



Chichester City Council

## FINANCE COMMITTEE

### Minutes

**Date** 13 June 2023

**Time** 6.15pm – 7.25pm

**Location** The Council Chamber - The Council House • North Street • CHICHESTER • West Sussex • PO19 1LQ

**PRESENT:** Councillors Kondabeka, Loxton, Miall, Moore, Pramas, Scicluna, Vivian

**EX-OFFICIO:** The Mayor (Councillor C Gershater), Deputy Mayor (Councillor Corfield) and Councillor Butler (Chairman of the Planning and Conservation Committee)

**ALSO IN ATTENDANCE:** Town Clerk, Deputy Town Clerk (Responsible Financial Officer), Member Services Support Officer, two members of the public representing Kingsham Area Action Group

#### 1. **ELECTION OF TEMPORARY CHAIRMAN OF THE COMMITTEE**

RESOLVED to appoint the Mayor as temporary Chairman of the Committee for agenda item 2 only, the election of the Committee Chairman for 2023-2024.

#### 2. **ELECTION OF CHAIRMAN FOR 2023-2024**

The Mayor called for nominations for the Chairman of the Committee for 2023-2024.

It was proposed by the Deputy Mayor, seconded by Councillors Loxton and Kondabeka and unanimously RESOLVED that Councillor Scicluna be elected Chairman of the Finance Committee.

Councillor Scicluna in the Chair.

#### 3. **APPOINTMENT OF VICE-CHAIRMAN FOR 2023-2024**

The Chairman asked for nominations for the Vice-Chairman of the Finance Committee 2023-2024.

It was proposed by the Mayor, seconded by Councillor Vivian and unanimously RESOLVED that Councillor Miall be appointed as Vice-Chairman of the Finance Committee for 2023-2024.

The Chairman and Vice-Chairman requested that they be appointed to all the Sub-Committees of the Finance Committee.

#### 4. **EXPRESSIONS OF INTEREST FOR MEMBERS OF SUB-COMMITTEES AND WORKING GROUPS OF THE FINANCE COMMITTEE**

The Member Services Support Officer read out the lists of Councillors as agreed at the Annual Meeting of Council held on 17 May 2023.

Members discussed the lists and it was RESOLVED that membership would be as follows:

- Property Sub-Committee – as per the schedule agreed at the Annual Meeting of Council, namely:
  - o Cllr Anne Scicluna
  - o Cllr Ann Butler
  - o Cllr Craig Gershater
  - o Cllr Robert Miall
  - o Cllr Sean McHale
  - o Cllr Ken Squire
  
- Personnel Sub-Committee – following a discussion about the size of the Sub-Committee, Councillors Moore and Pramas withdrew their interest. Councillor Pramas, as a Member of the Chartered Institute of Personnel and Development, offered to provide specialist support to the Sub-Committee if required. The make-up of the Committee, further to the Chairman's expression of interest, was therefore agreed as follows:
  - o Cllr Maureen Corfield
  - o Cllr Craig Gershater
  - o Cllr Judy Gershater
  - o Cllr Shiva Knight
  - o Cllr Joanne Kondabeka
  - o Cllr Sean McHale
  - o Cllr Robert Miall
  - o Cllr Anne Scicluna
  
- CIL (Community Infrastructure Levy) Sub-Committee. No nominations had been received by the time of the Annual Meeting of Council on 17 May 2023. Committee RESOLVED that membership would be as follows:
  - o Cllr Maureen Corfield
  - o Cllr Craig Gershater
  - o Cllr Stuart Loxton
  - o Cllr Robert Miall
  - o Cllr Anne Scicluna
  - o Cllr James Vivian

**Post meeting note:** Chichester City Council's Standing Orders do not allow for Ex-Officio Members of its Sub-Committees so the make up of voting Members is as listed above.

- Business Plan Working Group – all Councillors to be default Members of the Business Plan Working Group. Members agreed that special interest sub-groups could be formed to discuss specific topics of interest and report back to the main Working Group.

#### 5. **APOLOGIES FOR ABSENCE**

RESOLVED to accept and approve apologies and reasons for absence from the meeting from Councillor Apel.

6. **DECLARATIONS OF INTEREST BY MEMBERS OF THE COMMITTEE IN MATTERS ON THE AGENDA FOR THIS MEETING**

The Deputy Mayor and Councillor Vivian declared an interest as Members of Chichester District Council.

