



# MELTON PARISH COUNCIL

FRM(19)M05

## **FINANCE, EMPLOYMENT AND RISK MANAGEMENT COMMITTEE**

**Minutes** of the meeting of the Parish Council Finance, Employment and Risk Management (FERM) Committee held on Wednesday 11 December 2019 commencing at 19:00 at 17 Riduna Park, Station Road, Melton, Woodbridge IP12 1QT.

### **Present:**

Cllr Mrs B Abbott  
Cllr Mr B Banks (in the Chair)  
Cllr Mr N Brown  
Cllr Mrs C Gradwell  
Cllr Mr A Porter (*ex officio*)  
Cllr Mr C Taylor

### **Absent:**

None

### **In Attendance:**

Mr W J Grosvenor *Clerk and Executive Officer to Melton Parish Council*

	<b>PART ONE – OPEN TO THE PUBLIC</b>
<b>19.60</b>	<b>TO RECEIVE APOLOGIES FOR ABSENCE</b> There were no absences.
<b>19.61</b>	<b>DECLARATIONS OF INTEREST</b>
<b>19.61.01</b>	<b>To receive Amendments to the Register</b> There were none.
<b>19.61.02</b>	<b>To receive Declarations of Pecuniary Interest in Respect of Items on the Agenda</b> There were none.
<b>19.61.03</b>	<b>To receive Declarations of Non Pecuniary Interest in Respect of Items on the Agenda</b> There were none.

19.61.04	<p><b>To consider Full / Partial Dispensations for Pecuniary Interests Declared</b> It was noted that there had been no requests for dispensations.</p>
19.62	<p><b>OPEN FORUM FOR MEMBERS OF THE PUBLIC TO TALK TO COUNCILLORS</b> There were no members of the public present.</p>
19.63	<p><b>TO APPROVE THE MINUTES OF THE PREVIOUS MEETING</b> <b>It was RESOLVED</b> to agree the minutes of the FERM Committee held on 9 October 2019 (Minutes FRM(19)M04 and FRM(19)M04 <i>Confidential</i> previously distributed), subject to removing at Minute 19.47 the erroneously recorded apologies for absence from Cllr Brown, as Cllr Brown attended the meeting, but instead recording apologies from Cllr Abbott, who was not present. <b>Proposed by:</b> Cllr Porter                      <b>Seconded by:</b> Cllr Brown</p>
19.64	<p><b>TO CONSIDER FINANCIAL AND INTERNAL CONTROL MATTERS</b></p>
19.64.01	<p><b>To consider the Management Accounts – 1 April 2019 to 30 November 2019</b> (Papers FRM(19)64.01 and FRM(19)64.01a-i) The Clerk reported on the Council’s financial position as at the end of period 8 of 2019/20. Gross income received was £358,805 including Community Infrastructure Levy monies (CIL) of £245,651. Without the CIL, the income was £113,154 which slightly exceeds the annual revised budgeted income of £111,318. Expenditure for the period to 30 November at £98,601 was approximately 75% of budgeted expenditure. In terms of cash resources at 30 November, cash in the Council’s bank accounts totalled £412,529 of which £322,840 relates to the balance of CIL monies held as a restricted reserve, and £10,000 as earmarked reserves. Additionally a VAT refund of £4,863 is owed, giving a figure for the Council’s total liquid assets of £417,392. The general reserves total £84,552. Following discussion and clarification on a few points, <b>it was AGREED to NOTE</b> the report.</p>
19.64.02	<p><b>To consider the budget report</b> (Papers FRM(19)64.02 and FRM(19)64.02a) The Clerk took Members through the Budget report. The budget spreadsheet sets out the revised budget figures for 2019/20 as accepted by Full Council on 13 November. Although the year end projection is for a deficit of £20,451, the likelihood is that the actual position will be better than projected, with probably a smaller deficit of between £12-£15k. The budget figures for 2020/21 provisionally adopted by Full Council on 13 November have been amended only to reflect the increased payroll costs as notified by SALC since that date. In terms of the proposed precept for 2020/21:</p> <ul style="list-style-type: none"> <li>• The reason for the proposed 5% increase on the actual tax charge imposed in 2019/20 should state that it is “to offset some of the additional costs of managing the assets to be divested from East Suffolk Council”.</li> <li>• The inflation rate used should be the CPI rate as at September 2019.</li> </ul> <p>Apart from making those points, Members did not wish to propose at this stage any changes to the provisional budget as adopted by Full Council.</p>

