

KENDAL TOWN COUNCIL

Audit, Grants and Charities Committee

**Monday 30th July 2018 at 7.00 pm
in The Mayor's Parlour, Town Hall, Kendal**

- PRESENT** Councillors Matt Severn (Chair), Geoff Cook (Vice Chair), Pat Gibson, Paul Bramham, Robert Crawford, Julia Dunlop, Douglas Rathbone and Chris Hogg
- APOLOGIES** None
- OFFICERS** Jack Jones (past Town Treasurer), Judith Lomax (temporary Treasurer) and Nicky King (Council Secretary)
- 212/18/19 INTRODUCTION**
- The Chair welcomed those present. General introductions then took place, this being the first meeting of the Audit, Grants & Charities Committee following recent KTC elections. Judith Lomax was introduced to the Committee. Judith has been appointed as Treasurer on a temporary contract from a recruitment agency. Jack Jones is assisting with handover and was also in attendance.
- 213/18/19 PUBLIC PARTICIPATION**
- None.
- 214/18/19 DECLARATIONS OF INTEREST**
- There were no declarations of interest made at this point.
- 215/18/19 MINUTES OF THE MEETING HELD ON 30TH APRIL 2018**
- The Chairman presented the minutes of the meeting held on 30th April 2018, which had been approved by full Council on 14th May 2018.
- It was proposed by Councillor Bramham that the minutes be approved as a correct record of the meeting. This was seconded by Councillor Cook and carried.
- RESOLVED** That the minutes of the meeting of the Committee held on 30th April 2018 be accepted as a correct record.
- 216/18/19 MATTERS ARISING (Not on Agenda)**
- None.
- 217/18/19 ANNUAL REVIEW OF THE TERMS OF REFERENCE**
- Members considered the Terms of Reference for the Committee.
- Councillor Bramham proposed that the Terms of Reference be accepted without amendment. This was seconded by Councillor Dunlop and carried unanimously.

RESOLVED That the Terms of Reference be accepted without amendment.

218/18/19 MEETING DATES 2019

Members considered the meeting dates for 2019 that had been previously circulated. It was agreed that these be accepted.

It was noted that the date in April was close to SLDC elections, however Members did not consider the date needed to be altered.

RESOLVED That the meeting dates for 2019 be approved.

219/18/19 ANNUAL WORK PROGRAMME

Jack Jones presented the Annual Programme of Work for the Committee for Members' information and guidance. Members noted the contents.

RESOLVED That the Annual Programme of Work be noted.

220/18/19 BUDGETARY CONTROL STATEMENT – THREE MONTHS ENDED 30TH JUNE 2018

Jack Jones presented the Budgetary Control Statement for the first quarter of the financial year. He commented that it was too early in the financial year to identify any trends. The Statement shows substantial underspending, which is usual at this stage.

The following points were highlighted:

Expenditure

There is currently just under £17,000 underspending. This is very similar to previous years at this stage and can be expected to decrease as the year progresses.

Management

Staff Salaries currently show approximately £1,300 overspend against the profiled budget. There were a number of reasons for this; the Administrative Assistant's post has been covered by an agency employee at a slightly higher cost, the leaving Treasurer has been paid for additional hours worked in preparing for a handover to his replacement. The Mayor's Attendant's costs are also high due to civic events and work resulting from the Condition Survey which was a time consuming project. This could now be expected to stabilise, but the situation should be monitored.

Kendal in Bloom

There is currently no planting contract in place so there is some uncertainty about the adequacy of resources. Jack Jones suggested that spending for this Committee be monitored.

It was noted that confirmation of the final cost of the Parish Poll is still awaited. Budget of £17,000 is currently being held aside until this is confirmed. Councillor Hogg pointed out that significant projects have

been put on hold until this is finalised. He also referred to the work arising from the Condition Survey and suggested that the Mayoralty & Arts Committee be asked for further details, for example how often the survey will be carried out.

Jack Jones concluded that the budgetary control statement indicates that expenditure to 30th June 2018 is within the profiled budget for the year to date, with a current net underspending of £16,747. This can be expected to decrease as the year progresses and spending programmes on Allotments, Bloom and Highways & Infrastructure pick up, while the £11,922 of unallocated grants can be expected to be spent by the year end. He asked Committee to consider the report and forward comments to full Council.

Committee approved the Budgetary Control Statement for three months ended 30th June 2018. It was suggested that all Committees should give consideration to available balances, particularly in the case of the Kendal in Bloom Committee.

RESOLVED

That Committee approve the Budgetary Control Statement for three months ended 30th June 2018. All Committees to give consideration to available balances, particularly in the case of the Kendal in Bloom Committee.

221/18/19

INTERNAL AUDIT MANAGEMENT LETTER AND ISSUES ARISING

Members considered the Internal Audit Management Letter which had been previously circulated.

