

MINUTES OF THE MEETING OF THE **FINANCE & AUDIT COMMITTEE** HELD ON **WEDNESDAY 7TH NOVEMBER 2018** AT 7.00 P.M. AT THE TOWN HALL, GREAT WESTERN HOUSE, 9 DEVON SQUARE, NEWTON ABBOT

PRESENT: Councillors C N Parker (Chairman) Presiding
D Corney-Walker (Vice-Chairman)

Councillors Mrs C Bunday M Joyce
Mrs J Cleave K Purchase (Mayor)
C Coyle-Moore Ms L Roberts
R Hayes M E Ryan
M Hocking Mrs L Sheffield
D Howe T Ward

Officers in Attendance: Phil Rowe – Town Clerk
Sam Scott – Deputy Town Clerk
Alex Robinson – Committee Administrator

260. **APOLOGIES**

Apologies for absence were received on behalf of Councillors Richard Jenks and Mrs Ann Jones and Mrs Sally Henley Town, Development Manager.

261. **INTERESTS**

Councillors Mrs Lesley Sheffield and Mike Hocking gave notice of their intention to declare an interest in Minute 265 E (3) and (4) respectively.

262. **MINUTES**

The minutes of the meeting of the Finance & Audit Committee held on 4th July 2018, were received and signed as a correct record.

263. **PUBLIC PARTICIPATION**

None.

264. **SUB COMMITTEES/WORKING PARTIES/FORUMS**

(i). STRATEGIC PLANNING FORUM – 18th JULY 2018

Arising from the consideration of the report of the meeting it was,

RESOLVED that the minutes of the Strategic Planning Forum – held on 18th July 2018 be hereby approved and adopted.

265. **INCOME AND EXPENDITURE**

A. INCOME & EXPENDITURE STATEMENTS

The Committee received the Income and Expenditure Statements for June, July, August and September 2018 (previously circulated). The Deputy Town Clerk advised that there had been no questions in advance and therefore the Chairman invited questions from Members. The Clerk explained the additional income such as from the loan raised by the Public Works Loans Board would be separated, as ear-marked for the Newton's Place

Project and did not form part of the revenue fund from the Council's Precept. Members appreciated the supplementary papers prepared by the Deputy Town Clerk, previously supplied, which identified the larger expenditure items made by the Council and a breakdown summary of expenditure and income on Newton's Place. Members thanked the Deputy Clerk for the valuable additional information.

30th June 2018

Opening Balance	£ 458,652.25
Misc. Income	£ 17,444.25
Total Income	£ 476,096.50
LESS:	
Expenditure	£ 54,465.64
TOTAL EXPENDITURE	£ 54,465.64
BALANCE 30th June 2018	
Business Call & Current Account:	£ 421,630.86

Balances as at 30th June 2018

Current Account	10,650.00
Business Call Account	410,980.86
Petty Cash Account	200.00
Total Cash in hand at bank	£ 421,830.86
Total:	£ 421,830.86

31st July 2018

Opening Balance	£ 421,630.36
Misc. Income	£ 25,445.79
PWLB deposit	£ 799,720.00
Electors Fund grant (Newton's Place)	£ 21,808.00
Total Income	£1,246,796.65
LESS:	
Expenditure	£ 140,201.03
TOTAL EXPENDITURE	£ 140,201.03
BALANCE 31st July 2018	
Business Call & Current Account:	£1,106,595.62

Balances as at 31st July 2018

Current Account	£153.01
Business Call Account	£1,106,442.61
Petty Cash Account	200.00

Total Cash in hand at bank £1,106,795.62

Total: -----
£1,106,795.62

31st August 2018

Opening Balance £1,106,595.62

Misc. Income £ 1604.73

HLF Payment £ 28,614.35

VAT return, (1st quarter) £ 10,951.95

Total Income £1,147,766.65

LESS:

Expenditure £ 61,968.90

TOTAL EXPENDITURE £ 61,986.90

BALANCE 31st August 2018
Business Call & Current Account: £ 1,085,797.75

Balances as at 31st August 2018

Current Account	£110.00
Business Call Account	£1,085,687.75
Petty Cash Account	200.00

Total Cash in hand at bank £ 1,085,997.75

Total: -----
£ 1,085,997.75

30th September 2018

Opening Balance £ 1,085,797.75

Misc. Income £ 5993.49

Second tranche of Precept £ 413,998.00

Total Income	£ 1,505,789.24
LESS:	
Expenditure	£ 178,330.19
TOTAL EXPENDITURE	£ 178,880.19
 BALANCE 30th September 2018	
Business Call & Current Account:	£ 1,327,459.05

Balances as at 30th September 2018

Current Account	£	122.50
Business Call Account	£	1,327,336.55
Petty Cash Account	£	200.00

Total Cash in hand at bank **£ 1,327,659.05**

Total: **£ 1,327,659.05**

Accordingly, it was,

RESOLVED that the statements of income and expenditure for June, July, August and September 2018 as submitted to the Committee be hereby approved and signed by the Chairman of the Finance and Audit Committee.

