

EXMOUTH TOWN COUNCIL

Finance Committee

Meeting held remotely via ZOOM at 6pm on Thursday 12th November, 2020.

Present:

Councillors

A Sadiq (Chairman)

B Bailey.

C Nicholas.

F Cullis.

B Toye. Left at 7.20pm

O Davey.

J Whipps. Left at 7.20pm

L Elson.

S Gazzard.

Officers:

Lisa Bowman, Town Clerk. Julie Gregory, Minute Taker.

Apologies:

None. The Chairman welcomed all to the meeting.

Public Forum:

There were no requests from members of the public to address Members during the public speaking session.

F20/026. Finance Committee meeting minutes

It was proposed by Councillor Frank Cullis, seconded by Councillor Steve Gazzard and unanimously agreed that the minutes from the previous meeting should be approved.

F20/027. Matters arising from previous minutes

None.

F20/028. Declarations of pecuniary interests and dispensations

Item	8:EXE SAILING CLUB
Councillor	Councillor Gazzard
Pecuniary or personal	Personal
Reason	Friend has a very keen interest
Item	8: EXMOUTH YOUTH THEATRE
Councillor	Councillor Brian Toye
Pecuniary or personal	Personal
Reason	Member of Exmouth Players

F20/029. Exclusion of the Press and public

There were no items which necessitated the exclusion of the press and public

F20/030. Report from the Responsible Financial Officer

The RFO reported that there were no areas of concern in terms of the current year income and expenditure budget, but that Members should keep an eye on the share values for the William Adams Westwood Trust Fund as they continue to trade at a low share price, albeit that the investment houses see this as a short term problem and expect the values to pick up again. As an aside, the Council's internal auditor had highlighted the need to review the Trust Fund's investment strategy and this will be put on the agenda for the next Trust Fund Working Party meeting. It was also noted that our IT budget has been exhausted due to putting in working from home technology solutions for staff and dealing with a security breach. It had been anticipated that we would need to purchase a new server but after a rethink, our IT provider is now suggesting a cloud-based solution. There is money in earmarked reserves if we do go ahead with a new server this year, but the advice would be to increase the IT budget for next year if necessary.

The RFO also explained that the balance in the Active Saver account may appear high but it worth reiterating that this balance is made up of our working revenue, general & earmarked reserves, and a small amount of CIL money. Our precept is paid in 2 parts April & September, so the bank account is always healthier in May & September.

Cllrs expressed concern about whether staff had the correct equipment and broadband to facilitate home working. Apart from the RFO and Mollie (who are now both working in the office under social distancing rules), the RFO reported that everyone else is managing well. The RFO also explained that there would be no contribution to staff expenses while working from home as this would be very complicated and time consuming to manage, along with needing a robust audit trail. Instead staff had been advised to apply for a tax code adjustment through HMRC.

Expenditure totals for August, September, and October were noted by Members as follows:

A total of £37,602.16 was expended in August 2020

A total of £44,124.21 was expended in September 2020

A total of £86,411.15 was expended in October 2020

The Committee also noted funds held in the CCLA Sector Deposit Fund and held on behalf of others as follows:

£100,000 had been invested in CCLA Investment on 25th January 2016.

£343,000 had been invested in CCLA Investment on 20th January 2020

Funds held on behalf of others as at July 2020:

Coast Hopper	£7243.20
Patrol Boat	£0.00
Trees for Avenues	£87.11
Garth Gibson Fund	£75.98
Millennium Wood (Cllr B Taylor locality budget)	£40.82
Brixington Improvement Group	£207.60
Beach Wheelchair project	£14,035.83

The Patrol Boat Fund is now at NIL as the funds had been given to Exeter City Council for use with their new River Exe Patrol Boat as agreed by Exmouth Town Council Finance Committee on 13th February 2020.

