

KENDAL TOWN COUNCIL

Audit, Grants and Charities Committee

**Monday 28th January 2019 at 7.00 pm
in The Mayor's Parlour, Town Hall, Kendal**

- PRESENT** Councillors Matt Severn (Chair), Geoff Cook (Vice Chair), Paul Bramham, Julia Dunlop, Douglas Rathbone and Chris Hogg
- APOLOGIES** Councillors Pat Gibson
- OFFICERS** Judith Lomax (Town Treasurer) and Nicky King (Council Secretary)
- 820/18/19 PUBLIC PARTICIPATION**
- None.
- 821/18/19 DECLARATIONS OF INTEREST**
- None.
- 822/18/19 MINUTES OF THE MEETING HELD ON 30TH OCTOBER 2018**
- The Chairman presented the minutes of the meeting held on 30th October 2018, which had been approved by full Council on 26th November 2018.
- Councillor Bramham proposed that the minutes be accepted as a correct record of the meeting. This was seconded by Councillor Dunlop and carried unanimously.
- RESOLVED** That the minutes of the meeting of the Committee held on 30th October 2018 be accepted as a correct record.
- MATTERS ARISING** (Not on Agenda)
- None.
- 823/18/19 BUDGETARY CONTROL STATEMENT – 9 MONTHS ENDED 31ST DECEMBER 2018**
- The Treasurer presented the Budgetary Control Statement for nine months ended 31st December 2018. Income was reported to be as expected and approximately on budget. With regard to gross expenditure, two main adverse variances relating to staff salaries and the cost of the Parish Poll were highlighted. The staff salaries overspend being predominantly due to various vacancies being covered by temporary staff and an increase in the Mayor Attendant's contracted hours. These matters have been addressed in the budget for the next financial year.
- The following points were also brought to Committee's attention:
- Underspending by the Allotments, Christmas Lights & Festivals and Environment & Highways Committees. It was agreed that

the Treasurer would seek clarification from the individual Chairs of the Committees in this respect.

- General Grants showed a variance of £7,605 underspent representing the unallocated funds in this budget. The Treasurer explained that, although grants to the value of £34,870 were approved and paid, some of the funds were paid over as advance payments in the previous financial year. Councillor Cook suggested recommending to Council that certain grants up to the value of £7k could be paid.
- Action Plan Schemes – there has been approximately £114k expenditure. This is significantly above the profiled budget, but costs are met by means of transfer from the Development Fund therefore do not affect the “bottom line”.
- Contingency – there has been no use of the contingency provision at this point in the year. It was noted that new lease arrangements for the Town Hall accommodation will result in increased costs which would be a call on this budget.
- Use of Reserves – the Treasurer advised that she intends to clarify how this matter is reported in the financial statements with the former Treasurer. Members will be updated via email.

Members noted the Budgetary Control Statement and reiterated that the Treasurer should seek assurance from the Chairs of Committees whose budgets are showing underspends that these budgets will be spent by the end of the current financial year.

Committee then discussed the approved 2019/20 general grant applications and considered which could be paid within this financial year. Councillor Cook proposed a recommendation to Council that grants to South Lakes Citizens Advice of £5k and The Quaker Tapestry at Kendal of £2k be approved for payment from the budget remaining of approximately £7k. This was seconded by Councillor C Hogg and carried unanimously. It was suggested that the recipients may be required to spend the monies prior to their financial year ends. The Treasurer will make contact to clarify this point prior to payment of the grants.

RESOLVED

1. Treasurer to clarify the method of reporting Use of Reserves with the former Treasurer and update Members via email.
2. Treasurer to seek assurance from the Chairs of Committees whose budgets are showing underspends that these budgets will be spent by the end of the current financial year.
3. Treasurer to contact South Lakes Citizens Advice and The Quaker Tapestry regarding the payment of grants during the current financial year.

RECOMMENDATION

That Council approve the payment of grants to South Lakes Citizens Advice of £5k and The Quaker Tapestry at Kendal of £2k from budget remaining in the current financial year.

