

HAYWARDS HEATH TOWN COUNCIL

POLICY AND FINANCE COMMITTEE

Minutes of the meeting held on Tuesday, 27th June 2023

A.M Cooke (*Chairman*)
S. Walsh (*Vice Chairman*)
A. Bashar
R. Cromie **
P. Lucraft
A.M Lucraft
A. Murray
A. Rees

* Absent ** Apologies

Before the meeting commenced formally Mrs Anna Sharkey from the Bentswood Hub attended the meeting to make representation on item 14 on the agenda regarding funding for the Hub and to update on the unfolding situation with the management of the Hub following Sussex Clubs for Younger People going into administration.

Also present: Councillor: Town Clerk, Responsible Financial Officer (RFO)

1. Apologies

R. Cromie – Holiday

2. Minutes

The minutes of the meeting held on Monday, 13 March 2023 were taken as read, confirmed as a true record and duly signed by the Chairman.

3. Substitutes

S. Ellis for R. Cromie

4. Members' Declarations of Interest

There were none.

5. Lists of Payments and Receipts, and Income and Expenditure Report for the Period 1st January 2023 – 31st March 2023

The Responsible Financial Officer (RFO) presented the Lists of Payments and Receipts, and Income and Expenditure Report for the period 1st January 2023 – 31st March 2023 to complete the paperwork that accompanied the end of year 2023 audit requirements. The RFO then explained that what Councillors had before them was list of all payments and receipts in and out of the Town Council, which were generated on a monthly basis, alongside a management income and expenditure overview, by a bespoke financial and accounting package. The RFO then welcomed questions.

- It was asked, referring to cash book one current reserve, how Councillors would know what payments were for and were the payments to be taken on trust? The RFO said the payments were regular direct debits in place to enable the efficient running of the Town Council. The sales receipts were those paid by hirers for the letting of the Town Hall. Paperwork to back the payments were held in the office and Councillors were always welcome to come into the Town Hall and review as they are for any matter for the Town Council. Staff obtain the invoice and load in

line with budgets set and financial regulations. Furthermore, two of four councillors sign off payments and the Town Mayor and Deputy Mayor should check the bank reconciliations on a monthly basis so there was a robust system in place which was in line with audit guidance. The Chair indicated that she had undertaken finance training as suggested by the trainer she intended to attend the mid-year audit to understand the process.

- Procurement processes was questioned. An example being the process to appoint Drivepoint Construction to undertake works to repair the Cemetery Driveway. The Town Clerk pointed Councillor to the Council's Standing Orders and Financial Regulations to see the procurement levels and authorisation sign off levels. With regard to payment to Drivepoint Construction the Town Clerk explained he obtained three quotes then wrote a report for the Chair and Vice Chair of the appropriate committee to sign off. This report was held for inspection.
- Payments on the NatWest credit cards were questioned in terms of how many cards there were and if there was a breakdown of payments. It was confirmed that there were three cards with a total limit of £4,500 and break downs would be presented. It was also noted that the Credit Cards replaced petty cash so larger payments could be made without staff needing to be re-imbursed. The finance administration breaks down the payments and apportions them to budget with the appropriate paperwork.
- Grant for the purchase of a defibrillator was questioned. It was noted that it was a Bentswood Ward budget purchase and had been passed to the Bentswood Community Partnership to place and register.
- HMS prison and Probation Service £9,000 for plants. It was noted that due to the grounds maintenance team planting the Town biannually (summer and winter), the Town Council purchase the plants from HM Ford Open Prison as the cost offers good value and volume purchased is difficult obtain elsewhere.
- The payment of £200 towards St Wilfrid's Church clock. It was noted that the clock was purchased by public subscription making it a public asset. The payment was towards annual maintenance. The Church pays a considerable amount towards the clock and the Town Council on occasion, as it did last year, grants towards major repair work.
- CCTV maintenance and service charges. It was explained that the Town Council pays for maintenance and service charges to Mid Sussex District Council alongside the other two Councils in Mid Sussex. Then the monies are paid to Sussex Police who hold the overarching contract. At the present time, as reported to the Environment and General Purposes Committee, the contracts have expired so the budget will be exceeded due to rise in costs this year. It was hoped that Sussex Police can strike a new deal with the service providers in the coming months.

With no further questions being raised;

Members **RESOLVED** the lists of payments and receipts, and the income and expenditure report for the period 1st January 2023 – 31st March 2023.