<p><b>19.64.03</b></p>	<p><b>To consider the draft Revised Financial Regulations 2019</b> (Paper FRM(19)64.03)</p> <p>The Chairman took Members through the draft Revised Financial Regulations document prepared by the Clerk, with particular focus on sections 5 (Banking arrangements and authorisation of payments) and 6 (Instructions for the making of payments). He explained that he and the Clerk have previously considered the draft, and the proposals now presented are considered to be consistent with both the needs of Melton's operations and sound conduct in financial management. The proposed Regulations diverge significantly from the NALC model, as that is considered in places to be unsuited to operating a large and busy local council in a 21<sup>st</sup> century environment.</p> <p>Following discussion Members <b>AGREED to recommend</b> the draft revised Regulations to Full Council for adoption subject to:</p> <ul style="list-style-type: none"> <li>• Minor typing corrections to Regulation 6.16 and 7.4 being made</li> <li>• The Clerk investigating the feasibility of making personal payments anonymous in line with the provision in Regulation 5.2.</li> </ul>
<p><b>19.64.04</b></p>	<p><b>To receive a summary report on the Council's Data Protection arrangements and issues in relation to Member compliance</b> (Papers FRM(19)64.04, FRM(19)64.04a and FRM(19)64.04b)</p> <p>The Clerk introduced the new Risk Assessment template which focuses on data protection matters. It is considered that the most significant current risks in terms of data protection matters lie with (1) use of non-official email addresses for official emails (2) use of personal devices which may be used for other personal activities or shared, and (3) non-compliance (through lack of awareness) with ICO guidance. SALC will be looking at running councillor focused training on this next year. Following discussion <b>it was AGREED</b> that the risk assessment template will be considered by FERM Committee at its February and October meetings each year and will replace the current data protection compliance entry on the Risk Register. Cllr Gradwell will look at risk issues around Subject Access Requests and report back.</p> <p>In terms of the Data Protection Awareness Checklist for Councillors, the latest draft of this was discussed fully. Subject to the action entitled "Ensure that all devices...are password protected" being amended to "Ensure that all devices...are password protected or given equivalent protection", the Checklist shall be issued to all Councillors to be completed immediately and subsequently at every Annual General Meeting of the Council. This will be followed up at the next Full Council to ensure that all Councillors are able to do this, and any assistance required to be compliant will be offered, notwithstanding the budget ceiling might be breached, as this is a fundamental compliance issue. Cllr Gradwell will remind all Councillors of the importance of this at the March 2020 Full Council meeting.</p>
<p><b>19.64.05</b></p>	<p><b>To note the limit under s137(4)(a) Local Government Act 1972 for 2020/21</b></p> <p>The Clerk advised that the appropriate sum for the purpose of section 137(4)(a) Local Government Act 1972 for local councils in 2020/21 is £8.32 per elector. Given there are (per the 2019 electoral register) 3367 electors in the parish of Melton, that equates to £28,013.44. This was <b>NOTED</b>.</p>
<p><b>19.64.06</b></p>	<p><b>To receive a report on the Interim Internal Audit for 2019/20</b></p> <p>The Clerk reported that this was arranged with SALC to take place on 16 January 2020. He will ask the auditor if she can be available, if required, to</p>

