

EXMOUTH TOWN COUNCIL

MINUTES OF A MEETING OF THE FINANCE COMMITTEE HELD IN THE COUNCIL CHAMBER, TOWN HALL, EXMOUTH ON 9TH JANUARY 2012 AT 7.00PM

PRESENT:

Councillors:	R Turner	(Chairman)
	D Chapman	J Mitchell
	B Cole	M Mitchell
	T Cope	I Stewart
	T Dumper	P Stott
	V Duval-Steer	S Sutton (Ex-Officio)
	L Elson	B Taylor
	P Graham	E Wragg
	A Greenhalgh	S Wragg
		M Williamson

APOLOGIES: Cllr B Nash

The Chairman then adjourned the meeting to allow for public speaking in accordance with the decision of Committee held on 10th October 2011.

Public Speaking

Statements containing questions were then made by:-

Mr G Morris – Concerning duplicate payment to Tourist Information Centre.

M R Benford – Concerning the payment being held by the TIC and not immediately returned.

Mr R Roberts – Stating that questions previously asked had in the main still been unanswered.

Mrs J Haywood – Concerning actions of the TIC.

The meeting was then reconvened.

F40 MINUTES OF THE MEETING HELD ON 21ST NOVEMBER 2011
The Minutes of the meeting held on 21st November 2011 were approved and Signed as a correct record subject to the removal of the duplication of Cllr Malcolm Mitchell's name from the Councillors present list.

F41 URGENT BUSINESS
None

F42 EXCLUSION OF PRESS AND PUBLIC

There were no items on the agenda that required exclusion of the press and public.

F43 ACCOUNTS SUB-COMMITTEE

The Chairman of the Accounts Sub Committee Councillor Lynne Elson then moved the minutes of the meeting held of the Accounts Sub-Committee held on Tuesday 20th December 2011 seconded by Councillor Stott.

The Chairman of the Sub-Committee made the following statement on moving the minutes:-

‘In my view:

- The meeting was open, transparent with the public able to attend
- All relevant papers were made available and members of the sub- committee were given the opportunity of seeing those papers if they wished
- The SLA process was clearly explained by the Accounts Administrator together with the new processes put in place with regard to both SLA’s and payments over £500
- Once the overpayment to the TIC was found the Chamber was informed
- Following a meeting regarding the TIC on the 23rd October 2011 a letter was written to the Chamber on the 24th October 2011 requesting repayment of the £5,000
- At the time payment was made we were not aware of the financial difficulties of the TIC or that the SLA would not be renewed. Indeed provision had been made in the 2011 budget for this purpose and it was likely that the SLA would have been renewed although probably on a different basis. The payment therefore would be seen as being made in GOOD FAITH
- TIC’s are generally subsidised as they are seen as a public service and EDDC provide the building rent free. It would therefore be expected that support would be provided by local councils

For all these reasons I would like to recommend to council the recommendations and findings of the Accounts Sub Committee namely:-

- Add sections in Financial Regulations to cover payments not paid against invoices such as Service Level Agreements and Grants;
- Provide an operations manual for the Council’s financial processes based on a model which will be provided by Councillor Ian Stewart to provide added resilience to financial processes in case of the absence of responsible staff;
- Requirement of immediate reporting to Finance Committee if a duplicate payment is detected;
- Review of Financial Regulations to be carried out in the forthcoming year.

The questions which had been raised by Ron Roberts at the last meeting of the Finance Committee were considered to have been answered by this review, in particular that no malpractice had taken place and that steps were being taken to remove the opportunity for this kind of error being repeated’.

A debate then ensued when further questions were asked concerning the £5,000 double payment to the Tourist Information Centre and how this had been handled. It was pointed out that the matter had been delegated to the Accounts Sub-Committee and that there was no point in going over the whole issue again when the Sub-Committee had done its job.

A disturbance from the public gallery then resulted in the person concerned being given a warning by the Chairman that he would be asked to leave the meeting if he continued to speak. When the disturbance continued the Chairman adjourned the meeting. Once the person agreed not to interrupt the meeting again the meeting was reconvened.

The actions proposed by the Sub-Committee were then considered and put to the vote.

