



Chichester City Council

## FINANCE COMMITTEE

### Minutes

**Date** 11 June 2024

**Time** 5.30pm – 6.41pm

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

**PRESENT:** Councillors Corfield, Loxton, Miall, Scicluna and Squire

**EX-OFFICIO:** The Mayor (Councillor Quail)

**ALSO IN ATTENDANCE:** Councillors Butler, Chant and McHale, Town Clerk, Deputy Town Clerk (Responsible Financial Officer), Council Services and Support Manager.

#### 1. **ELECTION OF CHAIR FOR 2024-2025**

It was proposed by Councillor Loxton, seconded by Councillor Scicluna and RESOLVED that Councillor Miall be elected as Chair of the Finance Committee for 2024-2025.

#### 2. **APPOINTMENT OF VICE-CHAIR FOR 2024-2025**

It was proposed by Councillor Miall, seconded by Councillor Loxton and RESOLVED that Councillor Scicluna be appointed Vice-Chair of the Finance Committee for 2024-2025.

#### 3. **APOLOGIES FOR ABSENCE**

Apologies were noted from Councillor Pramas due to being on maternity leave.

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

Councillors Corfield, Loxton, Quail and Miall declared an interest as City Council allotment holders.

#### 5. **SUB-COMMITTEES AND WORKING GROUPS REPORTING TO THE FINANCE COMMITTEE**

RESOLVED that the memberships of the Sub-Committees and Working Groups reporting to the Finance Committee be as follows:

- Property Sub-Committee
  - o Councillor Clare Apel
  - o Councillor Ann Butler
  - o Councillor Stuart Loxton
  - o Councillor Robert Miall

- Councillor Anne Scicluna
- Personnel Sub-Committee
  - Councillor Judy Gershater
  - Councillor Sean McHale
  - Councillor Anne Scicluna
  - Councillor Ken Squire
- Business Plan Sub-Committee
  - Councillor Rhys Chant
  - Councillor Craig Gershater
  - Councillor Shiva Knight
  - Councillor Joanne Kondabeka
  - Councillor Stuart Loxton
  - Councillor Robert Miall
  - Councillor Sarah Quail
  - Councillor Ken Squire

It was noted that Sub-Committee Chairs and meeting times and dates would be decided at the first meeting of each Sub-Committee.

## 6. **MINUTES OF THE FINANCE COMMITTEE MEETING HELD ON 2 APRIL 2024**

The Chair signed the adjustment to the minutes of the meeting held on 2 April 2024 noting Councillor Moore's absence.

The Committee RESOLVED that the minutes of the meeting held on 2 April 2024 be approved and signed by the Chairman as a correct record.

## 7. **UPDATES ON ACTIONS FROM THE PREVIOUS MINUTES NOT COVERED ELSEWHERE ON THE AGENDA**

- a) **Minute 103b - Order to be placed with Impact Geotechnical in the 2024-2025 financial year for the retesting of the allotment plots previously designated as contaminated.**

Members noted the update

- b) **Minute 104 - Quotes to be obtained for the provision of internal audit services by external companies and an options report to be presented at the next meeting of the Finance Committee.**

The Chair advised that this would be discussed under agenda item 15.

## 8. **PROPERTY SUB-COMMITTEE**

Members noted the minutes of the Property Sub-Committee meetings held on 17 April 2024 and 14 May 2024.

*At this point, the Chair took agenda items 26 and 27 in place of agenda item 9.*

## 9. **PUBLIC BODIES (ADMISSION TO MEETINGS ACT) 1960**

RESOLVED that the public and press be excluded from the meeting for agenda item 27 due to the nature of the business to be transacted, namely confidential business matters.

## 10. **PERSONNEL SUB-COMMITTEE MEETING HELD ON 5 JUNE 2024**

Councillor McHale introduced the minutes of the Personnel Sub-Committee and gave a verbal report about the staffing matters that had been discussed at the meeting held on 5 June 2024.

