

F&GP.55: Devolution Request – St Ives Benches – The Town Clerk had been advised by the Community Link Officer that the grant payment for the benches would be received by the Town Council shortly.

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

F&GP.8 INVESTMENT STRATEGY

The Town Clerk introduced the report and the draft strategy, which had been prepared by the RFO. She reminded the Committee that the development of a strategy had been the recommendation of the Council's internal auditor, given that the Council held funds of over £100,000. The strategy was a relatively straightforward document, given that the Council only held funds in its bank accounts or of Cornwall Council's call account, which paid a higher rate of interest. She invited questions on the investment strategy.

Members discussed the report and, in response to questions, the Town Clerk responded as follows:

- She was unsure how the term ethical investments was defined specifically. However, given that Unity Bank were a charities bank and Cornwall Council a local authority, it was reasonable to assume both had ethical investments policies but she would investigate this further.
- The RFO would be happy to advise further on the scope of local councils' powers to invest in infrastructure, such as affordable housing and that was a worthy aspiration. However, she drew members' attention to the hierarchy of investment priorities outlined in the report.

The Council must first ensure that it has sufficient funds for the day to day running of the organisation. In addition, general reserves should be maintained at suitable levels to provide cover against risk. The best practice guidance followed by the Council was that reserve levels should be between 3 and 12 months of operating revenue requirements. At the moment, the Council's general reserves were at the lower end of this range. Therefore, there was little scope to consider longer term and higher risk investments since general reserves were modest.

The Council's funds were held on deposit with UK clearing banks, building societies, local authorities or other public authorities. Under the strategy these were termed specified investments and provided high security and liquidity.

Whilst there was nothing in principle to prevent the Council from considering non-specified investments (stocks, shares and property), these were inherently higher risk and the strategy did not currently support them. Only if reserves increased significantly above these lower levels would it be prudent to consider such an approach.

RESOLVED – that the Committee **RECOMMEND** the draft investment policy to Council for adoption and that standing orders be amended to require the review of the strategy on an annual basis.

F&GP.9 PROPOSAL TO DEVELOP AN IT STRATEGY

The Town Clerk explained that, as a result of the decision at full Council, a capital reserve had been established to enable the Council to plan for its future IT requirements. In addition, the Council's IT provider had been asked to prepare a baseline audit of the existing IT provision in order to plan for a programme of modernisation and replacement and identify future needs. Council agreed that members of F&GP Committee be invited to contribute to this work and so she was seeking Committee nominees to participate in the project.

RESOLVED – that Councillors Dale and Harris be nominated to contribute to the baseline assessment of IT provision and the development of a future IT strategy.

F&GP.10 APPOINTMENT OF INTERNAL AUDITORS

The Town Clerk advised that, due to the ill health of the Council's internal auditor, it was necessary to appoint a replacement for the coming year. This had been made more difficult, given the widespread shortage of local auditors in Cornwall. However, Steve Hudson had confirmed his willingness to be appointed (following his completion of the audit last year at short notice). Unfortunately, as for all other potential auditors, his fee was likely to be far higher than Mr Gallie's. The Council had received a fee proposal of £1,200. However, this did provide for a comprehensive report, when compared with the reports of previous years, and included an interim report.

It was confirmed that this was an annual process and the Committee was required to appoint its internal auditor each year.

RESOLVED – that Hudson Accounting Ltd be appointed as the Council's internal auditor for the financial year 2021-22.

F&GP.11 AUDIT ROTA

The Town Clerk explained that the involvement of councillors in the audit rota played a key part in the internal controls of the Town Council's financial affairs. The rota of visits had been suspended during COVID and the intention was now for them to be resumed. It was agreed at the last Finance & General Purposes Committee that Chairs and Vice Chairs would commit to a monthly rota. Members benefitted as they developed a detailed understanding of the Council's financial procedures. She clarified that the audit rota would focus on specific areas each month, as set out in the appendix.

She confirmed that the audit rota needed amendment, as the Chair of the Facilities Committee was Councillor Wells.

RESOLVED – that subject to the above amendment, the Committee approve the timetable for resuming Councillor internal audits.

F&GP.12 GRANT APPLICATIONS

The Committee considered 4 grant applications.

1. Drama Express: the £750 grant to support Drama Express was approved. Members

commented on the good work carried out by the organisation.

2. St Ives Cricket Club: pavilion improvement: £1000

Members deferred any decision on the application, partly as it appeared as though the organisation had received grant funding within the previous 3 years. Officers were asked to contact the club for more information.

3. St Ives September Festival: £2000

In previous years, the festival had been awarded an annual grant of £1,000. However, they had not made an application in 2020, due to cancellation. The grant request for this year was £2,000.

Councillor Beveridge declared an interest as the Town Council representative on the St Ives September Festival and left the meeting.

Members discussed the concept of annual grants for core funding. There were two made each year; the September Festival and the Archive but these awards remained within the overall community grants policy, whereas Hayle day care centre which also received an annual revenue grant had been taken out of the grant policy and was now managed within the C&E budget. Some members expressed concern about this inconsistency as the awards contradicted the Council's policy of only one application in each 3 years with core funding being ineligible.

Following debate, it was resolved that the festival be allocated £1,000 subject to a review of the grants policy position for core funding completed.

4. St Ives Junior School: Committee members were concerned to understand whether this was eligible and requested further information. The grant application was, therefore deferred.

Given some of the concerns and questions raised, the Committee proposed a review of the grants policy and application form be carried out, to consider

1. Revisions to the form to include a brief summary of what the grant would be used for and the project.
2. Financial details to be provided, ie details of the bank account signatories.
3. A review of annual grants for core funding for the St Ives September Festival and St Ives Archive.
4. The checking process for the submission documents received

RESOLVED – that the following decisions be made in relation to the grant applications:

- i) Drama Express: approved £750
- ii) St Ives September Festival: approved £1000
- iii) St Ives Cricket Club – deferred for more information to establish the date of their previous application.
- iv) St Ives Junior School – deferred to request for more financial information and clarify the role of the organisation, relative to the school.

Councillor Beveridge re-joined the meeting from this point.

F&GP.13 FINANCE REPORT

A member queried an overspend on the printing and advertising budget at this point in the year. The Town Clerk explained that the Council had incurred a considerable amount of recruitment advertising costs which were funded from this cost centre. A number of cost centres had a printing and advertising budgets and it was intended to code further expenditure to those during the financial year.

RESOLVED – that the Committee note the report.

F&GP.14 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.15 APPROVAL FOR THE ASSIGNMENT OF A LEASE

The Town Clerk explained that part of the Committee's role was to approve the assignments of existing leases for commercial properties owned by the Council. One of the retail units had been advertised for some time and the Council's tenant had found a business to whom they wanted to assign the tenancy. The lease was until 2024. The tenant was required to seek the Council's approval. The lease required the Council not to withhold consent unreasonably. Factors which the Committee should consider would be whether the use was within the existing planning use class and the business had provided references to show they could meet the lease obligations and pay the rent. In this case, the tenant was seeking approval for the assignment for a glass blowing artists workshop and retail premises. They had demonstrated they had sufficient funds to pay the rent and had provided references. Advice from insurers was being sought on the safety and cover for the proposed glass blowing.

RESOLVED – that the Committee approve the request to assign the lease on the terms set out, subject to confirmation from the Council's insurers.

F&GP.16 PROPERTY UPDATE REPORT

The Town Clerk explained to new members that the Council was seeking to regularise some of its property affairs, completing rent reviews and lease renewals. As there was an historic backlog of actions, she brought a progress report to each meeting of the Committee. An update on each of the properties was provided to the Committee.

The Guildhall:

2nd floor lease renewal: heads of terms had been issued and were due to be signed by the tenant.

Island Centre:

Large Office Lease, first floor: The heads of terms for a 5 year lease had been signed. Solicitors were drafting the new lease, to be completed shortly.

Small Office, First Floor: The office was vacant and needed to be marketed. Members agreed to market this office.

Market House:

First Floor: Heads of Terms had been agreed for a 2 year lease. The terms linked the lease obligations to membership rules, which had been issued to the club. Failure to comply would be a forfeiture event.

Trowan Allotments:

The Committee resolved to complete a deed of variation to the lease to include the carpark at the agreed additional annual rent.

RESOLVED – that the Committee note the progress to date and authorise:

- i) The drafting and issue of a lease for the first floor of Market House.
- ii) The marketing of the small first floor office at the Island Centre at the market rent valuation as set out
- iii) The preparation of a deed of variation and rent increase at the allotment site
- iv) The Town Clerk and Committee Chairman to sign and engross all leases completed in accordance with this schedule.

F&GP.17 DEBTORS AND CREDITORS

In response to a member's concern about the number of debtors over 60 days, the Clerk explained that this included deposits paid for future events and the accounting system treated these as debtors, even though full payment wasn't yet due.

Concern was expressed about an outstanding debt at the concert hall for over £2,000. There was an issue with bank signatories and the matter was being pursued by officers. The Clerk would provide an update for the next meeting.

RESOLVED – that the schedule of debtors and creditors be noted.

DATE OF NEXT SCHEDULED MEETING

23 September 2021

Meeting closed at 8 pm

Chairman