

Minutes of the Finance Committee remote meeting held on 23rd April 2021

Present: Cllr D Landymore (DL) Cllr T Stedman (TS)
Cllr F Howard (FH) Cllr R Golesworthy (RWG) Cllr J Prothero (JPR)
Cllr S Morris (SM) N Burdekin (NB)

Apologies: None

FIN514. Minutes of meeting dated 5th March 2021

The minutes of the meeting dated 5th March 2021 were unanimously agreed as a true and accurate record.

FIN515. Matters Arising

(i) Bank Reconciliations Oct – Dec 2020 and January 2021

NB confirmed that all bank reconciliations were completed and DL had signed them.

(ii) Internal Audit

NB confirmed that the Letter of Acceptance had now been signed by DM Jones and returned to HTC electronically.

(iii) External Audit

NB had e-mailed Audit Wales on 20th April as requested in the meeting held on 5th March 2021 to explain that HTC is not a Trust Fund holder and has always previously ticked not applicable to boxes relating to this on the Annual Return. Audit Wales had replied to say to add this on this year's Annual Return as an additional note and did not challenge the statement from HTC.

(iv) George Tofarides – Update from NB

NB had spoken with George prior to the meeting and explained that his request for a pay rise will be added to the Finance Sub Committee meeting in September 2021 with a view to amending George's contract for 2022/2023. NB could not find a contract for George and George said he had never received one. NB had found George's appointment letter, dated 1st May 2010. George also indicated he would be happy to meet Councillors when Covid-19 restrictions allow.

SM suggested drawing up a draft contract for George prior to meeting him. SM added that there seems to be confusion between what cries he does for HTC, and what cries he does for other employers. TS asked what George thinks he should be doing as his employment with HTC. When doing HTC cries, George should wear his Town Crier outfit, but not when he is doing other cries. TS added that perhaps the contract could increase to £300 per year with, for example, 10 cries.

Actions:

1. NB to ask other local councils if they have a template contract for their own Town Criers.
2. DL and TS to then draft a contract for George
3. Once draft contract has been drawn up, DL and TS to meet George

(v) Any other matters not arising from the agenda
DL asked about FIN510 legionella risk assessment. NB hadn't done this yet. **Action:**
NB to arrange a.s.a.p.

Cllr FH left the meeting at approximately 9.15 am

FIN516. Annual Report from RFO

Prior to the meeting, NB had circulated to all Councillors an annual report for 2020/2021 year end.

NB explained that the trend over the past two financial years shows that HTC's reserves are going down by approximately £25k a year. NB also said that the current level of earmarked reserves totals £129,863. However, HTC's total reserves only amount to £90,235. In other words, the amount of money earmarked is not available. This is largely because in the past, this amount of money was in reserves but has subsequently reduced by a significant amount.

NB added that the minimum level of un-earmarked reserves a Town Council should have are 3 months' of the previous year's gross spend. For 2020/2021, this was £120,000. So the minimum unearmarked reserves that HTC needs to keep available is £30,000.

The £129,863 includes £40,000 for the purchase of Hay Cemetery and £20,000 for the office move. TS suggested deferring any spend on the office move until the cemetery land is purchased and all fees for the purchase of the cemetery are known and accounted for.

FIN516. Recommendation

(i) Due to financial constraints, it is recommended that the proposed new office accommodation with Hay Dial-a-Ride is deferred until the purchase of the new cemetery land is completed and all costs are known and accounted for.

RWG proposed, TS seconded. *Unanimously approved*

FIN517. Annual Return 2020/2021

(i) HTC income and expenditure 31st March 2021

NB had circulated the budget to all Councillors prior to the meeting and took Councillors through the budget. No major concerns were raised and NB said not much had changed since Councillors had seen the last budget dated 24th February 2021.

(ii) Annual Return 2020/2021 draft accounts for Internal Auditor approval/recommendation

Given the above income and expenditure at 31st March had no major concerns, Councillors unanimously approved the draft accounts for the internal auditor.

Action: NB to pull together all the relevant information needed by the Internal Auditor and give to the auditor. The timeframe for audits to be sent to the External

Auditor is 30th June, so NB to ask the internal auditor to complete the audit and report by end of May 2021.

FIN518. Balances to carry forward for 2021/2022 for approval/recommendation

In terms of the other earmarked reserves, NB had included all current earmarked reserves within the Annual Report. Councillors made the following decisions:

- Bench fund – SM asked if we needed the £557.25 in this code. NB said that there are two benches at Brecon Road playing fields that need repairing, and one should be dedicated to NL. So it was felt that this should remain.
- Election reserves - £397.21 – Keep
- Sports Clubs’ fundraising - £820.00 - Keep
- Hay Cemetery - £40,000 – Keep

In terms of the £820.00 remaining in Sports Fundraising, and given that Hay Bowls Club had previously received an award of £500.00 from this fund, Councillors unanimously agreed to award the two football clubs two-thirds of the remaining money (£550.00) and the cricket club one-third (£270.00).