He confirmed that the salary gradings had been undertaken by South East Employers on behalf of the City Council.

RESOLVED to accept the recommendations of the Sub-Committee, namely:

- 1) That recruitment begins immediately for the position of Project Manager at a salary range of SCP 37 - SCP40 (£45,441pa - £48,748pa)
- 2) That following the resignation of the Civic and Council Support Officer, recruitment begin immediately for the replacement post of Communications, Civic and Council Support Officer at a salary range of SCP 19 – SCP 23 (£29,777pa - £32,076pa)
- 3) That the updated Property Maintenance Manager job description be evaluated to ascertain the appropriate salary range.
- 4) That the updated Council Services and Support Manager job description be evaluated to ascertain the appropriate salary range
- 5) That the updated Communities Officer job description be evaluated to ascertain the appropriate salary range.

*The meeting returned to public session and to the published agenda order.*

## 11. **COMMUNITY INFRASTRUCTURE LEVY (CIL) UPDATE**

The Deputy Town Clerk introduced the report showing the current CIL reserves and projects that they had already been allocated against.

Councillors queried if there was any risk to funds having to be returned if they could not be spent in time.

Officers advised that there was a good pipeline of projects to cover expenditure over the next 3-5 years, so this was a low risk.

## 12. **STATEMENT OF ACCOUNTS 2023-2024**

A copy of the Statement of Accounts 2023-2024, 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 2024 had shown a surplus of £30,319.00 for the year.

Members were advised that the General Reserve now stood at £574,588.00 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 £2,138,980, against the previous year's £1,637,145.

The Deputy Town Clerk/RFO reported that £60,000 had been added to the Council House Maintenance Reserve and £20,000 had been added to the Allotment

Improvements Reserve, bringing the totals in those reserves to £198,037 and “27,384 respectively.

Budgets carried forward to 2024-2025 were confirmed as:

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

RECOMMENDED to Full Council on 26 June 2024 that the Statement of Accounts 2023/2024 be approved and signed by the Mayor and RFO.

**13. BUDGETS TO BE CARRIED FORWARD FROM 2023/2024 AND BUDGETS TRANSFERRED TO RESERVES**

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

Members RESOLVED to approve the transfers as reported and RECOMMENDED to Full Council on the 26 June 2024 that the carry forward of the budgets to financial year 2024-2025 and the transfer of funds to the general and earmarked reserves be agreed as per the RFO's recommendation.

**14. INTERNAL CONTROL POLICY**

The Deputy Town Clerk/RFO summarised the Internal Control Policy and it's purpose.

It was RECOMMENDED to Full Council on 26 June 2024 that the Internal Control Policy be adopted and signed by the Mayor and the RFO.

**15. INTERNAL AUDIT**

**a) Annual Internal Audit Report – 2023-2024**

Members were advised that, further to section 6 of the report, the External Auditor had identified a gap in internal audit checks and that this was being addressed in financial year 2024-2025.

They were further advised that the Internal Auditor had asked that the report be amended to clarify the points he had made due to a potential contradiction elsewhere in the report.

The Committee RESOLVED to note the receipt of the Internal Auditor's report and the proposed amendments but felt unable to recommend its full acceptance until the revised report had been received.

AGREED that the revised report be submitted to Full Council on 26 June 2024 for formal acceptance.

**b) Annual Internal Audit Report (AGAR) – 2023-2024**

Committee noted the receipt of the Annual Internal AGAR report for 2023-2024 and RECOMMENDED to Full Council on 26 June 2024 that it be approved for the AGAR submission.

**16. PROVISION OF INTERNAL AUDIT SERVICES FOR 2024-2025**

The Deputy Town Clerk outlined the current situation regarding the internal audit arrangements.

She highlighted the potential issues raised by the Internal Auditor being a paid member of staff and advised that this was not best practice.

Members were informed that alternative arrangements were currently being investigated and that Officers were seeking quotations for independent auditors to undertake the work.