Jack Jones informed Committee that the Council's Internal Auditor, R F Millers, have repeated the note from previous years regarding the high proportion of cash invested with a single organisation, the Cumberland Building Society. It was confirmed that the investment with Cumberland Building Society was entirely in line with the Council's policy. The 90 day notice account with the Society pays a preferential rate of interest which is no longer achievable.

Members noted the Internal Audit Management Letter and considered the investment with Cumberland Building Society to be satisfactory.

RESOLVED

That the Internal Audit Management Letter be noted and Committee consider the investment with Cumberland Building Society to be satisfactory.

222/18/19

GENERAL GRANTS

In April 2018 the concept of longer term funding agreements for general grant recipients was referred to the Committee for consideration. The Committee deferred making any recommendations for 2019/20, as it would create a commitment for an incoming Council. It had been resolved that the Treasurer would re-draft the report on multi-year funding agreements for further consideration at the next meeting.

Jack Jones presented the re-drafted paper to Members. He explained that, with the exception of a single grant to the Brewery Arts Centre, grants have been made for one year only. The previous membership of the Committee considered the matter at its April meeting. Its opinion was that multi-year agreements should be for no more than three years and that there needed to be a break out clause should the funds be misused or the organisation ceased to exist etc. Any offer of multi-year agreements would apply to grant applications for the 2019/20 financial year, which will be invited this summer. The Treasurer advised that in principle, there was no problem with the concept of multi-year agreements; the Council's finances are stable and its Grants budget has been maintained at a consistent or improved level for several years. He commented that a more difficult decision would be which organisations should be eligible.

Committee were asked to consider whether Council should introduce multi-year funding agreements and, if so, the scope and conditions attaching to such agreements. In addition they were asked whether they should be offered to selected organisations, or more generally on request. He suggested that if the concept was to be adopted it should be on a trial basis.

A general discussion ensued. Members considered the administrative implications on both Officers and Committee if the concept was adopted. It was highlighted that longer term agreements offer increased security to some organisations and help them secure substantial external funding.

Councillor Hogg proposed that Council be recommended to introduce 3 year funding agreements to recipients that are currently regularly funded over £1,500. This would apply to Kendal Brewery Arts Centre, Abbot Hall – Lakeland Arts Trust, One Voice, The Quaker Tapestry at Kendal, South Lakes Citizens Advice Bureau and Sandgate Hydrotherapy Pool. Funding to apply to grant applications for the 2019/20 financial year. This was seconded by Councillor Bramham and carried with 1 Member against.

It was further proposed by Councillor Gibson to accept the recommendations 8b and 8c in the paper. This was seconded by Councillor Rathbone and carried.

RECOMMENDATION That Council introduce 3 year funding agreements to recipients that are currently regularly funded over £1,500. This would apply to Kendal Brewery Arts Centre, Abbot Hall – Lakeland Arts Trust, One Voice, The Quaker Tapestry at Kendal, South Lakes Citizens Advice Bureau and Sandgate Hydrotherapy Pool. Funding to apply to grant applications for the 2019/20 financial year.

RESOLVED That recommendations 8b and 8c contained in the General Grants: Multi-Year Funding Agreements paper be accepted.

223/18/19

ITEMS FOR THE NEWSLETTER

Spring edition – article on budget to be included.

224/18/19

ANY OTHER BUSINESS

None.

225/18/19

DATE OF NEXT MEETING

Tuesday 30th October 2018 at 7pm.

The meeting closed at 8.00pm.

Summary of Information, Resolutions and Recommendations to Council

Min	Subject	Information/Resolution/Recommendation to Council	
217	Terms of Reference	RES	That the Terms of Reference be accepted without amendment.
218	Meeting Dates 2019	RES	That the meeting dates for 2019 be approved.
219	Annual Work Programme	RES	That the Annual Programme of Work be noted.
220	Budgetary Control Statement	RES	That Committee approve the Budgetary Control Statement for three months ended 30 th June 2018. All Committees to give consideration to available balances, particularly in the case of the Kendal in Bloom Committee.
221	Internal Audit Management Letter and Issues Arising	RES	That the Internal Audit Management Letter be noted and Committee consider the investment with Cumberland Building Society to be satisfactory.
222	General Grants	REC	That Council introduce 3 year funding agreements to recipients that are currently regularly funded over £1,500. This would apply to Kendal Brewery Arts Centre, Abbot Hall – Lakeland Arts Trust, One Voice, The Quaker Tapestry at Kendal, South Lakes Citizens Advice Bureau and Sandgate Hydrotherapy Pool. Funding to apply to grant applications for the 2019/20 financial year.
		RES	That recommendations 8b and 8c contained in the General Grants: Multi-Year Funding Agreements paper be accepted.