

Minutes of a Meeting of the Finance & Corporate Governance Committee held on Tuesday 21st June 2016 at 15.30 in The Eckford Suite, Edinburgh House, New Street, Wem

Present: - Cllr C J Mellings (Chairman). Cllrs Mrs R Dodd, E. Towers, P Moyse, Mrs C Granger, Mrs P Dee and J Murray. Mrs P O'Hagan (Town Clerk).

1 **Chairman** – to elect a chairman for the committee.

Resolved:- to elect Cllr Mellings as chairman of the committee.

2 **Apologies** - To receive any apologies and reasons for absence – none received.

3 **Disclosable Pecuniary Interests**

a) Declaration of any disclosable pecuniary interest in a matter to be discussed at the meeting and which is not included in the register of interests.

The following interests were declared.

Councillor	Item	Dispensation
Shropshire Councillors Cllr Mellings and Cllr Dee	Twin-hatted members declared a personal interest in any matters relating to the Town Council's relationship with Shropshire Council	Dispensation previously granted to allow participation and voting on all matters relating to Shropshire Council
Cllr Mellings	Service Transfer – Director of Wem Swimming and Lifestyle Centre	Councillor allowed to participate but not vote in all discussions regarding this organisation

b) To consider any applications for dispensation. None received.

4 **Committee minutes** - To approve as a correct record the minutes of a meeting of the Audit & Corporate Governance Committee held on 20th April 2016.

Resolved:- that the minutes of a meeting of this Committee held on 20th April 2016 be approved as a correct record and signed by the Chairman.

5 **Progress Report** – to receive progress report on items raised at previous meeting.

The Clerk was asked to add Councillor skills audit to the next meeting's progress report.

Resolved:- to note the report.

6 **Accounts** –

a) **2015-16 year end** - To approve the draft accounts for the year ending 31 March 2016. The Clerk and Chairman presented the draft accounts for the year 2015-16. It was outlined that whilst there was an overspend this was due to the following capital expenditure items that were not anticipated during the budget setting process;

- Installation of the fire alarm system in the Butler Sports Center (funded from the Bulmer Cottage Fund).
- Replacement of 2 pumps at the swimming pool.
- Replacement of street lighting columns identified as needing urgent works following the street lighting survey.

Following this presentation the committee considered the following individual financial reports;

i) Trial Balance and balance sheet.

Resolved:-to approve the reports.

ii) Income and Expenditure Account.

Resolved:-to approve the report.

iii) Bank reconciliation and Supporting Statement.

Resolved:-to approve the report.

b) Internal Audit

To consider the internal auditors report

The Clerk distributed the internal auditors report and the committee considered the following items raised in it.

- Need for proper minuting of financial decisions when less than 3 quotes for works over the Town Council's financial regulations threshold are obtained – The Clerk explained that this item related to the purchase of the replacement swimming pool pumps and the CCTV upgrade. It was reported that the swimming pool pump was a specialist item, which needed to be installed urgently and it was only possible to obtain one quote in the short timescale. However the minutes omitted to state this fact when the quote was considered. The CCTV upgrade work was again a specialist item and linked to a grant application to the Bronze Level Task Force and this should have been minuted more clearly.

Resolved:-to note the recommendation.

- Reserves - The report included a comment that the council should consider adopting a reserves policy to earmark some of the council's reserves.

Resolved:- that the committee would consider this at the next meeting.

- Asset register – The report outlined the need to amend the asset register to include the fire alarm at the sports center and consider amending the CCTV figure in light of the upgrade.

Resolved:-to amend the register accordingly for the fire alarm figure but to keep the amount for the CCTV the same at £20,000 as the 2015 works were an upgrade of the cameras only and not the entire system. Therefore it would not be possible to easily proportion out this change in the asset register.

- Pensions compliance – the internal auditor raised the need for the council to review this risk and ensure they meet any requirements of The Pensions Regulator.

Resolved:- to recommend that this be considered at the next meeting of the committee as the staging date would then have passed for the council.

2014-15 Annual Return

The Clerk reported that she had discussed with the internal auditor the qualification on the 2014-15 annual return by the external auditor concerning the recording on the Annual Return of the Council's investments. It was reported that as the Town Council does not hold any investments this qualification was not relevant and that the Clerk should respond accordingly to Mazars when submitting the 2015-16 Annual Return.

c) Annual Return (copies enclosed).

i) To consider Towns Council's response to questions on part 1 of the Annual Return the Annual Governance Statement.

Resolved:- to recommend that the council answers yes to questions 1- 8 on part 1 of the annual return.

ii) To review part 2 of the annual return 2015/16 accounting statements.

Resolved:- to recommend to the council that part 2 of the annual return 2015/16 accounting statement is approved.

iii) To approve explanation of variances.

Resolved:- to recommend to the council that the explanation of variances is approved.

The committee recorded its thanks for the work that has gone into the preparation of 2015-16 accounts.

d) Asset register – to review.

The Clerk explained that more detail had been included on the asset register following the advice of the internal auditor and that the bus shelter had been reduced in value to £1 as it was gifted to the council by Shropshire Council, not purchased. In addition to this the Butler Sports Center fire alarm was included on the register.

The Clerk was asked to amend the acquisition date of swimming pool to 2005.

Resolved:-to approve the review of the asset register.

e) Internal controls and financial risk management - To review.

The risk management report was reviewed and it was reported that as part of the internal controls the Mayor is carrying out monthly checks of all expenditure against bank statements including petty cash and salary items.

The Clerk was asked to clarify the situation regarding insurance cover for Councillors whilst on council business.

Resolved:-to approve the internal controls and financial risk management.