Committee requested that costs for internal auditors for providing additional quarterly scrutiny checks of invoices and payments be obtained in addition to the quotes currently being sought

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

A copy of the Annual Governance Statement (Part 1 of the Annual Return) 2023/2024 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.

RESOLVED TO RECOMMEND to Full Council on Wednesday 26 June 2024 that the Annual Governance Statement (Part 1 of the Annual Return) 2023/2024 be approved and signed by the Mayor and the Town Clerk

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

A copy of the Accounting Statements (Part 2 of the Annual Return) 2023/2024 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.

RESOLVED TO RECOMMEND to Full Council on 26 June 2024 that the Accounting Statements (Part 2 of the Annual Return) 2023/2024 be approved and signed by the Mayor and the Responsible Finance Officer.

**19. 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 advised 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.

**20. CITY COUNCIL FINANCIAL REGULATIONS**

The Town Clerk and Deputy Town Clerk explained the background to the draft new City Council Financial Regulations and summarised some of the clauses included in the document that had been modified from the base document.

RECOMMENDED to Full Council on 26 June 2024 that the City Council Financial Regulations (June 2024), as circulated with the agenda, be approved and adopted.

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

The committee RESOLVED to move Finance Committee meetings to the first Wednesday of the relevant month, with meetings to start at 5.30pm

**22. ROOM HIRE RATES AT THE COUNCIL HOUSE**

**a) Consideration of a change in room hire rates to hourly charging as part of the move to an online room booking system**

The Deputy Town Clerk introduced the item and advised that we were proposing amending the room hire pricing to allow for hourly hire rates to try and encourage additional hirings, especially during the quiet periods in the daytime.

Committee RESOLVED to accept the recommendation for the hourly rates and review the implementation in December 2024.

Committee AGREED to delegate to Officers the authority to resolve any emerging issues as they arose.

**b) Review of the current “special” room hire rates for charities and other organisations.**

Committee RESOLVED that the recommendation regarding reduced rates should be referred to Community Affairs Committee to agree the criteria for qualifying organisations.

**23. SUBSISTENCE ALLOWANCES**

RESOLVED to accept and adopt the subsistence allowances as approved by Chichester District Council, effective from April 2024

**24. ITEMS FOR INFORMATION ONLY**

**a) MONTHLY RECONCILIATION WITH EVIDENCE OF BANK STATEMENTS FOR FEBRUARY AND MARCH 2024**

RESOLVED to note the monthly reconciliations with evidence of bank statements for February and March 2024.

**b) LIST OF PAYMENTS MADE FOR FEBRUARY AND MARCH 2024**

RESOLVED to note the list of receipts and payments made for February and March 2024.

**c) LIST OF BARCLAYCARD PAYMENTS FOR FEBRUARY AND MARCH 2024**

RESOLVED to note the list of Barclaycard payments made for February and March 2024.

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

- Arrangements for collecting feedback from Council House users on their experience of booking and using the Council House facilities.
- Review of available statistics from the new online room booking system.

**26. DATE OF NEXT ORDINARY MEETING**

Date of next Ordinary Meeting – Wednesday 4 September 2024 at 5.30pm

The meeting closed at 6.51pm

## **ACTIONS ARISING FROM THIS MEETING**

| <b>Minute ref.</b> | <b>Agreed action</b>   | <b>Assigned for action to</b>        |
|--------------------|--|--------------------------------------|
| 15a                | Obtain and circulate revised Internal Audit Report for 2023-2024 for approval at Full Council on 26 June 2024                              | Deputy Town Clerk                    |
| 16                 | Obtain quotes for replacement Internal Audit service and additional costs for extra scrutiny checks on a quarterly basis.                  | Deputy Town Clerk                    |
| 21                 | Update Committee meeting calendars and circulate revised version to Members  | Council Services and Support Manager |
| 22b                | Discuss review of Special Terms hirers with the Chair of the Community Affairs Committee and add to agenda for the next Committee meeting. | Town Clerk                           |