**HEREFORD CITY COUNCIL**

**FINANCE AND POLICY COMMITTEE 26th JANUARY 2016**

**MINUTES OF MEETING**

**Present :** Councillors Tawn, Edwards, Griffiths, Dykes, Wilcox

Officers Attending : Lesley Bruton Finance Officer,

 Eleanor Mason Temporary Administration Assistant

**F2015/16.56** **APOLOGIES FOR ABSENCE**

 Apologies were noted from Councillors Boulter, Baker and Rone

**F2015/16.57** **APPOINTMENT OF SUBSTITUTES**

 There were no substitutions

**F2015/16.58** **DECLARATIONS OF INTEREST**

 None

**F2015/16.59** **MINUTES**

The minutes of the meeting of 15th December 2015 were approved as a correct record and signed accordingly by the Chairman.

**F2015/16.60** **SCHEDULE OF PAYMENTS**

The schedule of items paid since the last meeting was presented by the Finance Officer. The Finance Officer presented a revised schedule, which detailed the authorising signatories. There being no questions, the schedule was approved.

**F2015/16.61 BANK RECONCILIATION**

 The Finance Officer presented the bank reconciliations for December 2015.

 The reconciliations were noted.

**F2015/16.62 REVENUE AND BUDGET MONITORING REPORT**

 The Finance Officer presented the report, and the following points were discussed:

**5.3.4** The cost of postage has increased due to the increased charge by the Royal Mail. The Finance Officer stated that there will eventually be a cost savings with the new franking machine, with the use of 2nd class post which is significantly lower in cost however the post will still be delivered in the same timescale.

**5.3.10** The delay in the new website going live was noted. The Finance Officer reported the delay was due to TalkTalk not redirecting the IP address correctly and an email had been sent complaining about the service. The redirection had been requested over a month ago and has yet to be resolved.

Cllr. Edwards requested he and fellow Councillors would have appreciated being copied into emails so they are aware why the old website remains current. Cllr. Griffiths questioned whether the payment to TalkTalk was an annual payment. The Finance Officer stated that it was an annual payment for the domain. However, if we were to change suppliers TalkTalk would still have to redirect the IP address. The Finance Officer agreed to update Councillors on the position of the website.

**5.5.3** Cllr. Wilcox reported his concern to see that the business rates had been badly estimated by Herefordshire Council. The Financial Officer reported that the Town Hall rateable value had been reassessed by the Valuation Office, which had resulted in the increased bills.

**5.7.7** Cllr. Wilcox requested that “College Hill” be changed to “College Ward” for accuracy. Late invoices were again discussed and the Financial Officer assured members of the Committee that this is due to the organisation issuing the invoices late and that services or goods received, regardless of the financial year they are paid for, will be accounted for within the appropriate financial year when the goods were received. The Finance Officer reported an under spend in the Streetscene budget due to the limited number of requests for funding towards projects. Cllr. Wilcox mentioned there had been a litterbin installed in College ward and the expenditure was not shown. The Finance Officer reported that the invoice had not yet been received and the figures stated in the report were actuals paid. Cllr. Edwards reported that he had requested two noticeboards and asked if the Town Clerk would follow this up.

**5.8.1** Cllr. Dykes suggested Hereford City Council taking over the management of St. Martin’s public conveniences. Much discussion followed and it was concluded that due to potential high maintenance, anti-social behaviour and the prevalence of drug users this would be a costly project. Cllr. Tawn requested this be brought back to the Committee for discussion in its own right. Cllr. Edwards requested Cllr. Dykes’ writes to his employer, HALO, raising the issue of the toilets and also send a copy of the correspondence to the City Council.

**5.8.3** The Finance Officer reported that Herefordshire Council had waived the Non-Domestic Rates for East Street due to the difficulty in issuing a separate bill for one unit. Cllr. Wilcox stated *Herefordshire Council will have the benefit of business rates returned locally* and he recommended that any public conveniences we manage in future a request is made to Herefordshire Council for these to be exempt from business rates.

The Finance Officer stated that the Council was aware that the toilets were subject to business rates and an estimate had been included in the budget. The Finance Officer stated that Herefordshire Council are required to raise bills for its own properties.

**Councillor Edwards proposed, Councillor Wilcox seconded and it was unanimously**

**RESOLVED**

**That the Committee note the contents included in the Revenue Budget Monitoring Report for the period ending 31st December 2015.**

**That the Committee notes the expenditure incurred to 31st December 2015.**

**That the Committee note the recommendations in the report with regard to forecasted under and over spends.**

**F2015/16.63 CHANGES TO COMMITTEE DATES**

The Finance Officer requested a change to the following Finance and Policy Committee dates that were agreed at Full Council on 12th January:

The meeting on12th July 2016 moved to 26th July 2016

11th October 2016 moved to 18th October 2016

 10th January 2017 moved 17th January 2017

 11th July 2017 moved to 18th July 2017.