6. **Bank Balances and Bank Reconciliation Statement as at 31st March 2023**

It was explained that this item would be tabled at each meeting as proof that the bank account was being reconciled every month. Members were again reminded that the account is open

to inspection at any time. It was asked what the average balance was, whilst acknowledging it was expected to be high in line with receipt of the precept. It was stated that this average would be £1.1 million pounds so the Town Council's fidelity insurance, that protects the Town Council from theft of monies by officers, had been raised to the stated amount recently. It was felt that the money held in the account would not attract a good rate of interest so it was asked that the movement of money to another bank so to attract a better rate be looked into. This was noted, but it was stressed that the money needed to be accessible and previous endeavours had been made to place money in fixed bonds.

Mention was made of a loan owing to the Public Loans Work Board totalling £57,500 in the audit report, which did not appear in the accounts. It was noted that the loan of £150,000 was taken by the Town Council in 2007 and passed directly to Ashenground Community for the building of their building as a grant.

It was asked who the loan was in the name of. It was confirmed that it was in the name of the Town Council. As a result, it was stated that the Town Council was liable for the loan so it questioned why it did not show in the accounts. In response it was felt that the loan was taken as income then paid straight out. It was felt that this was irrelevant as the Public Works Loan Board could come to the Town Council and ask for repayment. Like the fixed asset the loan would be on the liabilities register and would not be lost. It was agreed that the liability and how it was accounted was confusing and that the best way would be attending the mid-year Internal Audit to understand. Members noted that research had been previously look into with regards to paying the loan back early but the early payment fines made such not a financially viable option and would be more so with higher interest rates.

It was then asked if the loan would stop the Town Council taking further Public Works Loans. It was stated that this would not be the case as other Councils had numerous loans with the same organisation. It was asked whether Ashenground pay any money towards the repayment. It was stated they did not, as agreed when the loan was taken.

Members **RESOLVED** the **bank balances and the reconciliation statement as at 31st March 2023.**

7. Income and Expenditure Account, and Balance Sheet for the Year Ended 31st March 2023

It was asked why bank balances were better than last year. It was explained that simply the Town Council spent less than against income. As the balance sheet dated back to April 2022 there was an effect on Town Hall income due to the return to normal service after Covid, but in turn the Town Council did not expend as much money on other services and events. In line with this Members were reassured that the Internal Auditor was happy with the Council's reserves and income and expenditure. It was asked if some restricted reserve could be moved around for new projects. This was confirmed and was in the new Council's gift to do so. It was asked what the capital budget was for? It was explained that the budget set each year was used for new vehicles and new equipment and projects around the Town Hall. So, in effect it was a sinking fund for such and any yearly underspend was transferred to the reserve to build it up for unforeseen expenditure, with this;

Members **RESOLVED** the **income and expenditure account and the balance sheet for the year ended 31st March 2023.**

8. Annual Governance and Accountability Return (AGAR) for the Year Ended 31st March 2023 and Annual Internal Audit Report 2022/23

The report from the Internal Auditor, which showed a clean bill of health with no matters being raised was presented. It was confirmed, on questioning, that the report would go to the External Auditors. The RFO was commended for the report, then;

Members **RESOLVED** the **Annual Internal Audit Report 2022/23.**

9. Annual Governance (AGAR) for the Year Ended 31st March 2023: Section 1 – Annual Governance Statement 2022/2023

The RFO explained that the series of questions posed to the Council in Section 1 as presented needed to be answered yes with any that could not be fully explained. Members were pleased that all were answered as yes, and without comment;

Members **RESOLVED** to **approve the Annual Governance Statement (Section 1) 2022/23.**

10. Annual Governance and Accountability Return (AGAR) for the year Ended 31st March 2023: Section 2 – Accounting Statements 2022/23

Members considered the end of year accounting figure work as produce by the Council's accounting system and without comment;

Members **RESOLVED** to **approve the Accounting Statements 2022/23.**

11. Asset Register for the Year Ended 31st March 2023

Members reviewed the Asset Register and felt that it needed an overhaul to remove and write those items off that were labelled as stolen and items that were out of date. This would result in a clean and up to date version of the document for any insurers to look at. It was asked if the auditors looked at the register, but it was stated that the Internal Auditor may review it on occasion.

Members **RESOLVED** to **adopt the asset register as at 31st March 2023.**

12. Grants

Members had five grant applications to consider with all five being approved in line with the funding requested as recommended by the ECO officer. It was asked if Members received all applications or those deemed presentable by officers. It was confirmed that all grants would be put forward with recommendations as Members ultimately make the final decision. Members noted, in each instance, the excellent work the organisations do within the community and the support they give residents of the Town;

Members **RESOLVED** to award;

- a) **a grant of £750 to Share Haywards Heath to assist with purchases and start-up costs. *With condition that the money is not paid until the organisation confirms where it will be based within Haywards Heath.***
- b) **a grant of £500 to Mid-Sussex Voluntary Action towards marketing costs.**
- c) **a grant of £250 to The Dame Vera Lynn Children's Charity towards running costs.**

During debate it was agreed that the level of funding for each criteria be reviewed as it was not deemed prudent to break existing Town Council policy. As a result, it was agreed that such would be considered at the next meeting of the Committee.