Councillors agreed, given that earmarked reserves were significantly too high, all other codes were zeroed. NB added that many of these code areas do have money to come in from the Precept for 2021/2022 such as the Small Grants Programme.

By carrying over only the 4 amounts as above, HTC would have a much cleaner accounting system in place for 2021/2022 when the new Scribe Accounts software will also be used. This would leave approximately £50,000 in unearmarked reserves (essentially giving £20,000 which would leave £30,000 as the minimum level of unearmarked reserves needed) and Councillors can make decisions for any spend over and above what is Precepted for on a relatively blank canvas.

FIN518. Recommendation (i)

- (i) That Hay Town Council carry forward the following balances to 2021/2022:
- £40,000.00 for the purchase of Hay Cemetery
 - £820.00 for Sports Fundraising
 - £400.00 for Election Reserves
 - £500.00 for Bench Fund

And that all other earmarked reserves are zeroed in order to leave HTC with approximately £50,000 unearmarked reserves, above the £30,000 minimum threshold.

DL proposed, TS seconded. *Unanimously approved*

FIN518. Recommendation (ii)

(i) That Hay Town Council amalgamates the Council Premises Account and the Project Account into one overall account "Council Premises" Account.

TS proposed, DL seconded. *Unanimously approved*

FIN519. Fixed Asset Register for 2021/2022 for approval/recommendation

NB had circulated a draft Fixed Asset Register for 2021/2022 but hadn't included any items bought through the Transition Towns grant. Councillors agreed the following items needed to be included:

- (x1) Hand sanitiser station for Brecon Road Recreation Facilities (the other 2 stations potentially for the Cheesemarket and Buttermarket)
- (x4) 2-person picnic seats
- (x12) tables
- (x48) wicker chairs

Hay Town Council - Fixed Asset Register 2020/2021				
		Additional	31st March 2020	31st March 2021
		Purchases		
	Asset		Estimated Value	
1	Christmas Lights		29226	29226
2	Playground Equipment		9348	9348
3	Compaq Computer		100	100
4	Epson Printer		0	0
5	Toshiba Computer		100	100
6	Oki Printer		100	100
7	Screen		100	100
8	Town Criers Bell		200	200
9	Mayoral Chain		1000	1000
10	10 benches		3798	3798
11	Bus Shelter		1	1
12	15 Litter Bins		15	15
13	Town Crier's Outfits		150	150
14	1 mace		50	50

15	Mayor's Consorts chain		50	50
16	6 tables		300	300
17	Canon Printer		124	124
18	Coin Sorter		145	145
19	Citizen of the Year Board		200	200
20	Tools(wheelbarrow and shovel)		74	74
21	4 dog fouling bins		997	997
22	1 computer, 1 lap top		1134	1134
23	7 Wooden Sculptures Old Railway Line		4200	4200
24	2 card payment machines for toilets		N/A	1300
25	New 3-metre rope pyramid		N/A	9520
26	1 hand sanitiser station (Transition Towns)		N/A	117
27	(x4) 2-person picnic seats (Transition Towns)		N/A	1736
28	x12 tables (Transition Towns)		N/A	950
29	x48 chairs (Transition Towns)		N/A	1439
Land				
L1	Land at Warren Close		1	1
L2	Picnic Area by Bridge		1	1
L3	Railway Line		1	1
L4	Black Lion Green		1	1
L5	Land at Bottom of Wyeford Road		1	1
L6	Fishing Warren Cottage to Dulais Brook		1	1
L7	Land at The Meadows		1	1
	TOTAL		51419	66481

FIN519. Recommendation

(i) That the above Fixed Asset Register be approved by Hay Town Council

TS proposed, RWG seconded. *Unanimously approved*

FIN520. Bank Reconciliations – February and March 2021

NB confirmed he had completed all bank reconciliations up till 31st March 2021.

Action: NB to arrange to meet DL to sign completed reconciliations.

FIN521. All Wales Play Grant

SM said he was still not satisfied with the final installation as Eibe Sports did not remove the existing wetpour surface and that, because of this, the surfacing is higher than it should be. RWG said his understanding was that the wetpour should be removed, but couldn't be absolutely certain. SM said the quote and invoice did not mention removing the wetpour, so the key is to learn the lesson for any future works to make sure the quote accurately reflects what is expected.

TS suggested writing to Eibe Sports and say HTC will pay the invoice in full if Eibe Sports will commit to, in writing, picking up any costs associated with the surfacing through the RoSPA inspections. *Councillors unanimously approved this.* **Action:** NB to contact David Gibbons, Eibe Sports, to inform him of HTC's decision. HTC not to pay Eibe Sports until David has committed to the above in writing.