Charitable trust funds held at end of Sept 2020:

Williams Adam Westwood Trust (provision for charitable residential homes in Exmouth which provide for the elderly sick)	£100,589.24
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Exmouth Projects Trust (provides grants for helping projects within the town of Exmouth, and grants to individuals)	£184.71
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Barratt Bequest (for elderly sick)	£839.45
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Shares held (as at July 2020)

RBS	£6,274.68
Keurig Dr Pepper	£12,511.62
Mondelez	£24,712.23
Kraft Heinz	£4,010.14

Total holding	£47,508.67
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These shares are held on behalf of William Adams Westwood Trust in addition to the cash holding. As Dividend dates vary between companies these can be verified on an as and when basis. Dividends are paid into the relevant COIF Fund.

HM Treasury Stock	
National Savings Bond Trust	= £7,000.00 on behalf of William Adams Westwood Trust

Interest is paid into the relevant COIF fund.

F20/031. To receive and approve the Statement of Income and Expenditure against budget and the payment lists / reconciliation of accounts against bank statements.

A detailed income and expenditure report for the year to date and a list of payments made between August 1st 2020 and October 31st 2020 were noted and approved.

Councillor Steve Gazzard checked the bank reconciliation against the bank statements and the bank balances as of Oct 31st 2020 were noted as follows:

Community Account	£99,547.17
Business Current Account	£5,000.00
Active Saver	£1,408,343.13

F20/032. To review Grant Applications for 2020/21

APPLICANT	PURPOSE	AMOUNT APPROVED
299 SQUADRON EXMOUTH AIR TRAINING CORPS	Contribution towards cost of purchase of a flight simulator	£1,000.00
EXE SAILING CLUB	Contribution towards cost of refurbishment of training room	REFUSED

Applications from 299 Squadron Exmouth Air Training Corps, and Exe Sailing Club were discussed by Councillors and the amounts above were subsequently agreed, Air Corps proposed by Cllr Frank Cullis and seconded by Cllr Olly Davey and the refusal of Exe Sailing Club was proposed by Cllr Brian Toye and seconded by Cllr Brian Bailey.

The RFO reported that she had also received a grant application on Friday 6th November at 5pm from Exmouth Youth Group after the agenda had been issued. The grant application had been emailed to Councillors on Monday 9th November for their perusal and the group were asking for funds of £1,500. Due to a recent decision by the Blackmore Theatre (Exmouth Players) to withdraw its support for the group (offering use of their facilities at a commercial rate) their survival is currently in jeopardy. They are in the process of registering as a CIO and changing their name to the Exmouth Youth Theatre

Despite lockdown the newly named Exmouth Youth Theatre (EYT) have continued to meet up to twice a week via Zoom. For many this was an emotional lifeline during difficult times. After an in-depth discussion Cllr Chery Nicholas proposed £1,500 and was seconded by Cllr Brian Bailey. Delegated authority was given to Cllr Alex Sadiq and the RFO to pay the grant and the application would be put on the next Finance Agenda for formal ratification.

The RFO reported that she had 2 other funding related issues not on the agenda that she wanted to make Councillors aware of and ask if they were happy for her to support them under delegated authority.

- 1) Littleham Community Project supported by the Littleham Community. Cllr David Poor had asked for funding of £400 towards printing & production of a small history book of Littleham that had been written by a resident. The RFO did not see any reason why the Town Council could not support this providing any profits did not benefit an individual. It had not been written for commercial

profit and aimed to share the history of the estate with any profits made being reinvested into Littleham. The Committee agreed; providing that any profits benefited the Littleham Community only. Authority was given to the RFO to arrange payment under delegated powers and it was agreed that the item would be put on the next agenda for formal ratification.