13. Ward Budgets

Members noted the report and the complication with financial allocation that had arisen from the new Ward boundaries that took effect from the 4th May 2023, which meant that the wards in the Town had risen from five to nine and made some with single councillor placement with others having three. This made the apportionment of monies difficult. Members then considered whether to continue Ward budgets, which was unanimously agreed then discussions turned to how the monies was apportioned.

It was felt that problems had existed in the past due to disagreements due to political difference, but when there had been good causes money had been put together. Therefore,

it seemed sensible for individual allocations of money to made. It was moved and seconded with unanimous Member agreement that individual Member's budget be apportioned at £312.50 per Councillor and overarching pooled budgets of £1,500 for five areas Haywards Heath North East, North Central and North West, Haywards Heath Franklands, Haywards Heath Ashenground, Haywards Heath Lucastes and Lucastes Boltro and Haywards Heath Bentswood and Heath East and Bentswood and Heath West be introduced.

Members **RESOLVED** to retain Ward Budget expenditure policy and make allowance for the following resulting in an increase to the budget of 25% totalling £2,500 for the 2023/2024 financial year and onwards for the duration of the term of this Town Council, to be met from the general reserve.

- i. a budget of £312.50 to be administered by Councillors individually.
- ii. Pooled budgets of £1,500 in the following five areas of the Town.
 - a. Haywards Heath North East, North Central and North West.
 - b. Haywards Heath Franklands.
 - c. Haywards Heath Ashenground.
 - d. Haywards Heath Lucastes and Lucastes Boltro.
 - e. Haywards Heath Bentswood and Heath East and Bentswood and Heath West.

At this point the meeting reach two hours in duration so Members RESOLVED to carry the meeting on in line with Standing Orders.

14. **Bentswood Hub**

In light of the presentation made at the beginning of the meeting regarding the Bentswood Hub (Hub), Members raised concerns around the future arrangements for the Hub in light of the difficult situation they faced due to the failure of Sussex Clubs for Younger People. Members were sympathetic to these issues and there was an overwhelming support the Hub along with a willingness to make a financial contribution. However, Members asked that the Town Clerk talk to Clarion Futures who seemed to be the lead organisation working to save the Hub as they needed to be assured that the body receiving the monies was an appropriate organisation. This was coupled with the fact that there were too many unknown issues outstanding at the time of the meeting and the matter was being dealt with sensitivity to ensure that there wasn't mis-communication of panic in the community from those who relied on the Hub. This would be with a view to understanding how Clarion Futures were going to deal with the matters in hand and try to understand the governance process they would have to go through with regards to legalities such as the lease for the building, insurance and employment issues. It was acknowledged that the legalities would take some time to get in place even in light of the urgency of the matter. It was noted that the matter could be returned to the Committee, go to Full Council on the 24th July 2023, or if urgently required, to an extra-ordinary meeting of the Committee, which could be called with five day's notice by the Chair. It was asked if any monies awarded could be used elsewhere in the organisation. This was confirmed as the Town Council had not made a formal resolution of how much money to award, who to and what for. Members then agreed in principle to the £6,000 award and suggested that they may be willing to increase the amount. This would be based on an appropriate body taking the monies. As an aside, the Town Clerk was asked to offer the Town Hall to support the organisation as they were found to be without a venue and also the food larder provided at the Hub.

Members **RESOLVED** to earmark £6,000 to enable the continuation of the Bentswood Junior Club during the 2023/2024 financial year, which would be released to the appropriate organisation body that takes over the management of the Hub. This would be by approval by the Committee.

14a. **Policy and Finance Business Plan**

It was asked, was it prudent to cut the Warden hours? It was explained that the funding model had been complicated by the funding nationally by the Co-op who had put £10,000 into the project annually since its inception. This coupled with the fact the Haywards Heath did not suffer considerably from anti-social behaviour that the work of the Warden could be achieved in twenty-four hours per week and there was the ability to get extra hours. Without further comment.

Members **RESOLVED** to adopt the Policy and Finance Committee Business Plan.

14b **Items Agreed as Urgent by the Chairman**

There were none.

The meeting closed at 9:56pm.