FIN522. Recreation Facilities – New Office

- (i) Garage demolition quotes
- (ii) Quotes for portacabin/new structure
- (iii) Connection costs to date

All items were deferred following the decision by Councillors in FIN516 above with the exception of (i) garage demolition. **Action:** TS to contact BBNP to say the garage is unsafe and if HTC does purchase a portacabin in would be rotated 90 degrees to see if HTC would need planning permission to do this.

FIN523. Caretaker draft Job Description & Person Specification

Given the financial situation as described above in FIN516, Councillors agreed that HTC could not afford to employ this position at the current time.

TS said that there is a fund available that covers running costs which could be used to employ a caretaker for HTC. RWG said that although this was a good suggestion, he would recommend waiting until after HTC's next AGM. DL agreed with RWG to delay until the AGM, but also agreed with TS that the grant fund might be a productive way to employ a caretaker.

Cllr RWG left the meeting at 10.25 am

FIN524. Charges to offer sports clubs for cleaning and/or statutory testing of recreation facilities (deferred from 5th March 2021)

TS said obviously HTC cannot offer a charge to the sports clubs without a caretaker. NB offered to undertake the Legionella statutory testing at the Recreation Facilities and the toilets, alongside CW providing they have the appropriate training. **Action:** When booking the Legionella risk assessments, NB to ask for training for him and CW for statutory testing.

FIN525. Online banking – process/update

NB has now received a pinsentry card reader and had successfully logged onto the system. NB had also contacted Barclays regarding the possibility of sending a new Main Account cheque book to a local branch, but this is not possible. However, it is possible to change the address for correspondence and statements and leave the

main office address the same. Councillors deferred changing the address at this stage.

NB asked how electronic payments should be made in the future given 2 Councillors need to sign cheques. DL suggested NB to set up payments online, 1 Councillor would authorise payments, but prior to this 2 Councillors to counter-sign a hard copy of the invoice.

FIN525. Recommendation (i)

(i) That the Clerk can set up on-line payments and 1 of the on-line bank signatories can authorise payment online. But prior to this happening, 2 of the authorised bank signatories both to sign a hard copy of any given invoice prior to on-line payments being made.

DL proposed, TS seconded. *Unanimously approved*

FIN525. Recommendation (ii)

(i) That the majority of HTC's transactions in the future are made electronically and that the Chair of Finance double-checks these payments.

DL proposed, TS seconded. *Unanimously approved*

FIN526. Valuation Office Agency re. rates at Recreation Facilities

NB said that the VOA had asked for additional information for the sports clubs in order to consider re-evaluating the business rates at the Recreation Facilities. The VOA cannot change business rates without evidence of sub leases. Councillors asked NB to add this to the next Full Council agenda to for a decision on this matter.

FIN527. Water bill for Recreation Facilities – Hay Bowls Club payment

NB had circulated an e-mail from the Bowls Club challenging paying the invoice of £339.71 for water in full on the basis that they had not used the clubhouse or toilets in the last 12 months. However, SM said that water companies operate on the basis of estimated use. The bill says, "Sewerage volume is less than the water volume. This is standard for all premises as not all the water you use re-enters the public sewer." On this basis, SM proposed the Bowls Club needs to pay the bill in full. *Unanimously approved.* If the Bowls Club wishes to challenge the bill, they will need to challenge Welsh Water directly.

FIN528. Insurance Renewal – Insurance Cover expires 14th August 2021

NB explained that HTC's insurance expires on 14th August 2021. **Action:** NB to get 3 insurance quotes.

FIN529. Paid Parking

NB said that to date, 10 people had signed up to the paid parking, including 3 from Harleys Almshouses (which are subject to a discount). TS suggested that the paid

parking scheme at Recreation Facilities could be changed to half paid, bollarded parking, and half open to the community via a barrier, but subject to a daily rate.

FIN529. Recommendation

(i) That Hay Town Council creates half paid parking for residents at the Recreation Facilities, and the other half barriered off for day-to-day paid parking for wider use.

TS proposed, DL seconded. *Unanimously approved*

FIN530. Outstanding payments from Sports Clubs 2019/2020

(i) £2,500 (£1,500 from Hay Junior Football Club; £1,000 from Hay Cricket Club)

NB explained this item was to keep the outstanding amount of monies on record.

FIN531. A.O.B.

RWG raised the issue of the Clerk working in the office. TS said that this will be determined by the Welsh Government and suggested waiting for the next review with a view to re-starting office working around 17th May 2021.

FIN532. Time and date of next meeting – Tba by NB once Internal Audit and report has been completed.

Signed:

Date: