

Kendal Town Council

Town Hall, Highgate, Kendal LA9 4ED
www.kendaltowncouncil.gov.uk



Minutes from the Audit, Grants and Charities Committee meeting held at 7.00 p.m. on Thursday 13 October 2022, in the Council Chamber at the Town Hall, Highgate, Kendal. This was a reconvening of 28 September's meeting which had been adjourned due to the Committee having been inquorate.

Cllr K Blamire	Apologies	Cllr J Dunlop (Chair)	Present
Cllr D Evans	Present*	Cllr M Helme	Absent
Cllr T Perkins	Absent	Cllr D Rathbone (Vice-Chair)	Present
Cllr C Russell	Present		

* arrived at 7.05

In attendance: Chris Bagshaw (Town Clerk)

AGC 11/2022 Apologies

Apologies were received and accepted from Cllr Blamire, whom it was noted had been given leave of absence.

AGC 12/2022 Declarations of Interest

No declarations of interest were raised.

AGC 13/2022 Exclusion of Press and Public (Public Bodies Admission to Meetings Act 1960)

No issues were considered for exclusion.

AGC 14/2022 Minutes of the Previous Meeting

It was noted that the Full Council had commented on the apparent absence of full accounts from grant applicant circulated to members of the committee.

Resolved: To receive and accept the minutes of the previous meetings of the Audit, Grants and Charities Committee held on 25 July and 8 August 2022 and to authorise the Chair to sign them as true records.

AGC 15/2022 Budget Monitoring

The Committee considered a budget monitoring report on the second quarter's expenditure in 2022/23. The Clerk drew the Committee's attention to a number of projected underspends and overspends. Payroll costs were difficult to predict, currently, due to the impact of the

NJC salary negotiations, for which the major unions were being balloted. The Council had incurred a few increases in staff hours and conditions, which were likely to impact on the final total, but the precise final extent would not be known until the NJC decision and any changes to NI. Premises bills from SLDC were under investigation and subject to review, following the move to the new office. IT costs continued to run high, due to software subscriptions and equipment failures over the year. Insurance and audit costs were likely to be below original estimates, but vehicle costs would exceed them. The council's vehicle was due for consideration of replacement in the coming year, and any new vehicle would hopefully bring down some of the running costs associated with the large modified panel van.

Resolved: To note the report. The Clerk will circulate a more detailed breakdown of staffing costs for members' information.

AGC16/2022 Grants Funding

The Committee considered the following grant applications:-

- (a) Grant from Kendal and District Lions
Sum applied for - £5,000
Purpose - towards the Kendal and District Lions Charity Bookshop
Committee Comment – The Committee noted that this application was returning after a request for further information. Whilst being very supportive of the Lions and their work, the Committee were concerned that they were being asked to contribute to what amounts to revenue costs for a fund raising activity, and further noted that the applicant did not appear to have applied for funding from anywhere else. In the light of this, they did not feel able to support the application for the full amount, but wished to show their ongoing support for the organisation.
Grant offered - £2,500
- (b) Kendal Brewery Arts
Sum applied for - £40,000 (Year 1 2022 - £10,000; Year 2 2023 - £15,000; and Year 3 2024 - £15,000)
Purpose - toward core costs and overheads, venue and technical infrastructure
Committee Comment – The Committee noted with appreciation that the applicants had given a presentation to Full Council the previous week which had been well-received by Councillors. It was noted that the Brewery would normally be considered to be amongst the Council's 'core' funding organisations and that their needs should always be considered in setting the Council's budget for funding. However, they also noted that the current limit on discretionary grant funding from the council was set at £10,000 pa. There was some discussion as to whether this meant it could not be ever breached, but the Committee was content that it shouldn't be done this year, without further guidance from the Council, and that in subsequent years, further funding could be applied for, or the Council could review its upper limit of annual support. These would be issues for further debate elsewhere.

Grant offered – £10,000 in 2022-23, £10,000 in 2023-24 and £10,000 in 2024-25.
Any additional funding would be subject to consideration of Council policy in this sphere.

Resolved: To offer the grants and/or appropriate feedback as listed above.

Resolved: To circulate more financial details, to committee members only, from the applicants.

Resolved: That a subsequent meeting of the Committee consider the criteria for grant giving in more detail.

AGC 17/2022 Finance System

The Clerk provided a verbal update on the Council's new finance management system. Rialtas Business Systems Ltd have just been acquired by a Canadian IT specialist, Harris Computer Corporation, part of Constellation Software, Inc. It was not clear whether this would have any material impact on the company or the support they gave the council in establishing their new finance software. The new software itself was bedding in appropriately with the purchase ordering system becoming more fluid and the appropriate budget allocations becoming clearer.

Resolved: To note the report

AGC18/2022 Financial Regulations

The Clerk provided a brief verbal report on progress made towards updating the Council's Financial Regulations. He explained that he had completed a first draft of the new regulations but they now required some council decisions, particularly on appropriate trigger step values. The Committee expressed a desire to see more information on the overall budgeting process.

Resolved: The Clerk will circulate an annotated version of his draft with proposed values for members to give feedback. A final draft would be presented to the committee at its next meeting, for onward recommendation to the full council. Notes on the budgeting process will also be circulated.

AGC19/2022 Internal Audit

The Committee was asked to consider the arrangements for the Internal Audit of the council's governance and accounts. The Clerk reported that the Council had to regularly review its Internal Audit arrangements. The Internal Auditor's role was specified in the Practitioners' Guide from the Joint Panel on Accountability and Governance (JPAG). The relevant chapter from the latest (June 2022) edition of the Guide was appended to the agenda. Internal Audit was currently carried out by RFM Ulverston Ltd and had cost £900 in 2022. RFM had been auditors since at least 2014.

Resolved: That Clerk initiates the process for the Council to appoint an Internal Auditor (which may be the existing internal Auditor) for a three-year period, from the next financial year.

AGC20/2022 Other Audit Matters

The Clerk provided a brief verbal report on the current auditing of Council Assets and the external audit. The External Auditors' report had just been received (too late to be included in the paperwork for this meeting). It would be presented to a subsequent meeting. It was a

clean audit with no qualifications. The only 'except for' related to the response to the previous year's audit timetable, which had been affected by the Council's response to the Covid pandemic, and subsequently delayed for a fortnight beyond the statutory time limit for submission. Although this was accounted for in the External Auditor's report last year (for 2020-21), the timetable for submission crossed over into the current year submission (for 2021-22) and this should have been reflected in the Council's responses in the Annual Governance Statement, notwithstanding that the Council set out a plan to deal with 'except fors' in the submission.

Resolved: To note the report.

The meeting closed at 8.40p.m.