824/18/19**GENERAL GRANTS**

The Treasurer reported that grants already approved for 2019/20 total £36,240, leaving a balance of £4,760 for the next financial year. Members considered two applications received since the Committee's last meeting as follows:

(a) Right2Work

Request for a grant of £7,000 to be put towards funds for providing a part time job coach, who would work and support learning disabled people within their Furniture Warehouse.

There was a general discussion regarding the Committee's stance on providing funds for staffing positions. The Chair commented that it was not uncommon within the charitable sector to request funds for a particular post. Concern was expressed by certain Councillors as it was felt there could be a risk of recurrent liability when funding a permanent position. There was also a feeling that the amount being requested from KTC was disproportionately high to the total cost of the project.

Councillor C Hogg proposed that the application be rejected. This was seconded by Councillor Cook and carried unanimously.

(b) SLEDP (South Lakeland Equality & Diversity Partnership)

Request for a grant of £100 to pay for room hire, refreshments and expenses relating to an International Women's Day event in Kendal Town Hall.

Whilst considering this application reference to the Buddhist Group of Kendal was noted. SLEDP does not have a bank account and it was unclear to whom payment of any grant would be made. It was highlighted that KTC should not be making payments to religious organisations. In this respect, it was agreed the Treasurer would check a previously approved application for SLEDP for £100. This would be stopped if payment was found to be to the Buddhist Group of Kendal.

Members also discussed whether the application would be better considered by the Christmas Lights & Festivals Committee, although it was noted that they were not due to meet again during the current financial year.

Councillor Bramham proposed that the application be rejected. This was seconded by Councillor C Hogg and carried unanimously.

A general discussion then ensued. Committee agreed there was a need to be clear on the terms and conditions when an organisation does not have a bank account and payment is made to another party. It was decided that the Treasurer would check the bank account status for all applicants and provide a report for consideration at the next meeting. This matter to be added to the Agenda for the next meeting and the grants criteria reviewed and amended as necessary.

Treasurer to circulate a copy of the criteria prior to the meeting. It was suggested that where payment is made to another party, letters should be obtained from both the applicant and the recipient of the funds to confirm their positions.

RECOMMENDATION That grant applications from Right2Work and SLEDP be rejected.

RESOLVED

1. Treasurer to check the previously approved application for SLEDP for £100. This to be stopped if payment is found to be to a religious organisation.
2. Treasurer to check the bank account status for all applicants and provide a report for consideration at the next meeting. Also circulate a copy of the grants criteria prior to the next meeting.
3. Agenda item for next meeting – Review of Grants Criteria

825/18/19 REVIEW OF RISK ASSESSMENTS

It was noted that Risk Assessments have not yet been reviewed. The Treasurer anticipated that this work will be complete prior to the next meeting.

826/18/19 CUMBERLAND BUILDING SOCIETY – TEMPORARY INVESTMENT

The Treasurer advised that Council had agreed to give 90 days' notice for the withdrawal of up to £75,000 from the Cumberland Building Society in order to meet cash flow requirements for the remainder of the financial year. It was not anticipated that the full amount would be required to be withdrawn. Committee noted the situation.

827/18/19 SCHOOLS OF SCIENCE AND ART CHARITY

Committee were informed that in 2016, KTC advised The Brewery Arts Centre that a grant of £1,000 previously awarded to them for the Young Ambassadors Scheme could be re-allocated to one of three alternative applications for funding from the Paul Hamlyn Foundation. Release of the grant was subject to sight of the Foundation's approval to the funding application.

The Brewery Arts Centre had recently contacted KTC to advise that, although the bid was unsuccessful, a similar proposal had been submitted to another trust and foundation, The Rayne Foundation for their chosen project, Emotional Warrior. The result was positive and £25,000 was awarded. The agreement with them was to release the funding in three equal tranches over 3 years. Release of each tranche required the Brewery to match fund. Following an award from CCC they had been able to draw down the first tranche, enabling the first year of the project to go ahead. They are currently approaching a number of local businesses for support in respect of funding to cover years two and three and were enquiring whether the previous offer from KTC still stood and whether the funds could be released.