- 2) At the Festival Events Working Party, the Arts Manager had been asked to come up with guidelines & criteria for allocating her non festival budget and to come up with an Arts Grant scheme with support from members to allocate the budget (which is £10,000 per year). The Arts Manager has been talking to 2 community artists who want to do a visual arts Christmas project “Light up Exmouth” in which they would provide packs with everything needed to make stained-glass windows. Their creations could then be put in windows to coincide with the big Christmas sing-along. The Arts Manager wants to commit £1,000 from her budget. All agreed with a prerequisite that the money was spent on materials only. Authority was given to the RFO to arrange payment under delegated powers with the expenditure put on the next agenda for formal ratification.

F20/033. To discuss/agree to the purchase of a pool of tablets/devices for use by Councillors for Council business and agree an associated budget to be taken out of reserves.

The RFO reported that a few Councillors who had older equipment were having difficulty with the two-authentication system and suggested that 5 tablets/devices should be purchased for the use of Councillors for Council business. She had spoken with ACS (our IT specialist) and he had suggested Samsung Galaxy Tab A7 32GB Wi-Fi Androids at a cost of £219 each + £50 per gadget for technical support/set up. Councillors were concerned that these would only have a short lifespan and asked that the RFO investigate the cost of Chrome Book as an alternative. After a discussion, the Committee agreed to give delegated authority of £2,000 to the RFO to source and purchase 5 tablets/devices. Proposed by Councillor Lynne Elson & seconded by Councillor Steve Gazzard.

F20/034. To ratify the use of Town Maintenance reserves to cover the cost of legal expenses associated with the water bottle refill station project.

(Fee estimate Exclusive of VAT and Disbursement = £6,400: £51,046 in reserves)

The RFO explained that because 3 sites were on EDDC land and 1 site on DCC land, a legal licence was required, which we had not been aware of at the beginning of the project. Councillor Sadiq explained that without the legal support the project would have to be abandoned. The Committee agreed that it was a worthwhile project and should be pursued. Councillor Olly Davey proposed, and Councillor Steve Gazzard seconded that £6,400 be taken from reserves for the costs. This was supported by eight Councillors, with one abstention.

F20/035. To ratify the use of Professional Fee reserves to cover the cost of professional expenses associated with the awarding of the Grounds Maintenance contract.

(Costs to be determined: £7,500 in reserves)

The RFO explained that at all clerks' forums that she had attended, it was advised that Councils should seek legal advice where needed it was felt that the Grounds Maintenance Contracts TAFF would benefit from professional help, especially as EDDC had cited a potential TUPE issue in relation to employees who are currently engaged in the servicing of the Grounds Maintenance contract and who would potentially need to be transferred over to any new contract that we award under TUPE. There is also complex contract legislation that we have to adhere to. A consultant had been identified and costs were estimated to be around £1,000. Cllr Alex Sadiq proposed, and Councillor Nicholas seconded that £1,000 be used from reserves for professional advice. This was agreed by all.

F20/036. To note correspondence from the Council's internal auditor, Thomas Westcott Chartered Accountants, in respect of the findings of a remote interim review of the Council's financial records.

The outcome of the internal audit was noted.

F20/037. To receive and discuss the first draft of the Council's revenue budget for 2021/22.

The RFO reported that along with the Chairman of the Town Council she recently had attended a zoom DALC meeting. It had been flagged up that the Council's tax base would potentially be adversely affected by the Covid-19 virus because it is expected that the number of people seeking benefits will increase along with the number of people claiming exemptions. This would mean that even if the Council wished to set its revenue budget at the same level as last year, it is likely that this would represent an increase for our residents, because the Council Tax base will be lower. The Council had been reluctant to put up the Council Tax in previous years and with additional financial pressure on so many due to Covid-19, the RFO highlighted the need to agree a sensible and sensitive budget. It was noted that the Council is in a fortunate position in that its reserves are healthy, and we are able to dip into them to maintain services in the Town if necessary.

It was agreed that the RFO would arrange an informal meeting with all Councillors to discuss the budget in detail.

F20/038. Date of next meeting

To be advised.

The meeting concluded at 7.45pm

Signed.....

Date.....

(Chairman)