



HEXHAM TOWN COUNCIL

I GIVE NOTICE that an online meeting of the Finance and General Purposes Committee will be held on 3 November 2020 at 6.30pm, when the following items will be discussed:

A G E N D A

1. Apologies for absence.
2. To receive minutes of the Finance and General Purposes Committee meeting held on 23 September 2020, enclosed.
3. Matters arising, if any.
4. Declarations of interest (see enclosed).
5. To receive bank reconciliation and budget income and expenditure report to 30 September 2020 (attached).
6. To consider the 2021/22 Committee budget (see enclosed).
7. To review and update the Member/Officer Relations Protocol (see enclosed).
8. To consider and recommend Council re-adopt the financial risk assessment (see attached).
9. To agree exclusion of the public during consideration of agenda item 10.
10. To consider funding applications received.
11. To agree a date for the next meeting of the Committee.
12. Any urgent matters at the Chairman of the meeting's discretion. (*Matters to be raised under this item should be written out (if possible) and given to the Chairman of the meeting or the Clerk before the meeting begins.*)

Jane Kevan
Town Clerk
28 October 2020

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H agenda 1120 FandGPCommittee

HEXHAM TOWN COUNCIL

MINUTES OF THE TOWN COUNCIL FINANCE AND GENERAL PURPOSES COMMITTEE ONLINE MEETING HELD ON 23 SEPTEMBER 2020

732.	PRESENT: Councillors R Hull, S Ball, T G E Gillanders, T Cessford, C R Homer, J M Graham, T Dodds and T Pearson.
733.	APOLOGIES FOR ABSENCE were received from Councillor J Ord.
734.	MINUTES of the meeting held on 17 August 2020, having been circulated, were AGREED.
735.	MATTERS ARISING: a) LOCAL GOVERNMENT SERVICES PAY AGREEMENT 2020-21 (minute 659 and action log refers). It was noted there has been a national agreement for a 2.75% pay increase. The Committee AGREED to this. b) BUSINESS CONTINUITY PLAN AND IT BACKUP (minute 727a and action log refers). It was noted that the backup has been installed. c) TOURISM (minute 727e refers). It was noted that a working group will meet next week.
736.	DECLARATIONS OF INTEREST: Councillors Ball, Cessford, Homer and Pearson declared a non-pecuniary interest in one or more of the organisations requesting funding/Grant Aid. Councillor Cessford also declared a non-pecuniary interest in agenda item 7.
737.	FINANCIAL REPORT: The bank statement and account reconciliation together with the 2020/21 budget report to 31 August 2020 were received and accepted. Copies are attached to the minutes. The Committee noted some budgets are currently unspent or underspent, discussed various options, and AGREED to consider further ideas.
738.	HSHAZ PROGRAMME BOARD: It was AGREED that Councillor Hull and the Clerk will be on the Board and that regular reports will be made to the Committee.
739.	COMMUNITY CHEST SCHEME: It was AGREED not to make an application.
740.	COMMUNICATIONS PROTOCOL: It was AGREED to recommend this to Full Council.
741.	COMPLAINTS PROCEDURE: It was AGREED to recommend this to Full Council.
742.	REPRESENTATIVE PROTOCOL: It was AGREED to recommend this to Full Council, with the addition of a reference to training.
743.	EXCLUSION OF THE PUBLIC: It was resolved and AGREED in accordance

	with Section 1(2) of the Public Bodies (Admission to Meetings) Act 1960 that as publicity would be prejudicial to the public interest by reason of the confidential nature of the business about to be transacted, namely consideration of Grant Aid and funding requests, it is advisable in the public interest that the public and press be temporarily excluded from the meeting and they were requested to withdraw.
744.	GRANT AID APPLICATIONS FOR 2021/22: The grants as listed in confidential note 744 were AGREED subject to final approval of the total grant aid budget by Council in due course.
745.	TOURISM SUPPORT AND OTHER FUNDING APPLICATIONS: These were considered and AGREED as noted in confidential note 745.
746.	KIELDER FOREST RALLY: It was noted that this event on 19 June 2021 will take part entirely within the Kielder Forest complex but will be organised from a base in Hexham. It was AGREED that the Council supports this initiative.
747.	NEXT MEETING: It was AGREED that the next Committee meeting will be held at 6.30pm on Tuesday 3 November 2020.

Action Log

Contact Ponteland TC regarding its process for applications for Covid related funding (minute 737)	Clerk
Refer the Communications Protocol, Complaints Procedure and amended Representative Protocol to Full Council (minutes 740, 741 and 742)	Clerk
Arrange payment of the agreed funding applications (minute 745)	Clerk

Chairman

HEXHAM TOWN COUNCIL - DECLARATIONS OF INTEREST
FINANCE AND GENERAL PURPOSES COMMITTEE

Under the Code of Conduct adopted by the Council on 3 September 2012 Councillors must declare if they have a disclosable interest in any matters under consideration.

