of the Meeting of the Finance & General Purposes Committee, St Ives Town Council, held in the Committee Room, Guildhall on Thursday 18 November 2021 at 7.00pm

PRESENT

Chairman – Councillor Harris
Vice-Chairman – Councillor Beveridge

COUNCILLORS

Dale A	Messenger K	Wells J
Hynes S	Mitchell A	

IN ATTENDANCE

OFFICERS

Town Clerk	Cultural Services Manager
RFO & Corporate Services Manager	Administration Assistant

F&GP.40 APOLOGIES FOR ABSENCE

Councillor K Arthur

F&GP.41 CHAIRMAN'S ANNOUNCEMENTS

None

F&GP.42 MINUTES

RESOLVED – that the Chairman signs as a true and correct record the Minutes of the Finance and General Purposes Committee meeting held on 30th September 2021.

F&GP.43 PUBLIC SPEAKING

None

F&GP.44 DECLARATION OF INTEREST

Councillor Mitchell declared an interest in a Community Grant Application item as he was a Church Warden at Halsetown Church PCC St Johns in the Fields.

F&GP.45 OFFICERS' UPDATE REPORT

The Town Clerk presented the update report and responded to queries as follows:

F&GP. 29: Review of the Grants Policy - Members agreed to discuss the issue within the Budget Setting agenda item.

F&GP.9: Develop and IT Strategy- The Town Clerk confirmed that the assessment was brought to the last Committee on the 30th. Members agreed the minute should be merged with F&GP.25.

F&GP.11: Audit Rota: The RFO confirmed that the purpose was for Committee Chairmen and Vice Chairmen to undertake a spot check of various elements of the finances including income and expenditure, whether invoices were raised in line with the scale of charges etc. The monthly internal audit rota would begin with the Community & Environment Committee from the week commencing 22 November.

F&GP.55: Devolution request – St Ives Benches – The Town Clerk confirmed that the transfer had been completed. Cornwall Council had contacted all those customers with existing agreements for which they had records. Officers were now reviewing the data and there were over 80 agreements over 15 years old, many of which had not responded to contact. There was a waiting list of over 60 people, who would like to commission a bench so they could now begin to be matched up. There would be scope to improve/ replace the benches in Chyan Gweal gardens.

F&GP. 9 + 67: Proposal to Consult on a 5 year borrowing programme – The Town Clerk confirmed that there had been no update from the Government.

RESOLVED – that, subject to the above comments and agreed actions, the report be noted.

F&GP.46 INTERNAL AUDIT - INTERIM REPORT

The RFO informed the Committee that the Council's internal auditors, Hudson Accounting Ltd, had completed an interim/ mid-year audit. This was an exercise which had not been completed before by the Council's previous auditor. During the exercise, they looked in detail at Council procedures and a sample of documents, including payroll, leases, contracts of employment, insurance, income & expenditure etc. The report was very positive and had concluded that, in all respects, processes and documentation were in order.

The Chairman stated he was happy with the report and thanked officers for their hard work.

RESOLVED – that the Committee note the report.

F&GP.47 RISK STRATEGY

The Town Clerk explained that the draft strategy had been reviewed at the last Committee. But members had raised concerns about one area of the risk assessment, the loss of key staff. Officers had agreed to review the level of risk and possible additional mitigation measures. She concluded that a review of the risks assessed it as high, and outlined the following actions that were being taken to mitigate the risk:

- i. Through the current appraisal process gaps in knowledge and skills and scope for further training were being identified
- ii. A new emphasis on developing and keeping written procedures
- iii. Ensuring that, for future contracts of employment, staff had adequate notice periods, with a greater emphasis on hand over periods.
- iv. Additional training for managers on the Clerk's role and local councils

However, given the size of the organisation, some of the risk must be accepted and managed and could not be resolved or mitigated.

The Committee welcomed the re-assessment and the additional measures. One member queried if the Town Council insurance could be extended to covered tribunal claims. The

Clerk confirmed that she would establish this.

