



**MINUTES**

**Meeting:** FINANCE AND  
PERFORMANCE COMMITTEE

**Date:** 23<sup>rd</sup> April 2019

**Time:** 10.00am

**Venue:** COUNCIL OFFICES, HAINAULT ROAD, CHIGWELL

**PRESENT: Councillors (3)**

Barry Scrutton (Chairman), Richard Alvin and Brian Sandler.

**Officers (2)**

Anthony Belgrave – Clerk to the Council.

Mark Hembury – Responsible Financial Officer

**Also in Attendance (1)**

There was one member of the public in attendance.

**Other non-committee Councillors (2)**

Deborah Barlow and #Alan Lion

**18.55 RECORDING OF MEETINGS**

**NOTED** that in accordance with Standing Order 3 (i) photographing, recording, broadcasting or transmitting the proceedings of a meeting may take place.

**18.56 RESIGNATION OF CHAIRMAN/ELECTION OF CHAIRMAN**

Members were advised that notification of the resignation of the Chairman has been received by the Clerk.

Councillor Sandler **PROPOSED** and Councillor Alvin **SECONDED** Councillor Scrutton. As there were no other nominations, Councillor Scrutton was elected as Chairman of the Finance & Performance Committee, for the current municipal year.

After further discussions, it was moved by the Chairman and **RESOLVED** that:

- This information be **NOTED**.

**18.57 APOLOGIES FOR ABSENCE (3)**

Councillors: Naveed Akhtar, Roger Farthing and Darshan Singh Sunger.



**18.58 OTHER ABSENCES (0)**

None.

**18.59 MINUTES**

The minutes of the meetings held on 13<sup>th</sup> February 2019 were **CONFIRMED**.

**18.60 DECLARATIONS OF INTEREST**

Members **NOTED** that there were no Declarations of Interest.

# Councillor Lion arrived at the meeting.

**18.61 REPORT FROM THE FINANCIAL OFFICER**

Members **NOTED** the provisional income/expenditure report and the general reserves figure for the 2018/19 financial year, from 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2019. Members carefully examined this report and discussions then took place, during which the Responsible Financial Officer advised that the provisional accounts are now scheduled to be closed on 25<sup>th</sup> April 2019, it is anticipated the respective figures will be mildly different to those displayed in the appendices. The Responsible Financial Officer emphasised the General Reserves figure is £215,000.00 and this committee must now determine whether this figure should remain or be reduced as the committee may see fitting. Whilst there is now regulation that stipulates exactly what the reserve figure should be, guidelines recommend that the General Reserve figure should be approximately one third of the precept figure. The Responsible Financial Officer also reminded members that the council has resolved to not renew the lease with the Victory Hall & Lewis Memorial Foundation and to assume all administrative/managerial duties for the Victory Hall. The intention is to offer a functional venue that is obtainable for hire for a range of functions and events, both during the week and weekends. Further, it is anticipated this model will result in the income being approximately equivalent to the expenditure. However, further expenditures may likely be necessary and will be duly considered by the Victory Hall Management Committee. These expenditures may be required to ensure the Parish Council is fully compliant with the applicable statutory legislation. An example being, a recent Fire Risk assessment recommended the installation of a fire alarm, smoke detectors and fire extinguishing equipment. The previous access and security arrangements will also require the attention of the respective committee.

Councillor Lion stated that having attended the recent Annual Parish meeting, public attendees did question whether a financial appraisal of this venture has been undertaken prior to the decision to pursue this project.



The Chairman also stated that pertinent questions were asked about the Parish Council's financial position pertaining to the contractual partnership agreement with Epping Forest Community Transport (EFCT). There are three S106 agreements, which would allow payments to the Parish Council, in support of the Community Bus Service, only two of which have thus far been received, resulting in a significant deficit.