7. **MINUTES OF THE FINANCE COMMITTEE MEETING HELD ON 11 APRIL 2023**

RESOLVED that the minutes of the meeting held on 11 April 2023, having been circulated; be approved and signed as a correct record.

8. **UPDATES FROM PREVIOUS MINUTES**

a) **Woolstaplers Section 106 funding for public art (minute 119c refers)**

The Deputy Town Clerk/RFO reported that 12 out of the 16 pictures of Priory Park had now been installed in the waiting rooms at Chichester Railway Station and that the reception had been positive.

b) **Bus shelters (minute 119d refers)**

The Member Services Support Officer gave Members and update on the two bus shelter projects currently under way by the City Council.

- Bognor Road – Members were advised that the bus shelter itself had now been installed and that negotiations with SSE for the supply of power to the shelter were ongoing. Members were further advised that the initial quotes from SSE had been unacceptably high and that West Sussex County Council Highways had been providing support regarding the traffic management measures included in the quote by the contractor.

The Committee was also advised that an off grid solution would be possible should the negotiations fail but that this would also incur a cost, estimated at approximately £8,000.

- Swanfield Drive – Members were given a brief history of the situation regarding the Swanfield Drive bus shelter. They were advised that discussions between the legal teams on either side had been protracted but that it was hoped that the situation would be resolved within the next few weeks.

c) **Pavements and Chichester City Centre design brief (minute 123 refers)**

The Deputy Town Clerk/RFO gave a brief summary of the situation regarding the city centre pavements replacement project and advised that West Sussex County Council were in the process of signing contracts with the relevant consultants.

The Chairman informed Members that the City Council had offered up to £100,000 from its CIL receipts towards the overall cost of the project on condition that other partners contributed a proportionate amount and that the City Council's contribution was not spent on design work or consultancy.

Members discussed the condition of the city centre precincts and agreed that they continued to pose safety issues for pedestrians.

The Deputy Town Clerk/RFO advised that there had been scheduling challenges with arranging a meeting of the Chichester City Public Realm Working Group, with several dates being cancelled, and that it was not now expected to meet until August 2023.

In response to a question about proposed timelines, the Town Clerk informed Members that a start date of Spring 2024 had been proposed for the commencement of the physical works.

d) **Property Sub-Committee items (minute 124 refers)**

Members noted that the works listed had been completed.

9. **STATEMENT OF ACCOUNTS 2022-2023**

A copy of the Statement of Accounts 2022-2023, produced by DCK Beavers Ltd, had been circulated to all Members with the agenda.

The Deputy Town Clerk/RFO summarised her report that had been circulated with the agenda and explained that the year end accounts to 31 March 2023 had shown a surplus of £27,393 for the year.

Members were advised that the General Reserve now stood at £544,269 with the total balances at year end being £2,103,143 plus £490,000 invested in the Local Government Property Fund.

Members were further advised that Earmarked Reserves stood at £1,637,145, against the previous year's £720,790, due to the receipt of £900,297 in CIL funds.

The Deputy Town Clerk/RFO reported that £39,806 had been added to the Council House Maintenance Reserve, bringing the total in that reserve to £138,661.

She also reported that the Allotment Reserve balance was now at £440 and that this was in part due to costly tree works that had had to be undertaken.

Budgets carried forward to 2023-2024 were confirmed as:

- Discretionary Grants - £5,886
- Public Realm - £13,575

Further to the report of the low balance in the Allotment Reserve, the Deputy Town Clerk/RFO recommended that £15,000 be transferred from the Council House Maintenance Reserve to the Allotment Reserve.

The Town Clerk advised Members that, due to the age of the pipework on the allotment sites, it was likely that works to replace them would need to be undertaken imminently and it was necessary to have the funds in place to do this.

RESOLVED to transfer £15,000 from the Council House Maintenance Reserve to the Allotment Reserve.

RECOMMENDED to Full Council on 28 June 2023 that the Statement of Accounts 2022/2023 be approved and signed by the Mayor and RFO.

10. **BUDGETS TO BE CARRIED FORWARD FROM 2022/2023 AND BUDGETS TRANSFERRED TO RESERVES**

The Deputy Town Clerk/RFO summarised the report that had been circulated with the agenda.