RESOLVED – that the revised risk register and strategy are RECOMMENDED to Council for adoption.

F&GP.48 GRANT APPLICATIONS

Councill Mitchell declared an interest at this point and left the meeting.

The Committee considered one grant application with the following outcome:

Halsetown Church PCC St Johns in the Fields

Awarded £500 towards the development of community allotment beds.

RESOLVED – that decisions be made in relation to the grant applications, as set out in the minutes.

Councill Mitchell re-joined the meeting.

F&GP.49 FINANCE REPORT

The RFO & Corporate Services Manager introduced the report. He informed members that the report highlighted larger payments, as set out. He also advised that the healthy cash balance reflected the fact that the Council has received its 2nd instalment of the precept payment.

The Town Clerk highlighted that the postage budget expenditure was reducing, in line with the Council's decision to roll out paperless despatch. This was necessary to offset the acquisition of ipads for all Councillors.

Members noted that income from the Cornwall Council, Council Tax Support Grant was being phased out. The RFO confirmed that next year the Council would only receive just over £8,000 and the following year nothing. The Cornwall Councillor present explained that Cornwall Council had decided to scale down the payments in setting their budget 2 years previously and that very few principal authorities made such a payment.

RESOLVED – that the Committee note the report.

F&GP.50 COMMITTEE BUDGET AND DRAFT COUNCIL BUDGET 2022-23

The RFO & Corporate Services Manager introduced the report. He explained that, as the draft Committee budget for 2022-23 and the full Council budget were being brought to the same meeting, his report combined both.

He explained that the report set out some of the key issues for next year's budget. There were external inflationary pressures, especially the impact of utility costs. In addition, there were still modest cost of living increases on staff salaries and the Council would need to fund the additional increase in National Insurance introduced to pay for social care. The Council was tendering the toilet cleaning contract and had also taken a conservative view of the tender responses.

On the income side, forecasting with accuracy was still challenging given the pandemic. A conservative approach had been taken, assuming some return to pre pandemic levels but in many cases, no additional increase.

In opening up the debate, the Chairman advised the Committee that it should consider the issue of the community grants budget policy, which had been referred back from Council, under this item. In addition, the draft budget for 2022-23 included increases in staffing costs. These related to proposals for a review of the staffing structure, which would be considered as a confidential report later on the agenda. Any resolution of the Committee in relation to the budget should, therefore be made, subject to decisions on the staffing structure changes.

Members of the Committee raised a number of queries, in relation to the draft budget. In response to queries, officers commented as follows:

The Community nominal code 120 included the following items:

- Community Infrastructure Levy (CIL) income received from Cornwall Council from developers through the planning system
- CCTV – the annual monitoring and maintenance budget
- Decorative Lights – the maintenance contract for the repair of the Town Festoon lights
- Neighbourhood Plan
- The Community Grants Budget

Utilising the budget provision for a half or full year of loan repayment to instead fund a specific project would not be effective for several reasons. First, the Council had to show Government it had made provision to repay the loan in its budget to secure approval. Also, the Council was spreading the cost of capital items over a longer period. If, and when, the loan application was approved, the Council would not have funds in the budget to make the first repayment and would, therefore not be able to draw down the funds in full for other projects.

Community Grants Policy

The Town Clerk summarised the original issues surrounding the review of the grants policy and also, the views of Council.

The original review had been for two reasons. Firstly, procedural in that some annual grants were not in accordance with the policy (which specified there could only be one application within 3 years). Secondly, whether the aims of the policy were being met - whilst take up of grants generally tended to be below the annual budget, but could only be used for one off items, not longer term revenue. The proposed solution had been the creation of two separate grant schemes, one for one off projects, the other to offer core revenue funding for a longer period (3 years) and subject to review.

