**MINUTES of a MEETING**
**of the**

# FINANCE AND ECONOMIC DEVELOPMENT COMMITTEE

**held in the**
**Council Chamber, Buckley**
**on**
**Tuesday 22nd January 2019**

## PRESENT

Councillor J F Thornton – in the Chair

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| Cllr V E Blondek | Cllr R B Jones | Cllr E L Preece |
| Cllr D Ellis | Cllr M J Peers | Cllr P G Shone |
| Cllr E J Hutchinson | Cllr I Peters | Cllr A G Williams |
| Cllr H D Hutchinson | Cllr N Phillips | Cllr A Woolley |

## IN ATTENDANCE

Mr M B Wright – Town Clerk & Financial Officer
Mrs L George – Personal Assistant
Mrs T J Reece – Personal Assistant

## 17423- APOLOGIES

Apologies for absence and reasons were received and approved from Councillors C A Ellis (family commitments), I D Howes (illness), J S Jones (family commitments), W A Lewis (illness), S Peers (work commitments), C M Preece (holiday) and M P Teire (illness).

## 17424- DECLARATIONS OF INTEREST

No Declarations of Interest were made in relation to this Agenda. It was –

***Resolved – that no Declarations of Interest were noted.***

## 17425- MINUTES

***Resolved - that the Minutes of the Meeting of the Finance and Economic Development Committee held on 11th December 2018, as now submitted, be signed by the Committee Chair.***

## 17426-ACCOUNTS FOR PAYMENT

***Resolved - (i) that the accounts numbered 11604 - 11641 (inclusive as detailed in the Schedule of Accounts Number 495 dated 22nd January 2019 [a copy of which had***

***been distributed to all Members] and amounting in total to the sum of £18,764.98) be approved for payment and the Town Clerk be authorised to make the necessary arrangements to ensure that the payments were properly actioned through the Council's Bank Current Account in accordance with the Council's Internal Financial Controls.***

***(ii) that the expenditure be authorised in accordance with powers contained within the relevant local government acts and as identified and described within Appendix 1 of the NALC advice 'Governance and Accountability in Local Councils in England and Wales, a Practitioners' Guide' as revised and amended.***

**17427- <u>BANK RECONCILIATIONS</u>**

The Committee received the monthly Bank Reconciliation as at 31st December 2018. It was –

***Resolved – that the Bank Reconciliation as at 31st December 2018 be received, noted and approved.***

**17428- <u>PETTY CASH EXPENDITURE</u>**

The Committee received the Petty Cash Account as at 31st December 2018. It was -

***Resolved – that the Petty Cash Account Spreadsheet as at 31st December 2018 be received, noted and approved.***

**17429- <u>ANNUAL INTERIM INTERNAL AUDIT REPORT</u>**

The Committee received and considered the Annual Interim Internal Audit report for 2018/19 which showed four recommendations relating to the Internal Financial Controls (Regulations). The Clerk advised the Committee that in answer to recommendation 1, a permanent file deletion software had been installed. With regard to recommendation 2, the Council did have an External Privacy Notice with regard to GDPR requirements and it was available to the public on the Council's website. The External Privacy Notice had been approved by the Council at its meeting held on 27th November 2018 (minute 17322(3) referred). With regard to recommendation 3, a clarification of the actions taken was provided as Agenda item 9 on this Committee's Agenda (17431 referred). With regard to recommendation 4, again the matter was addressed as Agenda item 10 on this Committee's Agenda (17432 referred). The Committee acknowledged the report and noted that the Annual Interim Internal Audit Report would form part of the Annual Return and Year End Financial Accounts for 2018/19. It was –

***Resolved – that the Interim Internal Audit report and the Clerk's actions in relation to it be received and noted.***

**17430- <u>REVIEW OF THE ADEQUACY OF INTERNAL AUDIT</u>**

The Committee was advised that each Town and Community Council must, on an annual basis, review the adequacy of Internal Audit. The review also required the Council to ensure the independence of Internal Audit.

Enclosed with the Agenda was a letter from JDH Business Services Limited confirming its continued independence. Also enclosed was the Internal Audit Plan for 2018/19, which showed the scope, costs, timescales, unplanned work, reporting and access to information requirements for the audit to be completed and how the Internal Audit complied with the Governance and Accountability for Local Councils, a Practitioners Guide. The plan also included the review of income and expenditure systems, other areas for review and year end accounts. Finally, there was a review of the effectiveness of Internal Audit, which provided a comprehensive review of the Internal Audit service. It was -

***Resolved – that the Committee received and noted the report, enclosed correspondence, acknowledged the continued independence of the Internal Auditor and the adequacy of Internal Audit in relation to the 2018/19 Financial Year. The Committee also confirmed its approval for the continued use of JDH Business Services Limited for the Internal Audits of the Town Council.***

## 17431- CLARIFICATION OF ACTIONS TAKEN WITH REGARD TO THE PROCUREMENT OF SERVICES IN RELATION TO STANDING ORDER 30

The Committee received and considered a report from the Clerk, which provided clarification on the actions taken with regard to the procurement of services and the compliance with Standing Order 30. The Clerk advised the Committee that the Internal Auditor had raised the matter of four payments that were in excess of the existing limit over which competitive tendering was required. Contractors to whom the payments were made had not been subjected to competitive tendering.