7 Policy Review – to consider a process for reviewing and updating Town Council and staff policies.

It was reported that a number of policies were in need of updating and this was a very large piece of work. JDH Business Services the Town Council's internal auditor offered an interim policy audit which is a service that would be of use to the council.

Resolved:- to seek a quote for the interim policy audit and review from JDH Business Services.

8 Communications working party – for update on meeting held 17.6.16.

Cllr Mellings reported on a recent meeting of the working party. He reported that three items had been discussed

- Website – it was reported that Cllr Moyse had found a solution to archiving the old website and that a link could be provided to the old site from the new site at no additional cost. Cllr Moyse was thanked for all his work on this. It was reported that hopefully the new website would be able to go live in the next couple of weeks once the domain name provider was changed over.

Resolved:-to recommend that a press release is issued a month after the site has gone live to formally launch the new site.

- Community engagement – The working party discussed the need to try and raise awareness of the services of the council to all sectors of the community. It was considered that one of the simplest ways of engaging with a wider audience would be through the use of social media.

Resolved:-to recommend the development of a social media management policy for consideration at the July Town Council meeting with a view to trialing a Facebook and Twitter page for a 3 month period between September and December.

- Promotion of 2017 council elections – The working party continued to discuss ways to promote the 2017 elections to ensure that residents are willing to stand for election in May 2017. It was reported that a recent meeting with neighbouring Parish Clerks had discussed the development of a joint training initiative to look at this issue in the Autumn.

Resolved:-to recommend that the Council supports the development of a joint training session with neighbouring councils to consider better community engagement.

- 9 Service Transfer** – to receive a report on discussions held with Shropshire Council over the potential transfer of services to the Town Council. It was reported that the Mayor, Deputy Mayor and Shropshire Councillors had met with officers of Shropshire Council to consider the potential transfer of services to the Town Council over the next year. It was reported that Shropshire Council had set a short timescale and required an expression of interest on the services/ facilities the Town Council wished to consider taking on by September.

A discussion took place on this issue and it was;

Resolved:-to recommend to full council that;

- The Town Council seeks the transfer of the freehold of the Morgan Library from Shropshire Council to the Town Council. Subject to the property being in vacant possession before it is transferred and that a full structural and condition survey on the building is carried out by Shropshire Council.
- The Town Council expresses an interest in providing limited financial support to enable the continuation of the library service in Wem subject to a more detailed breakdown of financial contribution required. This agreement would be for a time limited period only until the Morgan library can be transferred into the Town Council's ownership. Once this has been undertaken then additional discussions on the relocation of the library into the Morgan library building could then take place.
- The Town Council accepts the freehold transfer of ownership of the 3 play areas and 1 open space owned by Shropshire Council but already managed by the Town Council namely Cordwell Park, Lowe Hill Gardens, The Grove and Randford Way.
- The Town Council expresses an interest in the transfer of the freehold ownership of the field off Lowe Hill Road/Wemsbrook Road to the Town Council without any covenants.
- The Town Council is not willing to make up any shortfall following the withdrawal of funding to The Swimming Pool and Town Hall as these facilities are already subsidised by the Town Council. (Cllr Mellings took no part in discussions on the swimming pool funding)

- 10 Joint Working** – to receive a report from meeting held with Clerks from neighbouring parishes to discuss partnership working and service funding. The Clerk reported that she had met with the majority of Clerks from the LJC area and there was an interest in working together on projects including training and shared service contracts. A discussion took place on the suggestion that rural parishes be asked to contribute to the funding of services in the town which are also used by residents living in

the rural parishes e.g. libraries, swimming pool and Town Hall to ensure that the financial burden of taking on new services was not just placed on residents living in towns where the services are located. The committee felt it important that the rural parishes are informed that whilst individual councillors may not see any links with the Town of Wem both the younger generation and others in their communities regularly use the services on offer in the town due to the fact that the secondary school, sports facilities other services / facilities are located in the town. The benefit to the parishes of contributing to the running of services in the town would be that they would then have a stake in the service delivery and can ensure it is run to meet the needs of the wider community e.g. more flexible opening hours etc.

Resolved:- to progress the suggestion of joint funding once more information is available on the cost of taking on the library service.

- 12 Health and Safety review** – to receive a report following the visit carried out by Health and Safety consultants to review the Town Council’s asset inspection and chemical storage procedures.

It was reported that a site visit had been undertaken by the Health and Safety consultant from Shropshire Council and that he would be reviewing the Town Council’s asset inspection reporting and making suggestions for appropriate storage of fuel in the groundsman’s shed. The Clerk reported that he was very impressed with the facilities run by the council and the high standard to which the outside areas were maintained.

Resolved:- to note.

- 13 Date and time of next meeting** – to review.

Resolved that:- in light of the need to consider the service transfer proposals fully to cancel the August meeting and bring forward the October meeting to the date of the next meeting to 13th September at 2pm.

- 14 Closed session –
Exclusion of press and public**

To resolve: That in accordance with s1(2) Public Bodies (Admission of Meetings) Act 1960, members of the public and press be excluded from the remainder of the meeting on the grounds that the following items to be considered involves the likely disclosure of confidential information.

Resolved:- to exclude the press and public.

Staff Appraisal – to receive a report on Towns Clerks interim appraisal and make recommendations on training needs identified in the report to Full Council

It was reported that the interim appraisal of the Town Clerk had been completed and that a training need for the clerk to undertake the IOSHH Managing Safely qualification run by Shropshire Council was identified.

Resolved:- to recommend that;

- The Town Council approves the Town Clerks identified training need.
- The Town Council confirms the end of the Town Clerks probation period.

Pay Award – to note 2016-18 National Salary Award.

Resolved:- to note

Meeting ended 17.20

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Chairman