Councillor Lion reiterated that no decision has been made to allocate funding external to the aforementioned S106 arrangements. Consequentially the council is now obligated to subsidise this service because the S106 payments entwined to the refurbishment of Chigwell Primary Academy are still to be received by the council. Councillor Sandler suggested that these matters should first be considered by the Community Bus Service Management Committee and that the council was advised the S106 agreement being referred to is being pursued at the planning authority. Councillor Lion responded that an appropriate and thorough risk analysis is also required to determine the position of the council pertaining to these matters.

The Clerk reminded members that a Risk analysis matrix has been undertaken previously and was presented to the Parish Council on at least two occasions, most recently at the council meeting held on 10<sup>th</sup> April 2019. In response to a question concerning the renewal date for the current partnership agreement, the Clerk advised members he would investigate this query and advise the committee accordingly.

After further discussions, it was then moved by the Chairman and **RESOLVED** that:

- This information be **NOTED**.
- The General Reserve figure will remain at £215,662.00.
- The Clerk would investigate the renewal date for the contractual partnership agreement between the Parish Council and Epping Forest Community Transport.
- The provisional income/expenditure report and the general reserves figure, for the 2018/19 financial year from 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2019 be **NOTED**.

## **18.62 INTERNAL AUDIT REPORT**

Members were advised that in accordance with the applicable Financial Regulations an Internal Auditor has been appointed by the council and undertaken the statutorily required Internal Audit, the subsequent report, dated 9<sup>th</sup> April 2019 is shown at **Appendix 2**, for Member's information. The RFO directed members to some of the noteworthy aspects on this report, namely; *'Items re-raised from the previous audit'* and the recommendations. Councillor Alvin suggested that appropriate consideration should be given to undertaking a salary review with some immediacy in accord to the auditor's recommendations detailed in this report, which were also featured in the previous internal auditor's report, received by the council last year.



Councillor Lion further suggested that an appropriate Job evaluation should be conducted prior to any salary review taking place. In response to these suggestions Members were reminded that the recommendations pertaining to these matters were made on consideration of the services provided by the Parish Council, the existing guidelines for salary scales for a Parish Clerk and Responsible Financial Officer, with similar spheres of responsibility. Councillor Lion reiterated that Job evaluations are undertaken as a matter of course at Epping Forest District Council prior to any Salary Review and that it would be more appropriate if an independent, external agency was appointed by the council to pursue such an undertaking.

After further discussions, it was moved by the Chairman and **RESOLVED** that:

- This information be **NOTED**.
- The Internal Auditor's Report, dated 9<sup>th</sup> April 2019 be **NOTED**.

### **18.63 VICTORY HALL – Budgetary Implications**

Members were reminded that the at the council meeting held on 13<sup>th</sup> December 2018, the former resolution to not renew the lease between the Lewis Memorial/Victory Hall Foundation and Chigwell Parish Council was confirmed. At this meeting members were advised that an internal and external inspection of the Victory Hall was undertaken on 20<sup>th</sup> November 2018. Subsequently, a final schedule of dilapidations and wants of repair, found to have accrued at the property, under the terms of the lease was also considered at this meeting. Supplementary to this report, an Electrical installation condition report was also tabled at this meeting. The Responsible Financial Officer advised that the Parish Council has now assumed all administrative/managerial responsibilities for Victory Hall. Further, it is anticipated and intended that the respective income generated from this undertaking will be equivalent to the necessary expenditures which may be incurred whilst the service has re-established itself. However, members are advised that a variety of issues must be addressed to ensure that Victory Hall is fully compliant with all the statutory regulations governing the management of the service as previously described. An example: to ensure the building is compliant with Health & Safety legislation the in-situ fire extinguishers will have to be replaced. A Fire Risk assessment has also been conducted, which recommended the installation of an appropriate fire alarm. In view of these circumstances the Victory Hall management committee will be required to consider these matters and pursue the appropriate actions.

After further discussions, it was moved by the Chairman and **RESOLVED** that;

- This information be **NOTED**.



**18.64 DATE OF NEXT MEETING**

After brief discussions, it was moved by the Chairman and **RESOLVED** that:

- The next meeting would be schedule for 21<sup>st</sup> May 2019, 2pm.

*Signed* .....

**Chairman**

*Date* .....