At the meeting of Council, there was some difference of view on a number of points. Rather than seek to re-write the policy during full Council, it was resolved that the Committee review its proposals in the light of budget discussions. In summary, the key questions for the Committee to consider were:

1. Should the grant budget be increased – some proposals from Council were that there should be a larger pot and a sum of £20,000 had been proposed.
2. Should the Town Council continue with the revised policy proposal to introduce two grant schemes, one for small one off projects, one for core running costs
3. If there was agreement, should the new revenue pot be an unallocated pot or should existing commitments be converted, into annual revenue grants for specific projects, in line with the Hayle Day Care Centre, and be moved from this Committee into the Community & Environment Committee Budget.

The Clerk advised that, given that the draft budget was being considered at this meeting, officers had taken the opportunity to increase the grant budgets, in line with views expressed at Council. As a result, the grants budget had been increased from £8,000 to £16,000 and a total pot of £4,000 had been allocated for two specific projects, the September Festival and the Archive to be included under the Community & Environment Committee budget. These sums together totalled £20,000.

Members discussed the proposals. Some members were concerned about increasing the precept by raising the budget. Others felt that increasing the budget for community grants would support more voluntary organisations who in turn would help those that needed the support. The following amendments to the policies were proposed, and voted upon:

1. The introduction of a Core Running Costs Grant policy:
 - i) With funding for a 3-year period
 - ii) Recipients to be requested to show their accounts annually and address the Committee to give an update on their organisation
 - iii) A budget of £4,000 to be allocated within the Community & Environment Committee, resulting in a total budget for 2022-23 of £9,000 to support the Hayle Day Care Centre; St Ives Archive and September Festival.

2. The Community Grants Budget
 - i) To increase from £8,000 to £16,000
 - ii) Any underspend in 2021-22 be put back into the 2022-23's budget to reduce the impact
 - iii) That the 3-year stipulation be removed
 - iv) That greater efforts and strategies be employed to increase take up

The proposal was voted upon and carried with Councillors Mitchell, Messenger and Dale requesting that their names be recorded as having voted against.

A member queried the miscellaneous expenditure budget (4085) for Concert Hall Expenditure. The RFO answered that there were one off costs this year, in relation to construction of the Concert Hall Bar and that the budget would be reduced from £3000 to £500 in the next financial year.

Subject to the amendments as set out above and approval of the staffing proposals to be considered later on the agenda, the Committee **RESOLVED** – to **RECOMMEND** that the Council adopt the draft 2022-23 budget for the Finance and General Purposes Committee, together with the draft Council budget for the 2022-23 financial year.

F&GP.51 CHRISTMAS ARRANGEMENTS AND DECEMBER PAYROLL

The RFO & Corporate Services Manager set out the proposed office and library opening times over the Christmas period. His report also asked the Committee to consider whether they wished to make the monthly payroll to staff early in December. There would be a £150 one off cost to the Council's payroll provider for this.

RESOLVED – that the Committee note the office and library opening times over the Christmas period and approve the additional payroll of £150 to enable staff to be paid on the 20th December this year.

F&GP.52 NEW STANDARD TERMS & CONDITIONS FOR SUPPLIERS

The Town Clerk introduced the report seeking Council approval to adopt standard terms and conditions which could be used in the purchase of goods and services. Officers were of the view that these were needed for intermediate level procurements. In general, the purchase of small off the shelf goods and services did not require these and large purchases were typically subject to a full quotation or tendering process with a bespoke contract. But there was a need to provide standard terms and conditions for the procurement of goods and services in this intermediate tier. Examples included the commission of technical reports or bespoke orders of equipment.

Their introduction provided the Council with more cover against risk and was considered good practice. It could also avoid the need for more costly contract drafting in some cases. The Council's solicitors had reviewed and signed the document off.

Members enquired about scope for an additional condition on environmental or ethical purchasing. The Clerk advised that the T&Cs required suppliers to comply with the Council's policies and this objective could be addressed through the development of purchasing policies. The T&Cs would then simply require suppliers to conform to these policies and this could be ensured at the point of order.

