



HEXHAM TOWN COUNCIL

I GIVE NOTICE that a meeting of the Finance and General Purposes Committee will be held online on 20 October 2021 at 5.30pm, 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 15 September 2021, 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 2021 (attached).
6. To consider the 2022/23 Committee budget (see enclosed).
7. To review and adopt the Grant Aid Policy (see enclosed).
8. To consider new market stall canopies.
9. To consider and recommend Council readopt the Financial Risk Assessment (see enclosed).
10. To agree exclusion of the public during consideration of agenda items 11 and 12.
11. To consider funding applications (see enclosed).
12. To further consider a staffing matter (see attached).
13. To agree a date for the next meeting of the Committee.
14. 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
14 October 2021

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H agenda 1021 FandGPCommittee

HEXHAM TOWN COUNCIL

MINUTES OF THE TOWN COUNCIL FINANCE AND GENERAL PURPOSES COMMITTEE MEETING HELD ON 15 SEPTEMBER 2021

858.	PRESENT: Councillors F Hartland, D Kennedy, S Ball, A Baty, G O'Farrell, M Domingue, J Ord and A Smith.
859.	No APOLOGIES FOR ABSENCE were received.
860.	MINUTES of the meeting held on 26 July 2021, having been circulated, were AGREED.
861.	MATTERS ARISING: a) HEADSTONE RAFT FOUNDATIONS (minute 847d and action log refers). It was noted that the Clerk has information on other cemeteries that have these but AGREED consideration will be deferred until a quote is received. b) RECOMMENDED POLICIES (minute 850-853 and action log refers). It was noted these were all approved by Full Council. c) FUNDING (minute 856 and action log refers). It was noted that these had been paid.
862.	DECLARATIONS OF INTEREST: Councillors Ball and O'Farrell both declared a non-pecuniary interest in one or more of the organisations which had applied for Grant Aid.
863.	FINANCIAL REPORT: The bank statement and account reconciliation together with the 2021/22 budget report to 31 August 2021 were received and accepted. Copies are attached to the minutes. It was noted that the machines/equipment renew/replace budget will be exceeded due to the lease agreed for a new tractor after this year's budget was set. It was also noted that the lease includes most maintenance costs and so the machines/equipment repair/maintain budget should be underspent at the year end. It was further noted that the premises repair/maintain budget will be exceeded due to the costs paid for headstones maintenance as last year related invoices were paid from the salaries budget but the internal auditor recommended using a different budget as the contractor is not an employee.
864.	TRAINING AND DEVELOPMENT POLICY: It was AGREED to recommend to Full Council that the previous policy be readopted, with some minor amendments to clarify course costs will be paid by the Council and adding a reference to evaluation forms.
865.	NEW MARKET STALL CANOPIES: It was AGREED to defer consideration of this to the next meeting.
866.	ACTION PLAN FOR 2021/22: It was AGREED to recommend this to Full Council, with some minor amendments and with columns added for success criteria and priorities.

867.	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 applications and a staffing matter, it is advisable in the public interest that the public and press be temporarily excluded from the meeting and they were requested to withdraw.
868.	GRANT AID APPLICATIONS FOR 2022/23: The grants as listed in confidential note 868 were provisionally AGREED subject to final approval of the total grant aid budget by Full Council in due course.
869.	STAFFING MATTER: This was considered and AGREED as detailed in confidential note 869.
870.	URGENT MATTER: It was AGREED to fund replacement defibrillator pads, and a spare set (at a total cost of £240.00) from the donations budget, for the defibrillator kept at Tyne Green Golf Club.
871.	NEXT MEETING: It was AGREED that the next Committee meeting will be held online at 5.30pm on Wednesday 20 October 2021.

Action Log

Form a working group to consider a town centre presence (minute 847a)	Councillor Kennedy
Refer the Training and Development Policy to Full Council (minute 864)	Clerk
List market stall canopies on the next agenda (minute 865)	Clerk
Amend the Action Plan as agreed and refer to Full Council (minute 866)	All/Clerk
Check information required regarding one of the Grant Aid applications (confidential note 868)	Clerk
Follow up on agreement regarding the staffing matter (confidential note 869)	Councillor Hartland/Clerk
Arrange payment (minute 870)	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 2022 to 31 March 2023. This budget will be amalgamated with other Committee budgets so that this Committee can consider this (combined) Council budget at the next Committee meeting in order to present a recommended budget to the Council.