B. FINANCIAL BUDGET COMPARISON

The Committee received and approved the Financial Budget Comparison summary and report which detailed Income and Expenditure by Account for the period 1st April – 30th September 2018 (previously circulated). Following a discussion, accordingly, it was;

RESOLVED that the budget and accounts report as detailed by Account be hereby, approved and signed by the Chairman of the Finance and Audit Committee.

C. PROPOSED BUDGET 2019/20

The Chairman invited Members to consider the proposed budget for the Finance and Audit Committee for 2019/20. The Clerk explained the additional insurance required to be undertaken by the Council during the construction contract to ensure satisfactory cover for the contract, materials and sub-contractors as advised by the Council's Insurers. Members agreed that the budget should remain as a stand-still budget subject to inflationary rises where applicable. Following discussion, it was;

RESOLVED that the proposed budget for the Finance and Audit Committee be hereby approved and adopted as a budget of **£57,400** for 2019/20.

D. PROPOSED BUDGETS FOR 2018/19 REFERRED FROM OTHER COMMITTEES, SUB-COMMITTEES AND WORKING GROUPS

The Committee received and noted the proposed budgets for the following Committees, Sub-Committees and Working Groups:

- a) Community Engagement Group - Newton In Bloom budget of **£18,000**;
- b) Community Engagement Group - Museum budget of **£32,800**;
- c) Events Sub-Committee budget of **£19,000**
- d) Community and Heritage budget of **£25,000**
- e) Policy and Resources budget of **£511,013**

Following consideration, Members noted and approved all the budgets listed a) to e) Arising from the discussion it was;

RESOLVED that the proposed budgets listed as a) to e) above be hereby approved and adopted.

E. GRANT APPLICATIONS – NOVEMBER 2018.

The Chairman invited Members to consider applications for Grants and Financial Assistance, a summary of which had been previously circulated. The differing financial contribution was clarified as a Grant being awarded for a specific project or task and Financial Assistance to support ongoing running costs. It was noted, that whilst the Council was pleased to be able to offer such assistance to local groups, that some had not made an application and concern was expressed that this may be an omission on their part.

The Committee received the following Applications for consideration:

Grants

- | | |
|--------------------------------------------|---------|
| 1. Newton Abbot & District Society of Arts | £600.00 |
| 2. Eloise Rokirilov | £250.00 |

Financial Assistance

- | | |
|-------------------------------------|----------|
| 3. Citizens Advice Teignbridge | £2500.00 |
| 4. Newton Abbot Community Transport | £2500.00 |

Following consideration, it was

RESOLVED that

- (a) Applications for **Grants** listed as 1. and 2. be hereby approved and
- (b) Applications for **Financial Assistance** listed as 3. and 4. be hereby accepted;

Councillors Mrs L Sheffield and M Hocking having declared personal interests on 3 and 4 respectively abstained from the discussion and voting thereon.

266. ANNUAL GOVERNANCE & ACCOUNTABILITY RETURN 2017/18

The Chairman referred Members to the Annual Governance and Accountability Return 2017/18 and informed Members that this was the first year the External Auditor PKF Littlejohn had audited the Council's Accounts and Governance Statement. The Clerk

referred Members directly to the Final Report and highlighted that the External Auditor had noted no matters affecting their decision in which to draw to the attention of the authority. Members expressed their appreciation to the Deputy Town Clerk for her efforts in the preparation of the accounts for the Auditor and commended her on achieving an excellent response. Accordingly, it was:

RESOLVED that the **Annual Governance & Accountability Return for 2017/18** be hereby approved and adopted.

267. **INTERNAL AUDIT REPORT 2017/18**

The Chairman invited the Deputy Town Clerk to advise Members of the outcome of the Internal Audit Report 2017/18. Mrs Scott reported that the Internal Audit Report had been received earlier that week but she had raised some discrepancies with the report and awaited an amended version from the Auditor. Once this had been received she would circulate to Members and the report would be deferred to the Meeting of the Full Council on 21st November 2018 for consideration and approval. Accordingly, it was:

RESOLVED that the **Internal Audit Report 2017/18** be hereby deferred to the Meeting of the Full Council on 21st November to be considered and adopted.