Members RESOLVED to approve the recommended carry forward of the budgets to financial year 2023-2024 and the transfer of funds to the general and earmarked reserves as per the RFO's recommendation.

## 11. INTERNAL CONTROL POLICY

The Deputy Town Clerk/RFO summarised the Internal Control Policy and its purpose.

Members were advised that, further to section 6 of the report, the External Auditor had identified no issues for the accounts for the year 2021-2022.

It was RECOMMENDED to Full Council on 28 June 2023 that the Internal Control Policy be adopted and signed by the Mayor and the RFO.

## 12. INTERNAL AUDIT

### - Appointment of Internal Auditor – 2023-2024

The Deputy Town Clerk/RFO advised that the Mr Stephen James had indicated that he wished to remain as Chichester City Council's Internal Auditor for 2023-2024.

She answered questions from Councillors about the tenure of the current Internal Auditor and advised Councillors that this might be the last year that Mr James would fill the role.

RECOMMENDED to Full Council on 28 June 2023 that the renewal of the appointment of the Internal Auditor be agreed for the year 2023-2024

### - Internal Audit Plan – 2023-2024

Members noted the Internal Audit Plan 2023-2024 that had been circulated with the agenda.

The Mayor asked that the Town Clerk and Deputy Town Clerk/RFO give consideration to recommendations and requirements for financial control processes that should be included in the Business Plan.

RECOMMENDED to Full Council on 28 June 2023 that the Internal Audit Plan for 2023-2024 be approved.

### - Draft Annual Internal Audit report 2022-2023

The Deputy Town Clerk/RFO summarised the report that had been circulated with the agenda.

She noted comments made by the Internal Auditor in the Asset Controls section of the report regarding identification and storage of a set of candlesticks. She also agreed with Members that this would be resolved and the recommendation of the Internal Auditor adopted.

In response to a question from Councillor Miall about the comments regarding financial controls in the report, the Deputy Town Clerk/RFO assured Members that, despite the small size of the team, separation of duties was taken very seriously. She also agreed that, moving forward, this could be looked at further.

RECOMMENDED to Full Council on 28 June 2023 that the Draft Internal Audit report for 2022-2023 be noted and approved.

Councillors also noted the Annual Internal Audit Report (page 3 of the AGAR).

**13. ANNUAL GOVERNANCE STATEMENT (Part 1 of the Annual Return)**

A copy of the Annual Governance Statement (Part 1 of the Annual Return) 2022/2023 was circulated with the agenda to all members. The Deputy Town Clerk/RFO explained the various headings on the form and advised that this Statement assured the Auditors that Chichester City Council was managing their accounts correctly.

It was RECOMMENDED to Full Council on 28 June 2023 that the Annual Governance Statement (Part 1 of the Annual Return) 2022/2023 be approved and signed by the Mayor and the Town Clerk

**14. ACCOUNTING STATEMENTS (Part 2 of the Annual Return)**

A copy of the Accounting Statements (Part 2 of the Annual Return) 2022/2023 was circulated with the agenda to all members. The Deputy Town Clerk/RFO explained that the figures on the Statement were extracted from the Statement of Accounts.

It was RECOMMENDED to Full Council on 28 June 2023 that the Accounting Statements (Part 2 of the Annual Return) 2022/2023 be approved and signed by the Mayor and the Responsible Finance Officer.

**15. INVESTMENT REGISTER**

The Deputy Town Clerk/RFO summarised the report that had been circulated with the agenda.

She highlighted the purchase and mid prices listed in the report and reported that, despite the current unit price showing a paper loss, the investment was deemed to be a long term one and the dividend being received was still approximately £20,000 per annum.

Members were also advised that the City Council was receiving strong returns from its Public Sector Deposit Fund account.

In response to a question from Councillor Miall about the mix of properties in the investment portfolio, the Town Clerk and Deputy Town Clerk/RFO agreed to provide Members with the latest information and also to invite a representative from CCLA, the fund management company, to give a presentation to Members at a future meeting.

**16. REVIEW OF INVENTORY AND OTHER ASSETS INCLUDING BUILDINGS**

The Deputy Town Clerk/RFO advised that the City Council currently had a number of lists and registers that recorded all of the Council owned assets, copies of which had been included with the agenda.