RESOLVED – that the Committee **RECOMMEND** to Council that the standard purchase order terms and conditions be adopted and applied as appropriate in future transactions. In addition, that the Council's financial regulations be amended to refer to them, as necessary.

F&GP.53 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED - that in accordance with the Public Bodies (Admissions to Meetings) Act 1960 the press and public be excluded from the meeting during the consideration of the following matters by reason of the confidential nature of the business to be transacted.

F&GP.54 RECOMMENDATIONS FROM THE STAFFING COMMITTEE

At this point in the meeting, the Clerk circulated some confidential papers and the Admin Assistant left the room.

The Clerk introduced the report, which had been circulated previously, and explained to the Committee the rationale behind proposed changes in the staffing structure. She advised that these had been considered over several meetings of the Staffing Committee and they were the Committee's recommendations to the budget setting process.

The Council was currently carrying two vacancies due to staff departures. In addition, had some members of staff considering retirement. At the same time, the Council had a strong ambition to deliver more for the community, recent examples included capital projects, the devolution package, the management of Craze Hunkin. All of these generated additional work, but also needed staff with the right skill set. If it was the Council's ambition to do more, this needed to be reflected, in the number and skill set of staff. As such, the Staffing Committee had considered some options for reviewing staffing structures. These included changes to existing staff roles and additional posts within the organisation. However, officers had sought to secure value for money, wherever possible. This included utilising grant funding and income and making savings in some areas. This would contribute a significant amount towards funding the new posts. However, there was still a net increase on the 2022-

23 budget.

Officers did not wish to pre-judge the outcome of discussions. However, as for other service Committees, the budget report had been drafted to take account of the full impact of the proposed changes and so, there was no additional impact on the figures already considered in part one of the agenda.

Should the Committee support the proposals, the Clerk further requested that one of the posts be advertised as early as possible, due to staff vacancies.

The Committee debated the proposals and members asked about the net impact on the precept for 2022-23 in terms of the percentage. The Clerk requested that, should the Committee wish to reduce the overall draft budget, that it identify a number of areas from which to make savings and prioritise these first.

Some members commented that the Council had resolved to deliver a number of services and take on more. The impact on the staffing establishment was a consequence of this which could not be avoided. Other members commented on the income targets in the budget which needed to be met, especially in relation to the library. Having skilled staff to maximise revenue, resulted in a lower impact on Council tax payers as a greater percentage of the Council's budget was funded by income.

RESOLVED – that the Committee **RECOMMEND** to Council that it adopt the proposed changes to the staffing structure in accordance with the draft Council budget for 2022-23 and, given the reduced staffing levels in Support Services, should a recruitment to the post of office manager be possible within the current financial year, the appointment be made, utilising savings on staff vacancies and general reserves.

The admin assistant returned to the meeting.

F&GP.55 PROPERTY UPDATE FOR NOTING

The Clerk introduced the report, explaining that the Committee received this report regularly, given the number of actions required to regularise property matters. Members would note that a number of issues had now been closed as complete. She confirmed that a first registration application was being submitted for the baulking house and sought approval for officers to make an approach to a third party land owner to seek to secure a small area of land on the boundary for nominal consideration, to which the Committee consented.

RESOLVED - that the Committee note the progress to date and authorise an approach to the third party land owners, as set out.

F&GP.56 DEBTORS AND CREDITORS

The Committee considered the report. A member queried if it was necessary to have so much detail regarding current debtors. The Chairman and RFO explained that this had been requested by the Committee. The information on debtors of 60 days and over was a useful monitoring tool to ensure that the Council was managing risk. In addition, the Committee were required to approve the write off of some debts.

RESOLVED – that the schedule of debtors and creditors be noted and actions therein

F&GP.57 CCTV MONITORING REPORT

The Committee considered the report. It was noted that the number of incidents reported had increased during the Summer period and it was positive that the police had been able to utilise footage.

RESOLVED – that the Committee note the report

DATE OF NEXT SCHEDULED MEETING

27 January 2022

Meeting closed at 9.54 pm

Chairman