A general discussion then ensued regarding the request from the Brewery, available funds etc. It was noted that the Schools of Science and Art Charity had received a bequest of £5,000 from Lynne Mayho following the sad passing of her husband.

Councillor C Hogg proposed a recommendation that approval be granted to release funding of £1,000 to the Brewery for the Emotional Warrior project. This was seconded by Councillor Rathbone and carried unanimously.

RECOMMENDATION That approval be granted to release funding of £1,000 to the Brewery Arts Centre for the Emotional Warrior project.

828/18/19 ITEMS FOR THE NEWSLETTER

Summer edition – invitation for grant applications.

829/18/19 ANY OTHER BUSINESS

Councillor C Hogg referred to the earlier discussion regarding the donation from Lynne Mayho to the Schools of Science and Art Charity. He explained to Members that he had been researching Artsmark for some time and asked Committee to consider whether it would be a suitable project for funding in respect of the donated monies. Artsmark is the creative quality standard for schools, accredited by the Arts Council England. It provides a clear framework for teachers to plan, develop and evaluate arts, culture and creativity across the curriculum. It is a national scheme which enables children to gain qualifications through school. There is a cost of £500 per school and schools are awarded silver, gold or platinum based on their achievements. Councillor C Hogg advised that he had approached both Curious Minds and Lynne Mayho. He proposed that the Charity provide funding of £500 to each school in Kendal to enable them to join the scheme.

Following a general discussion it was agreed to call an extraordinary meeting of the Schools of Science and Art Charity at the earliest practical date to discuss the matter further. Councillor Cook commented that it would be useful to receive a paper with further details of the scheme. There was a suggestion that Curious Minds be asked to make a presentation.

RESOLVED That an extraordinary meeting of the Schools of Science and Art Charity be called at the earliest practical date to discuss the Artsmark scheme and consider its suitability for funding by the Schools of Science and Art Charity.

830/18/19 DATE OF NEXT MEETING

It was noted that the next meeting is scheduled for Monday 29th April 2019. Committee wished to move the meeting to May if possible, or alternatively earlier in April. Town Clerk to be consulted.

RESOLVED That the date of the next meeting be rescheduled for May, or alternatively earlier in April. Town Clerk to be consulted.

The meeting closed at 8.06pm.

Summary of Information, Resolutions and Recommendations to Council

Min	Subject	Information/Resolution/Recommendation to Council	
823	Budgetary Control Statement	RES	<ol style="list-style-type: none"> 1. Treasurer to clarify the method of reporting Use of Reserves with the former Treasurer and update Members via email. 2. Treasurer to seek assurance from the Chairs of Committees whose budgets are showing underspends that these budgets will be spent by the end of the current financial year. 3. Treasurer to contact South Lakes Citizens Advice and The Quaker Tapestry regarding the payment of grants during the current financial year.
		REC	That Council approve the payment of grants to South Lakes Citizens Advice of £5k and The Quaker Tapestry at Kendal of £2k from budget remaining in the current financial year.
824	General Grants	REC	That grant applications from Right2Work and SLEDP be rejected.
		RES	<ol style="list-style-type: none"> 1. Treasurer to check the previously approved application for SLEDP for £100. This to be stopped if payment is found to be to a religious organisation. 2. Treasurer to check the bank account status for all applicants and provide a report for consideration at the next meeting. Also circulate a copy of the grants criteria prior to the next meeting. 3. Agenda item for next meeting – Review of Grants Criteria
827	Schools of Science and Art Charity	REC	That approval be granted to release funding of £1,000 to the Brewery Arts Centre for the Emotional Warrior project.
829	AOB	RES	That an extraordinary meeting of the Schools of Science and Art Charity be called at the earliest practical date to discuss the Artsmark scheme and consider its suitability for funding by the Schools of Science and Art Charity.