	attend the next meeting of FERM Committee on 5 February 2020 to discuss findings with Councillors.
<b>19.64.07</b>	<p><b>Limited Assurance Review 2018/19 – update on correspondence</b> (Paper FRM(19)64.07)</p> <p>The Clerk reported correspondence (previously distributed) with both PKF Littlejohn and the Smaller Authorities Audit Appointments Ltd (SAAA) about the level of the fee charged by PKF Littlejohn for 2018/19, and their responses. Although unhelpful, the replies were predictable. It was <b>AGREED to NOTE</b> the contents.</p>
<b>19.65</b>	<b>TO CONSIDER EMPLOYMENT MATTERS</b>
<b>19.65.01</b>	<p><b>Staffing report</b></p> <p>The Clerk reported on the current position:</p> <ul style="list-style-type: none"> <li>• The Assistant Clerk and Information Officer is settling well into her expanded role which includes responsibility for all matters relating to the Recreation Committee.</li> <li>• The Village Handyperson has been extremely busy both excavating and backfilling a trench from the pavilion to the main gate of the Playing Field to facilitate the installation of a power supply to the gate area, all of which has been completed notwithstanding the recent wet weather. This has been in addition to his regular duties.</li> </ul>
<b>19.66</b>	<b>TO REVIEW RISK MANAGEMENT ISSUES</b>
<b>19.66.01</b>	<p><b>Risk Register</b> (Paper FRM(19)66.01)</p> <p>Members of FERM Committee reviewed in detail the Risk Register updated for December 2019. Following discussion <b>it was AGREED</b> to:</p> <ul style="list-style-type: none"> <li>• Remove the entry for data protection compliance and in future consider all data protection risks via the new template agreed at Minute 19.64.04 above. These risks to be reviewed at the February and October meetings of FERM Committee.</li> <li>• Obtain a quotation for tenant indemnity insurance.</li> <li>• Replace the risk entitled “Delay in getting a suitable tenant for 1<sup>st</sup> floor office” with one entitled “Inappropriate use” and to leave the risk as live and high risk until the lease is signed and an inspection carried out.</li> </ul> <p>Otherwise the report was <b>NOTED</b>.</p>
<b>19.66.02</b>	<p><b>Contingency Planning</b> (Papers FRM(19)66.02 and FRM(19)66.02a)</p> <p>The Committee considered the 1<sup>st</sup> draft of a Business Continuity Plan in relation to the Melton PC office (FRM(19)66.02), to be read in the context of the wider Riduna Park site Emergency Incident Plan prepared by Savills (FRM(19)66.02a), and to meet the Council’s responsibilities under the current Fire Safety Order. It was acknowledged that the draft was incomplete but submitted for approval as to the general content and approach. Following discussion Councillors <b>AGREED</b> both the presentation and content, and additionally requested:</p> <ul style="list-style-type: none"> <li>• A check on the insurance position regarding the tenant’s activities</li> <li>• Further investigation as to off-site / virtual backup for data, systems and documentation</li> <li>• The procurement as a priority of a fireproof / waterproof cabinet for important / irreplaceable documents; agreement on the purchase of this to be delegated to the Clerk and Chair of FERM Committee.</li> </ul>

<b>19.67</b>	<b>TO CONSIDER GOVERNANCE MATTERS</b>
<b>19.67.01</b>	<p><b>Report of Decisions Made by Clerk under the Openness of Local Government Bodies Regulations 2014</b> (Paper FRM(19)67.01)</p> <p><b>It was RESOLVED</b> to ratify the decisions taken by the Clerk under delegated authority (1) for the purchase of a new computer for the Assistant Clerk at £375.00 and (2) the purchase of office blinds to eliminate glare in the sum of £204.96.</p> <p><b>Proposed by:</b> Cllr Gradwell                      <b>Seconded by:</b> Cllr Brown</p>
<b>19.68</b>	<p><b>TO CONSIDER THE CURRENT POSITION ON COMMUNITY INFRASTRUCTURE LEVY (CIL) FUNDED PROJECTS</b> (Paper FRM(19)68)</p> <p>The Clerk took Members through the report which set out in tabular form, the resources available, funds that the council might wish to retain in support of existing policies or as revenue support, projects already started or committed, new projects that the Council may wish to consult on, and finally other future projects.</p> <p>Following discussion FERM Committee Members <b>AGREED</b> the format and recommendations in the report which will now be submitted to Full Council for approval, subject to removing the following projects from the list of projects already started or committed, and placing them in a new separate list titled "Upcoming refurbishment projects":</p> <ul style="list-style-type: none"> <li>• New play area fencing</li> <li>• Tennis court refurbishment</li> <li>• Car park improvements.</li> </ul>
<b>19.69</b>	<p><b>FINANCE COMMITTEE CHAIRMAN'S URGENT BUSINESS</b></p> <p>There was none.</p>
<b>19.70</b>	<p><b>DATE OF NEXT MEETING</b></p> <p>The next meeting will take place on Wednesday 5 February 2020 commencing at 19:00, at 17 Riduna Park, Station Road, Melton IP12 1QT. Cllr Gradwell gave her apologies for that meeting. There being no further business the meeting closed at 21.30.</p>