To do so Councillors must use one of the following statements:

1. "I have a disclosable pecuniary interest
in..... (for example) Agenda item 3,
Planning application number 13/1234".
(NOTE: Code of Conduct paragraphs 11&15 apply).

2. "I have a disclosable personal interest
in..... (for example) Agenda item 4,
Grant aid application by Hexham Youth Initiative
(NOTE: Code of Conduct paragraph 13 applies).

Councillors should familiarise themselves with the Code of Conduct regarding the definitions of (A) pecuniary interest and (B) other personal interest and their obligations when declaring any interest.

To ensure Councillors interests are correctly minuted please use one of the above statements when declaring an interest.

NB. Should a Councillor wish to take part in the consideration and voting on a matter or matters in which he/she has a disclosable interest then they may request a dispensation be granted to enable them to take part in the discussion and voting on it but at least 10 days' notice must be given for any dispensation request.

HEXHAM TOWN COUNCIL
FINANCE AND GENERAL PURPOSES COMMITTEE BUDGET

The Committee has to consider and agree the Committee budget for the year 1 April 2021 to 31 March 2022. This budget will be amalgamated with other Committee budgets so that this Committee can consider this (combined) Council budget in order to present a recommended budget to the Council.

Council will agree a 2021/22 budget and its required precept on 11 January 2021.

The sum in the “2021/22 Draft Budget” column below is an initial suggestion for the Committee to consider.

FINANCE AND GENERAL PURPOSES COMMITTEE	2020/21 Agreed Budget	2020/21 Spent at 30/9/2020	2020/21 Estimated at 31/3/2021	2021/22 Draft Budget	Ref.
Internal audit/bookkeeping	3500	2070	3510	3800	6000
Staff welfare	350	66	200	350	6010
Staff salaries	165000	82716	165000	172000	6020
Staff pension contributions	31000	14428	31000	33000	6030
Travelling expenses	300	0	0	300	6035
Grant Aid	14100	14100	14100	78850	6050
HCP longterm grant	40000	20000	40000	N/A	6062
HYI longterm grant	27000	13500	27000	N/A	6064
Donations (one time only)	2500	0	2500	3000	6066
Risk management/H&S	500	0	0	500	6070
Training	2000	0	0	2000	6080
Local Council Award Scheme	0	0	0	0	6090
Professional fees	1000	0	500	1000	6095
Tourism support fund	10000 (+ 17000 carried forward)	0	20000	10000	6096
TOTALS	314,250	146,880	303,810	304,800	

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HEXHAM TOWN COUNCIL
FINANCE AND GENERAL PURPOSES COMMITTEE
MEMBER/OFFICER RELATIONS PROTOCOL

The Committee is requested to consider and recommend the following Member/Officer Relations Protocol, due for review, to Full Council.

1. Introduction

- 1.1 The relationship between Councillors and officers is an essential ingredient that goes into the successful working of the organisation. This relationship within the authority is characterised by mutual respect, informality and trust. Councillors and officers feel free to speak to one another openly and honestly. Nothing in this Protocol is intended to change this relationship. The purpose of this Protocol is rather to help Councillors and officers to perform effectively by giving guidance on their respective roles and expectations and on their relationship with each other. The Protocol also gives guidance on what to do on the rare occasions when things go wrong. Responsibility for the operation of this Protocol lies with the Town Clerk.
- 1.2 The Protocol must be read and operated in the context of any relevant legislation and national and local Codes of Conduct and any procedures for confidential reporting.

2. Roles of Councillors and Officers

- 2.1 The respective roles of Councillors and officers can be summarised as follows:

Councillors and officers are servants of the public and they are indispensable to one another. But their responsibilities are distinct. Councillors are responsible to the electorate and serve only so long as their term of office lasts. Officers are responsible to the Council. Their job is to give advice to Councillors and to the authority, and to carry out the authority's work under the direction and control of the Council and relevant committees etc.

Mutual respect between Councillors and officers is essential to good local government.

- 2.2 Councillors have four main areas of responsibility:

- a) to determine Council policy and provide community leadership;
- b) to monitor and review Council performance in delivering services;
- c) to represent the authority externally; and
- d) to act as advocates on behalf of their constituents.

All Councillors have the same rights and obligations in their relationship with the Clerk and other employees, regardless of their status or political party and should be treated equally.

It is not the role of Councillors to involve themselves in the day to day management of the Council's services.

2.3 Chairmen and Vice Chairmen

Chairmen and Vice Chairmen of Committees have additional responsibilities. Because of those responsibilities, their relationships with employees may be

different from, and more complex than those of Councillors without those responsibilities, and this is recognised in the expectations they are entitled to have. However, such Councillors must still respect the impartiality of officers, must not ask them to undertake work of a party political nature, or to do anything which would put them in difficulty in the event of a change in the political composition of the authority.

2.4 Officers

The role of officers is to give advice and information to Councillors and to implement the policies determined by the authority.

In giving such advice to Councillors, and in preparing and presenting reports, it is the responsibility of the officer to express his/her own professional views and recommendations. Whilst an officer may report the views of individual Councillors on an issue, if the Councillor wishes to express a contrary view he/she should not seek to pressure the officer to make a recommendation contrary to the officer's professional view.

Certain officers e.g. Town Clerk, RFO have responsibilities in law over and above their obligations to the Council and to individual Councillors, and Councillors must respect these obligations and not obstruct officers in the discharge of these responsibilities.

3 Expectations

3.1 Councillors can expect from officers:

- a) A commitment to the authority as a whole, and not to any individual Councillor, group of Councillors or political group
- b) A working partnership
- c) An understanding of and support for respective roles, workloads and pressures
- d) A timely response to enquiries and complaints
- e) Professional advice, not influenced by political views or preferences
- f) Regular, up to date information on matters that can reasonably be considered appropriate and relevant to their needs, having regard to any individual responsibilities that they have and positions that they hold.
- g) Awareness of and sensitivity to the public and political environment locally
- h) Respect, courtesy, integrity and appropriate confidentiality
- i) Training and development in order to carry out their role effectively
- j) Not to have personal issues raised with them by officers outside the Council's agreed procedures
- k) That employees will not use their relationship with Councillors to advance their personal interests or to influence decisions improperly
- l) That officers will at all times comply with the Code of Conduct.

3.2 Officers can expect from Councillors:

- a) A working partnership

- b) An understanding of, and support for, respective roles, workloads and pressures
- c) leadership and direction
- d) Respect, courtesy, integrity, and appropriate confidentiality
- e) Not to be subject to bullying or to be put under undue pressure.
- f) That Councillors will not use their position or relationship with officers to advance their personal interests or those of others or to influence decisions improperly.
- g) That Councillors will at all times comply with the Council's Code of Conduct.

3.3 General Principles

- a) Close personal relationships between Councillors and officers can confuse these separate roles and get in the way of the proper conduct of Council business, not least by creating a perception in others that a particular Councillor or officer is getting preferential treatment.
- b) Relationships with particular individuals or party political groups should be avoided as it can create suspicion that an employee favours that Councillor or political group above others.

4. Political Groups

The operation of political groups is becoming more of a feature within Town Councils but it is the National Association of Local Councils' policy that party politics should have no place in Town Councils. Party politics within a Town Council can pose particular difficulties in terms of the impartiality of the Clerk and other employees and the relationship between Councillors and staff generally.

5. When Things go Wrong

- 5.1** From time to time the relationship between Councillors and officers may break down or become strained. Whilst it will always be preferable to resolve matters informally through conciliation by an appropriate third party, the Council has adopted a formal Grievance Policy and Procedure.
- 5.2** The Chair of the Council should not attempt to deal with grievances or work related performance on his/her own. The Council should delegate authority to a small group of Councillors to deal with all personnel matters.
- 5.3** If a Councillor is dissatisfied with the conduct, behaviour or performance of an employee, the matter should be raised with the Clerk. If the matter cannot be resolved informally, it may be necessary to invoke the Council's Disciplinary Procedure.

November 2020 – Date for Review: November 2023

clerk@hexhamtowncouncil.gov.uk

HEXHAM TOWN COUNCIL
FINANCE AND GENERAL PURPOSES COMMITTEE

FINANCIAL RISK ASSESSMENT

The Council (not a Committee) must review and agree a risk assessment every year. The risk assessment below is the same as that approved for the last two years.

The Council is asked to consider the following proposed assessment for 2020/21 and recommend it for adoption by the Council.