RECOMMENDED that

- (a) the steps already taken to prevent a recurrence of the error were appropriate and helpful and**
- (b) that sections be added to the Financial Regulations to cover payments not paid against invoices such as Service Level Agreements and Grants;**
- (c) An operations manual be provided for the Council’s financial processes based on a model provided by Councillor Ian Stewart to provide added resilience to financial processes in case of the absence of responsible staff;**
- (d) a review of financial regulations be carried out in the forthcoming year;**
- (e) the question which had been raised by Mr Ron Roberts at the last meeting of the Finance Committee were considered to have been answered by this review in particular that no malpractice had taken place and that steps were being taken to remove the opportunity for this kind of error being repeated.**

Councillor Malcolm Mitchell seconded by Councillor Ian Stewart moved an amendment to add the following words:

- ‘(f) Due to the growing concerns of some Councillors on Exmouth Town Council, which have also been expressed by members of the public, as well as representatives of residents’ organisations, an independent investigation be carried out into the overpayment of £5,000 by Exmouth Town Council to the Tourist Information Centre to be chaired by a senior officer from another Principal Council or other Public Body which has not already been involved or consulted in this matter;**
- (g) that the investigation should include the actions of the TIC and Chamber of Trade and Commerce after the overpayment had been made and why the £5,000 was retained by the TIC;**

(h) the findings of the investigation be presented to the public and any questions to be allowed from Councillors and electors who wish to ask them.

RESOLVED that

(i) the Accounts Sub-Committee to meet before the next Council meeting to look at costs of an independent investigation and who should be requested to carry this out.

A further amendment by Councillor Mark Williamson and seconded by Councillor Greenhalgh was moved 'that the matter of an independent investigation be referred to the Accounts Sub-Committee and look at the role of internal and external audit to ensure procedures conform to the codes of practice'

On a vote being taken this was declared lost.

The original amendment was then put to the meeting which was in itself amended by the addition of words 'be costed and may then' after '...investigation - proposed by Councillor Cope and seconded by Councillor L Elson. The amendment as further amended was then adopted:-

RESOLVED that

(j) the Accounts Sub-Committee to meet before the next Council meeting to look at costs of an independent investigation and who should be requested to carry this out.

Notes:-

(i) Councillor Sutton declared a personal interest as her partner is Chairman of the Chamber of Trade and Commerce.

(ii) Councillor Greenhalgh declared a personal interest as she is a friend of the Chairman of the Chamber of Trade and Commerce.

F44 BUDGET 2012/13

The Committee had before it a copy of the report Draft Budget referred from the last meeting with the recommended budget for 2012/13.

Adjustments had been made to reflect the increased tax base for the year as notified by East Devon District Council.

The Committee considered the budget detail schedule page by page.

It was proposed that £16,000 should be allocated from balances to be used to provide a street cleaner with a van and that a budget code be set up for the purpose. The amount set aside for moving to balances in the sum of £39,617 to be reduced to £23,617.

RECOMMENDED that:-

- a) a budget code be set up for Street Cleaning in the sum of £16,000 and the amount budgeted for increase to balances be reduced to £23,617.
- b) the precept for the year 2012/13 be set at £403,770 equivalent to a band "d" precept of £30.00.
- c) the town clerk and staff be thanked for the considerable work necessary in preparing the budget documents for the Council.

F45 EXCESSIVE RISES IN COUNCIL TAX – APPLICATION OF LOCAL REFERUNDUM

The Committee received and **NOTED** a copy of advice from NALC that the Secretary of State does not propose to apply referendum requirements on Town and Parish Councils for 2012/13 in respect of ‘Excessive’ Council Tax Increases.

F46 COUNCIL INSURANCES – INCREASE IN EMPLOYEE DISHONESTY INDEMNITY (MIN f35 – 11/11)

The Committee were informed and **NOTED** that the increase in indemnity had been applied to £390,000 in accordance with internal Audit Advise and the request of this Committee. This has not resulted in any increase in premium.

F47 QUEENS DIAMOND JUBILEE

The Committee considered the costs of providing two specimen trees with plaques in Phear park to recognise the Jubilee in accordance with the request from the Regeneration and General Purposes Committee.

RESOLVED that a supplementary estimate in the sum of £1,600 be authorised from balances to provide and plant two trees in Phear Park.

F48 Grants - Thank You Letters

It was reported that thank you letters had been received from the following organisations in respect of grants paid this year:-

- Exmouth and Budleigh Salterton Scout District towards Queens Jubilee Celebration camp
- Crime Stoppers
- Headway – Devon
- Littleham Leisure Centre
- TS Exmouth

The meeting closed at 8.46pm

SIGNED.....

Chairman

DATED.....