Members were further advised that these lists were regularly reviewed and updated during the year and that the aim was to bring all the lists together in to one master document for ease of reference.

RESOLVED to note the asset lists and registers and approve the proposed actions as noted above.

**17. FINANCE COMMITTEE MEETING DAYS AND TIMES**

The Chair advised that the currently scheduled second Tuesday of the month for holding Finance Committee meetings would be difficult due to another commitment.

After a short discussion, Officers were asked to investigate holding meetings at 6pm on either the 1<sup>st</sup> or 3<sup>rd</sup> Tuesdays of the months in which the current meetings were scheduled.

Officers were also asked to liaise with members of the Finance Committee and report back the agreed solution to the meeting of Full Council being held on 28 June 2023.

**18. BUSINESS PLAN WORKING GROUP**

Members noted that this item had been discussed, at the discretion of the Chair, under agenda item 4.

**19. COMMUNITY INFRASTRUCTURE LEVY (CIL) SUB-COMMITTEE**

Members noted that this item had been discussed, at the discretion of the Chair, under agenda item 4.

**20. SUBSISTENCE ALLOWANCES**

The Deputy Town Clerk/RFO introduced the document showing the currently agreed Chichester District Council subsistence allowances as at April 2023.

RESOLVED to adopt the allowances as outlined in the Chichester District Council Subsistence Allowances (April 2023) document.

**21. FUND RAISING EVENT FOR RAVENNA**

The Chair explained the background to the item and the difficulties being experienced by the residents of Ravenna following recent major flooding.

The Town Clerk informed Members that, while it was not possible to donate City Council funds directly to the Ravenna appeal, it was permitted to provide in kind support by allowing free use of the Assembly Room for the Friends of Ravenna to host a fundraising event.

Members were also advised that the Community Affairs Committee, at their meeting held on Monday 5 June 2023 (minute 9 refers), had also been supportive of the proposal.

RESOLVED to offer free hire of the Assembly Room for the Friends of Ravenna to run a fundraising event.

The Town Clerk agreed to contact the Friends of Ravenna to advise them of the proposal.

**22. KINGSHAM AREA ACTION GROUP – REQUEST TO PARTNER WITH THE CITY COUNCIL FOR THE ORGANISATION OF A COMMUNITY FUN DAY IN AUGUST 2023**

The Town Clerk explained that the Kingsham Area Action Group (KAAG) had approached the City Council to request a partnership arrangement to allow them to receive grant funding from Chichester District Council in support of the organisation of a Community Fun Day to take place during the August summer holiday.

Members were advised that, as KAAG were not fully constituted, the District Council would be unable to transfer the funds to them directly.

Members were further advised that the group were asking the City Council to be their event partner so the Council could take receipt of the grant funds and pay for any purchases and services directly.

The Deputy Town Clerk/RFO advised that the funds would be ringfenced and only spent on the Fun Day expenses.

The Clerk advised that this would be a simple way for the City Council to assist the group and would place minimal demand on Council time and resources.

RESOLVED to support the request and partner with KAAG for the Community Fun Day event.

**23. ITEMS FOR INFORMATION ONLY**

**a) MONTHLY RECONCILIATION WITH EVIDENCE OF BANK STATEMENTS TO END OF MARCH 2023**

RESOLVED to note the monthly reconciliations with evidence of bank statements until end of March 2023.

**b) LIST OF PAYMENTS MADE FOR FEBRUARY AND MARCH 2023**

RESOLVED to note the list of receipts and payments made for February and March 2023.

**c) LIST OF BARCLAYCARD PAYMENTS FOR FEBRUARY AND MARCH 2023**

RESOLVED to note the list of Barclaycard payments for February and March 2023

**24. ITEMS FOR INCLUSION ON THE NEXT AGENDA**

- City Council Business Plan
- Investments and presentation from CCLA
- Reports from Sub-Committees of the Finance Committee

Separate action – discuss reconstituting the Discretionary Grants Working Party under the Community Affairs Committee with the Committee Chair, Councillor Apel.

**25. DATE OF NEXT ORDINARY MEETING**

DATE OF NEXT ORDINARY MEETING: TUESDAY 12 SEPTEMBER 2023 – TO BE CONFIRMED

The meeting closed at 7.25pm