268. **COUNCIL TAX SUPPORT GRANT (CTSG) 2019/20**

The Chairman referred to Minute 18/10(257 C) in which the Deputy Town Clerk had advised Members of the cessation of the Council Tax Support Grant from 2019/20 and invited the Town Clerk to update further on the matter.

The Town Clerk confirmed that the Council had received notification that the Council Tax Support Grant would cease entirely in the next financial year and no further payments would be received.

Members expressed their disappointment that District Councillors had not been made aware of this decision as it had been expected to reduce proportionately until its cessation in 2020/21. The Council had acted upon the original advice from the District Authority and taken the prudent steps in the preparation of the budget last year by raising the Precept by one third of the value of the grant funding to lessen the direct impact to residents of Newton Abbot.

The Committee expressed their concern on the impact that this would have on the Council's budget requirements, which would now necessitate a rise in the Council's precept requirement for 2019/20 and future years to account for the early cessation of the Council Tax Support Grant. It was noted that the CTSG had a greater benefit to the larger town and parish councils and would directly affect residents across the Teignbridge area. The matter would be considered further at subsequent budget meetings in the preparation of the 2019/20 budget. Members were reminded that the Council's precept was entirely revenue funding and the income from the Community Infrastructure Levy (CIL), was a capital receipt and could not therefore be used to offset the deficit from the cessation of the Council Tax Support Grant. Following a considered discussion among Members, accordingly it was;

RESOLVED to note the cessation of the Council Tax Support Grant for the year 2019/20 and to delegate authority to the Town Clerk to seek clarification from the District Authority on the Council Decision to cease future Council Tax Support Grant Payments.

269. **WAR MEMORIAL**

The Chairman invited the Town Clerk to update Members further to Minute 18/10/(252) as raised at the Policy and Resources Committee on 31st October 2018.

The Clerk reminded Members that the War Memorials Trust had offered a grant of up to £15,000 (which amounted to 21% of the estimated cost) for the restoration of the town's War Memorial. The Clerk added that there were two additional grants, provided by the Heritage Lottery Fund that may be applied for and there would be CIL income that would meet the necessary costs. Members endorsed the preparatory work undertaken to date and expressed their commitment to refurbish the War Memorial. Following discussion, accordingly it was;

RESOLVED that a) the Finance & Audit Committee noted the delegated authority as given by the Policy & Resources Committee on 31st October 2018 and b) that the cost of the restoration of the War Memorial would be funded by the grant funding from the War Memorial Trust and any other available grant funding and be further supplemented by CIL income received by the Council, thereby having no affect on the Council's Precept.

270. **NEWTON'S PLACE PROJECT - UPDATE**

The Chairman invited the Town Clerk to provide an update to Members on the key areas of the Project. The Clerk noted that Members had received regular updates on the Newton's Place Project, but he highlighted the following key points:

- The Construction Contractor, Pollards had started their mobilisation operation;
- The Construction Contractors were due to start on site on 19th November 2018;
- The first project management meeting with the construction team and professional services would take place at the Town Hall on 13th November, with all future meetings taking place on site;
- The first phase would be the repair and refurbishment of the roof;
- The increase to the Construction Contract as approved by Council would be funded from CIL income and thereby make no affect on the Council's Precept;
- The Organ had been removed and the remaining void had made a significant contribution to additional space for the Museum Design;
- The land adjacent to Newton's Place had been purchased by the Council and the Clerk had received confirmation of title ownership from the Land Registry;
- The Policy & Resources Committee had received a recommendation from the Project Board to retain the name for the building as Newton's Place and as such a recommendation would be made to Full Council on 21st November 2018.

The Chairman thanked the Town Clerk for his update and for the continued work of the project group, to which the Chairman of the Project Board added his sincere thanks to the officers, Museum volunteers and members of the Project Board for their valuable commitment and effort to the project. Following a considered discussion among members, accordingly it was:

RESOLVED that the verbal update from the Clerk on the Newton's Place Project be hereby, noted.

271. **LATE CORRESPONDENCE**

None.

272. **DATE OF NEXT MEETING**

The next meeting of the Finance & Audit Committee would be held on Wednesday 16th January 2019.

Chairman