

BUCKFASTLEIGH TOWN COUNCIL

Minutes of the **Finance Committee** meeting held in the Council Chamber on **Wednesday 22nd June 2016 at 7.30pm.**

Present: Councillors:- Neil Smith (Chair), Fanny Jackson, Linus McCloskey, Andy Stokes, and Judith Hart (Town Clerk/RFO)

Part I (Open to the Public)

Meeting commenced at 7.43pm and Cllr Linus McCloskey joined the meeting at 7.50pm

16/15. Questions raised by the Public: None

16/16. Apologies: Cllr Pam Barrett. Cllr Mark Maish did not attend

16/17. Declaration of Interests: Cllr Fanny Jackson – non pecuniary interest in Agenda Item No. 10) Grant Applications – ‘Participate Arts’

16/18. To approve as a correct record and sign the Minutes of the Meeting held on 27.04.2016:

Signed and approved by Councillor Fanny Jackson as Acting Chair for this meeting.

16/19. Budget Expenditure Report 01.04.16 - 31.05.16:

The expenditure on professional fees to South West Councils were noted.

16/20. Bank Payments Report 01.04.16 - 31.05.16:

Noted.

16/21. Revised Budget Report 2016/17 and clarification of budget for the new Community Development Fund:

The Clerk explained the revised budget figures and made the following points:

- The Mayor’s £500.00 allowance for 2016/17 is a taxable allowance. Members agreed that this allowance should be used for the benefit of the town for eg. the Mayor’s Chosen Charity Fund.

Decision: Recommendation to change the name from the Mayor’s Allowance to the ‘Mayor’s Good Cause Fund’. To be resolved at July full Council.

- The Town Hall Trust must invoice the Town Council for the serviced rented rooms used in the Town Hall inclusive of VAT.
- The Town Council grant to the Trust should be in two annual payments payable in April and September in line with the receipt of the precept payments to the Council.

Decision: Recommendation for resolution to full Council that the Town Council grant is paid in two instalments.

Community Development Fund: Following discussion it was agreed to refer this item to full Council as an agenda item pending further clarification by the Clerk. Members are aware that at least three months' gross expenditure should be retained in the reserves, but is this a legal requirement or just recommended practice? Is it acceptable for £10,000 to be transferred from the reserves for the purpose of this new fund?

16/22. Sage Accounts and Banking update:

The Clerk explained that the transition process of splitting the Trust from the Council and setting up a new Trust account with the bank has been slow, difficult and is still not resolved. This has delayed the separation and although the new Sage account is up and running, it is now not possible to complete the first quarter of the annual VAT return or carry out the monthly bank reconciliations as the Council is still covering expenditure on behalf of the Trust.

16.23: Independent Audit and Annual Return 2015/16 update:

The new independent auditor engaged by the Town Council has signed off the Annual Return for 2015/16 which will now be signed at an Extraordinary meeting of the Town Council on 29 June 2016. Unfortunately, the audit had been delayed due to the original auditor's health problems and the Clerk was permitted an extension by external audit.

The auditor will be providing a comprehensive report to the Council, but the Clerk noted the following points which will need to be addressed: -

- A comprehensive valuation of the Town Hall must be undertaken by a qualified valuer for insurance purposes.
- The asset registers need to be overhauled as currently the insurance cost and not the actual cost of the assets has been recorded although some are unknown due to age.
- Although the Clerk had instructed the payroll provider to set up a new separate payroll for the Trust staff, the advice received was that this was not necessary. The auditor confirmed that the Trust must register separately for payroll for tax purposes and that a new payroll code is required.
- The Trust can register for VAT immediately without a bank account in place.
- The grant to the Trust must be minuted stating which power has been used to facilitate this.
- The actual value of the precept must be minuted.
- A monthly bank reconciliation is required to accompany reports already in place once the accounts have been separated.

16/24. Grant Applications:

The following grant applications were submitted to the Finance Committee by 31 May 2016 as follows: -

South Devon Rail and Road Services (SDRRS) – Vintage Bus. An annual grant of £300.00 has been applied for and granted by the Council in recent years. The Finance Committee now has delegated powers to award grants, but only up to a maximum of £250.00.

Decision: Clerk to offer SDRRS two options i) agree to a £250.00 award which will be presented at the July Town Council meeting or ii) wait for resolution by full Council and receive £300.00 at the September Town Council meeting. Clerk to advise accordingly.

Participate Arts – proposed £250.00

Buckfastleigh Lamb Pie Day – proposed £250.00

SPLASH – proposed £250.00

Decision: All grant applications agreed by the Finance Committee as detailed. To be presented at the July Town Council meeting.

16/25. Items requiring Urgent Attention:

None

Meeting closed at 9.00pm.