The Clerk advised the Committee that in the first three cases, Standing Order 30(a)(iv)2 had been applied and that in the case of the first and third issues the matter had been discussed with the Chair of this Committee prior to the expenditure being committed. In the case of the fourth issue raised the Clerk reminded the Committee that it had approved the purchase of the computer hardware, software and licences at its meeting held on 23rd October 2018 (minute 17305 referred) and again Standing Order 30(a)(iv)2 applied.

The Committee acknowledged that it was fully aware of the payments made and the reasons for the urgency of commissioning the works. It was noted that the relevant Standing Order had now been clarified. It was therefore –

***Resolved – that the clarification of the Standing Order applicable to the payments highlighted by the Internal Auditor be received and noted and that the Clerk's actions in all four matters be endorsed.***

## 17432- CLEANING CONTRACT FOR PUBLIC CONVENIENCES AND COUNCIL OFFICES

The Committee was reminded that the 2017/18 Annual Return had not yet been returned by the External Auditors. The reason for that was that a letter had been forwarded to the External Auditors from an elector in Buckley concerning the cleaning contract.

Although the External Auditor had only referred to one cleaning contract the Clerk had forwarded all the relevant information to the External Auditor with regard to both the cleaning contract for the public conveniences and the cleaning contract for the Council Offices. The Clerk also provided the Committee with a spreadsheet he had forwarded to the External Auditor showing that in the case of the public conveniences the contract price had risen by 8.86% when comparing the original contract price with the current price being paid after cleaning out costs incurred as a result of additional work being approved by the Council in 2015 (the contract was let in 2004). The spreadsheet also showed that in the case of the Council Offices' cleaning contract the increase over the period of the contract had been 4.55% (the contract was let in 2006). Those increases compared very favourably with the rate of increase in the Retail Price Index over the same period (36.17%). The Clerk explained that the low level of increase over the periods of the contracts was due to the annual review of each contract.

The Clerk, however, suggested to the Committee that with regard to the two cleaning contracts that it could either formally extend the contracts for a further approved period or test the market in 2019/20. It was –

***Resolved – that the Clerk's report and enclosed spreadsheet be received and noted and that the contracts for the cleaning of the public conveniences and the Council Offices be extended for a further period of one year (to the end of 2019/20) and that prior to 31st March 2020 quotations be sought for comparisons with the current contracts and new or revised contracts be let for a period to be approved by this Committee.***

**17433- <u>GENERAL DATA PROTECTION REGULATIONS (GDPR)</u>**

The Clerk provided a report with regard to the above, which advised that compliance with GDPR was a legal requirement and the penalties for none compliance could be significant. The Clerk, therefore, recommended the appointment of JDH Business Services Limited who would establish an Independent Data Protection compliance function (DPO) that, inter alia, would carry out internal audit work to test ongoing compliance with GDPR. The services provided were listed on an enclosed letter from JDH Business Services Limited and included the supported completion of a data audit and data inventory, a GAP analysis, a comprehensive audit of current manual and electronic document security, ongoing independent internal audits of compliance with the GDPR requirements, sharing anonymised case studies, providing guidance in completing privacy impact assessments, review procedures in place to respond effectively to Subject Access Requests, be the first point of contact both for the ICO and for the notification of a data breach and finally would share best practice with Officers and the Council to raise awareness of Data Protect Law and current key issues. It was –

***Resolved – that JDH Business Services Limited be appointed to provide an Independent Compliance Function with regard to GDPR, at a cost in 2018/19 of £1,200 and in 2019/20 a cost of £1,000 with each year thereafter being subject to CPI increases.***

**17434- ESTIMATES 2019/20**

The Committee received and considered the recommended Budgets from the Highways and Leisure Committee and the General Purposes Committee as well as its own Draft Budget for 2019/20. Accompanied with the Draft Budgets for 2019/20 were explanatory notes in relation to the Budget Heads included within the Draft Budget. The Committee also received, with the summarised Draft Budget for 2019/20, the level of Precept required. The Draft Budget indicated that the Precept would decrease by 3.31% from the previous year. The Precept expressed as a cost per Band D property would decrease by 3.82%. The Precept recommended was £306,027.00 and the Precept expressed as a cost per Band D property was shown as £45.81. It was -

***Resolved – that:-***

***(a)*** ***The Highways and Leisure Committee's estimates for 2019/20 be approved in the sum of £56,164.00.***

***(b)*** ***The General Purposes Committee's estimates for 2019/20 be approved in the sum of £60,354.00.***

***(c)*** ***The estimates for this Committee for 2019/20 be approved in the sum of £223,276.00.***

***That the Council's Precept requirement for 2019/20 be £306,027.00. This recommendation to be put before the Council at its Resumed Meeting on the same evening (22nd January 2019).***

**CHAIR**