Council will agree a 2022/23 budget and its required precept on 10 January 2022.

The sum in the “2022/23 Draft Budget” column below is an initial suggestion for the Committee to consider.

FINANCE AND GENERAL PURPOSES COMMITTEE	2021/22 Agreed Budget	2021/22 Spent at 30/9/2021	2021/22 Estimated at 31/3/2022	2022/23 Draft Budget	Ref.
Internal audit/bookkeeping	3800	2070	3255	3800	6000
Staff welfare	350	111	250	300	6010
Staff salaries	172000	76174	158000	164000	6020
Staff pension contributions	33000	14713	31000	33000	6030
Travelling expenses	300	0	0	300	6035
Grant Aid	78850	48850	78850	73100	6050
HCP long-term grant	0	0	0	0	6062
HYI long-term grant	0	0	0	31000	6064
Donations (one time only)	3000	550	3000	3000	6066
Risk management/H&S	500	0	0	500	6070
Training	2000	406	1500	2000	6080
Local Council Award Scheme	0	0	0	100	6090
Professional fees	1000	0	500	1000	6095
Tourism support fund	4000	7090	10000	10000	6096
TOTALS	298800	149964	286355	322100	

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HEXHAM TOWN COUNCIL
FINANCE AND GENERAL PURPOSES COMMITTEE
20 OCTOBER 2021

REVIEW OF GRANT AID POLICY

The Committee is requested to consider and recommend the above policy to Full Council, as attached on the following pages.

The Policy was agreed in February 2018 and is due for review this year.

No required changes have been identified for this policy, other than to add that the application must comply with the Council's sustainability policy and also to update the information on the second page regarding applications received this year (which can be done in January once next year's budget has been agreed).

Jane Kevan
Town Clerk
October 2021

GRANT AID POLICY AND PROCEDURE

1. BACKGROUND

Hexham Town Council is funded by the residents of Hexham and therefore only has limited funds to assist community organisations located and working in Hexham for the benefit of the community.

Subject to funding being available, Hexham Town Council is committed to providing assistance and support to local community groups which are set up to promote community life for Hexham residents. The Council's financial support is provided by way of grants which are decided against criteria set by, and which may be amended from time to time by, Hexham Town Council.

Hexham Town Council is committed to following best practice in grant giving in order to provide sustainable funding and support to voluntary and community groups, whilst providing value for money for local taxpayers and ensuring that public money is spent in a responsible manner.

So the Council can assess applications rationally and objectively, as many will inevitably be dissimilar in content, it is both necessary and helpful to assess all applications received against a range of criteria. These are designed to be a general indication of need but are not exclusive and can be flexibly applied.

The Town Council's policy on grants is based on the principle of promoting the development of partnerships which encourage and enable local community organisations to deliver local projects to the residents of Hexham. In general, the following principles apply:

- Assistance will be given on the basis of need, merit and contribution to the local community.
- Applicants must clearly show how any assistance given will benefit Hexham residents or the environment of Hexham.
- Any assistance given may be subject to ongoing monitoring and subsequent evaluation of the outcome of the grant.
- Organisations should not make a presumption that funding will continue on a year to year basis.
- Applications must comply with the Council's sustainability policy.

All successful applicants will be expected to demonstrate their work/services and the benefit experienced by the grant to the Finance and General Purposes Committee or by making a presentation at the Annual Town Meeting.

2. THE AIMS OF THE COUNCIL'S GRANT AID POLICY

Hexham Town Council provides grants to support the following aims:

- To enable local people to participate in voluntary groups and activities.

- To help the Town's voluntary groups to improve their effectiveness.
- To ensure the provision of services, needed by the Town's residents, via the voluntary sector.
- To support organisations which meet the needs of people experiencing social and economic difficulties.
- To ensure that there is equality of access and opportunity for all Hexham Town residents to the services it provides and funds.
- To improve or enhance the local environment.
- To achieve value for money.

The Town Council defines a voluntary group as a non-profit making organisation, set up and run by a voluntary, unpaid management committee.

3. THE GRANTS PROCESS

To apply for a Town Council grant you must be a charity, community group or local voluntary organisation with a constitution and dedicated bank account, operating or providing a service to the community in Hexham. All funding requests must use the Council's application form and applicants should provide all information requested. The form can be downloaded from the Council's website or is available from the office.

Applications (in triplicate please) should be posted or hand-delivered to the Town Council office at the address on the application form.

If necessary a completed application may be emailed to meet the closing date but this should be followed by hard copies together with supporting documents.

Applications must be received by 1 September for the next financial year so that provision can be made in the following year's budget.

All valid grant applications will be assessed by the Finance & General Purposes (F&GP) Committee in September/October of each year, and be ratified at the January Full Council meeting when the budget is agreed. All applicants will usually be notified of the Council's decision in January.

The F&GP Committee will award a grant at a figure it deems suitable, taking into account this policy, and not necessarily the figure that has been applied for.

Grants will be paid as soon as is practical after 1st April (larger grants may be paid in two equal instalments, the second after 1st October).

There were 10 applications received in 2020 and a Grant Aid budget of £78,850.00 was agreed in January 2021 as part of the Council budget for 2021/2022.

Hexham Town Council supports a wide variety of grants which have been used to fund both revenue and capital projects, core costs and specific project work. The Council particularly welcomes applications from small or newly formed groups and those that have not applied before.

4. THE FOLLOWING CRITERIA IS USED FOR GRANT APPLICATIONS:

- Whether the group/project has followed the grants process and meets the Council's requirements and grant giving policy.
- Level of benefit to Hexham and the impact the grant will make.
- Evidence of a well-managed group, including previous experience and track record.
- Financial sustainability and viability of the group and/or project.
- Evidence of partnership working.
- Evidence that funding has been sought from other sources and the level of match funding available.
- Evidence of compliance with previous grant award conditions (if applicable).

5. HEXHAM TOWN COUNCIL WILL NOT FUND THE FOLLOWING:

- Organisations that do not provide a service to the community in Hexham.
- Individuals or appeals supporting an individual.
- General appeals.
- Statutory organisations or the direct replacement of statutory funding.
- Political groups or activities promoting political beliefs.
- Religious groups where funding is to be used to promote religious beliefs.
- Arts and sports projects with no community or charitable element.
- Medical research, equipment or treatment.
- Animal welfare.
- Projects that may take place before an application can be decided.
- Organisations that have a closed or restricted membership.
- Equipment or other costs that have already been purchased or incurred prior to the application being considered.

6. CONDITIONS OF FUNDING

Grants will be made subject to the following conditions:

- They can only be used for the purpose of the application.
- If the Town Council's grant is part of the overall cost, no monies will be paid until there is evidence that the entire objective is funded.
- No monies should be spent in advance of the application. Evidence of expenditure may be requested.
- Grants will be paid by cheque or bank transfer to an organisation or group.
- The recipient must agree to participate in suitable publicity to note the Town Council's contribution.
- Applicants must submit a copy of the organisation's constitution, latest bank statement and a copy of last year's accounts with their application.
- Organisations are expected to provide the Town Council with written evidence of what the grant has been spent on and the benefit it has brought to Hexham. Such evidence should include copies of invoices and receipts and, where applicable, photos, attendance numbers, press clippings, etc. This

information should be submitted within one month of the event/project end or by the end of February each year (whichever is sooner), so that it can be reported at the Annual Town Meeting.

Grants for capital projects will be paid after proof of the project being completed has been received (which must be within the financial year that the grant has been applied for).

Application forms and any information submitted to support an application will be held on file as follows before being destroyed:

Successful applicants: for two years following the year in which the grant was awarded.

Unsuccessful applicants: until the approval of the minutes of the meeting which declined the application.

It is anticipated that some organisations may ask for a guarantee of funding for a number of years. Whilst this is legally possible, it is recommended that no such binding commitments are given. This is because there is the potential for significant changes in the legislative obligations placed on local Councils. It would be possible to give an indicative, but non-legally binding, assurance that a continuation of a grant is likely to be a priority when budgets are set each year.

Amendments to this Policy and Procedure can be made at any time.

February 2018 – Date for Review: February 2021

clerk@hexhamtowncouncil.gov.uk

HEXHAM TOWN COUNCIL
FINANCE AND GENERAL PURPOSES COMMITTEE
20 OCTOBER 2021

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 three years, with added reference to bank transfers as cheques are no longer/rarely used.

The Council is asked to consider the following proposed assessment for 2021/22 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 or bank transfer incorrect	Low	Medium	Sign the cheque stub or bank transfer document 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 14 December 2020 (to be reviewed and agreed annually).