FINANCIAL RISK ASSESSMENT

AREA	RISK(S) IDENTIFIED	RISK LEVEL	POTENTIAL IMPACT	MANAGEMENT/ CONTROL OF RISK	ACTION	AUDIT FREQUENCY (months)
PRECEPT	HTC failure to submit precept requirement by the deadline	Low	High	Minuted	Diary (Clerk)	12
	Precept not paid by NCC	Low	High	Checked, report to Council	Minuted	6
	Was the precept adequate?	Low	High	Finance & General Purposes Committee review and receive reports for budget monitoring at least 3 times per year.	Diary	12
CEMETERY	Allocation of incorrect grave plot	Low	Medium	Burial register is updated for each burial.	RFO verify entry	6
	Are the charges reasonable?	Low	Low	Reviewed annually by the Planning & Infrastructure Committee.	Diary	12
	Incorrect invoice(s) issued	Low	Low	Invoice details are recorded in the burial register and cemetery records database.	RFO verify	12
ALLOTMENTS	Are the rents reasonable?	Low	Low	Reviewed annually by the Planning & Infrastructure Committee.	Diary	12
	Incorrect invoices issued	Low	Low	A copy of each invoice is kept in the allotment register.	Diary	12
	Incorrect income recorded	Low	Low	Details of payment are made on the copy invoice in the register.	RFO verify	12
	Income paid by cash lost/stolen	Low	High	Cash payments are recorded, bank records subsequently checked.	RFO verify	6

AREA	RISK(S) IDENTIFIED	RISK LEVEL	POTENTIAL IMPACT	MANAGEMENT/ CONTROL OF RISK	ACTION	AUDIT FREQUENCY (months)
GRANTS via S106	Failure by HTC to submit valid claim	Low	High	NCC instructions must be followed.	Clerk/RFO verify	12
	Non-receipt of grant from NCC when due	Low	High	Check bank records, contact NCC and report to Planning & Infrastructure Committee.	Clerk/RFO verify	6
SALARIES	Paying the wrong salary	Low	High	Check relevant minute/ staff contract and advise NCC.	Member verify	12
	False documents provided by employee	Low	High	Check documents and references.	Member verify	12
	Making incorrect deductions	Low	Medium	Salaries paid via NCC.		
DIRECT COSTS AND EXPENSES AND ALL PAYMENTS MADE	Goods not supplied or received	Low	Medium	Review ordering system if necessary.	RFO verify	12
	Invoice is for incorrect amount	Low	Medium	Sign the invoice and check the total.	Two Members to verify	12
	Cheque made out incorrectly	Low	Medium	Sign the cheque stub and check the invoice total.	Two Members to verify	12
	Cheque made payable to wrong party	Low	Medium	Sign the cheque stub and check the payee.	RFO verify	12
	Cllr overpaid allowance	Low	Medium	Claims must be in writing.	RFO verify	12
GRANT AID	Using the wrong power to pay	Low	Low	Minute the relevant legislation (NB General Power of Competence adopted in 2017).	Member verify	12
	No record of agreement to pay	Low	Medium	All grants agreed to be minuted.	Member verify	12

AREA	RISK(S) IDENTIFIED	RISK LEVEL	POTENTIAL IMPACT	MANAGEMENT/ CONTROL OF RISK	ACTION	AUDIT FREQUENCY (months)
	Agreement of grant conditions (if any)	Low	Medium	Must be reasonable and minuted.	RFO verify	12
	Follow up of grant conditions (if any)	Low	Medium	Minute	RFO confirm	12
ELECTION COSTS	Invoice not at agreed rate	Low	Medium	RFO check and consider budget.	RFO verify	12
VAT RECOVERABLE	Vat analysis incorrect	Low	Medium	Checked when received, approval given monthly for accounts for payment, and by internal audit.	RFO verify	12
	Incorrect VAT charged on purchases	Low	Medium	Check to cash book.	RFO verify	12
	Failing to make claim within time limit	Low	High	Submit a return every 6 months.	RFO verify	12
RESERVES	Not being adequate	Low	High	Consider level when budget setting.	RFO opinion	12
ASSETS	Loss, damages	Medium	Medium	Annually inspect assets. Review insurance cover, and check against asset register.	Diary	12
	Damage to third parties	Low	High	Annually review insurance cover.	Diary	12
STAFF	Loss of personnel	Low	High	Monitor hours, stress, sickness, management training, early departure.	Diary + Staff subcommittee keep under review	12
	Staff fraud, Cash loss	Low	High	Review fidelity insurance cover and any insurer conditions.	Diary	12

AREA	RISK(S) IDENTIFIED	RISK LEVEL	POTENTIAL IMPACT	MANAGEMENT/ CONTROL OF RISK	ACTION	AUDIT FREQUENCY (months)
LOSS	Consequential loss due to damage or third party actions	Low	Medium	Review liability insurance cover and any insurer conditions.	Diary	12
BORROWING	Inadequacy of finances to repay loans	Low	Medium	Check against income and outflow.	RFO opinion	12
LEGAL POWERS	Illegal activity or payment	Low	Medium	Town Clerk is CiLCA qualified. General Power of Competence adopted. Use of advice from NALC and SLCC. Members follow the Code of Conduct.	Clerk/RFO verify	12

Adopted by Full Council on 9 December 2019 (to be reviewed and agreed annually).