The dates were proposed by Cllr. Edwards, seconded by Cllr. Dykes and it was unanimously

**RESOLVED**

**That the revised meeting dates of the Finance and Policy Committee will be 20th July 2016, 18th October 2016, 17th January 2017 and 18th July 2017.**

The Finance Officer agreed to send these amendments out by email.

 **F2015/16.64 COUNCIL TAX SUPPORT GRANT**

Cllr Edwards introduced the subject for the benefit of attendees new to Local Government. During the 2015/16 Financial Year Herefordshire Council announced they are still hoping to passport the grant to town and parish councils. It was later discovered that we were not to receive our share being £92,000.

The Finance Officer stated that the grant was introduced by the Government to compensate Town and Parish Councils for the revenue foregone due to the change in the taxbase. Under the previous benefits scheme taxpayers were billed for the full liability and the benefit was treated as a credit. However, under the new scheme, the debit on the Council Tax bill is reduced for those entitled to support. This has the effect of reducing the Council Taxbase.

In July 2015 at a town and parish briefing, Herefordshire Council reported that they would continue to pass on the grant on a reducing scale over the next three financial years. In December, the City Council was informed at a meeting of the Market Towns Forum that it would not be receiving any grant. Herefordshire Council cabinet had agreed not to pass on the Council Tax Support Grant funding to parish and towns other than those that had a 0.4% increase in their overall Band D, which only affected five parishes.

Following discussions on the process undertaken by Herefordshire Council and the cost of undertaking a judicial review it was proposed by Councillor Edwards, seconded by Cllr. Wilcox and it was unanimously

**RESOLVED**

**That the Committee note that Herefordshire Council did not consult with the City Council about a change in policy, which significantly affects the Council’s revenue and resulted in the Council Tax being higher than it otherwise would have been.**

**That the Committee notes that Herefordshire Council’s decision did not appear to be grounded on a fair and objective assessment of all relevant information.**

**That the Committee did not consider a judicial review to be a cost effective and good use of taxpayers money.**

**That the Town Clerk notify Herefordshire Council that the loss of the Council Tax Support Grant may impact on discussions with regard to future devolution of services to the City Council.**

**That the Town Clerk continues to liaise with Ross Town Council, HALC, NALC and the SLCC Larger Councils’ Clerk network regarding to position of Council Tax Support Grant.**

 **F2015/16.65 HEREFORD IN BLOOM**

Cllr. Tawn reported on the discussions with the new chairman, directors and the possibility that Hereford in Bloom may be reconsidering its charitable status. Cllr. Tawn highlighted that the cost of watering at £19,200 was the ‘worst case’ scenario with no rain over the summer period.

Cllr. Wilcox questioned what was detailed in Financial Regulations with regard to waive the requirement to obtain three quotations. The Finance Officer quoted paragraph 11.1c, which stated that ‘when applications are made to waive financial regulations relating to contracts to enable a price to be negotiated without competition the reason shall be embodied in a recommendation to the Council’.

It was recommended by Cllr. Edwards that the market research undertaken by Hereford in Bloom with regard to price comparisons, historical costs charged by previous contractors together with the timescale justified waiving financial regulations.

The Finance Officer highlighted that Balfour Beatty had declined to continue this service and a larger organisation would be required to deliver this service across the City. Cllr. Edwards, however, suggested undertaking further research to identify other potential suppliers in the next financial year.

 It was proposed by Cllr. Edwards, seconded by Cllr. Dykes and it was unanimously

 **RESOLVED**

**That the Committee agree to the Council procuring the contract for watering and commissioning this directly from Countrywide.**

**That the Committee recommends to Council that the market research undertaken by Hereford in Bloom, historical expenditure on this service and the timescale involved justified waiving the financial regulations requirement to obtain three quotations for a contract over £10,000.**

**That further research is undertaken in the next financial year to identify other potential suppliers.**

**That the Committee agrees that the balance in the budget be allocated for the purchase of plants or planting as agreed with Hereford in Bloom, with invoices for all works commissioned being paid by the Council in full compliance with VAT regulations.**

**F2015/16.66 ITEMS FOR FUTURE MEETING**

Update with regard to discussions with Herefordshire Council concerning the upkeep of footpaths.

Proposal to consider a policy for the City Council to become more proactive in exploring potential revenue streams options to generate additional income for the Council.

Consider the position with regard to the operation and management of St. Martin’s public conveniences.

**F2015/16.67 DATE OF NEXT MEETING**

 The date for the next meeting is 8th March 2016 at 6.00pm

There being no further business the meeting closed at 7.25 pm

Signed: ……………………………………………..

Date: …………………………………………………