



Draft minutes are subject to approval at the next committee meeting.

**Minutes of a Remote Meeting of the Finance and Premises Committee
held on Thursday 09 July 2020 via Zoom Video Conference**

Commenced: 7.00pm - Concluded: 8:58pm

Councillors Present: Kate Guest [Chair], Victoria Bowden, Gary Lakin and David Ogle.

Ex-Officio (with voting rights): John Housley [Council Chair] and John Brownrigg [Council Vice-Chair]

Absent Councillors: Councillor Terence Bawden and Paul Swift

Observing Councillors (not a member of the committee): Councillor Paul Brunt and Carol Levery

Officers: Safia Kauser – Locum Parish Clerk/RFO [minute taker]

Members of the Public: Two members of the public

**2020/014
(F&P)**

Item 1: Chairman's Opening Remarks

To receive the Chairman's opening remarks.

Note: In accordance with the Remote Standing Orders Addendum, the Chairman will notify those present about the holding of virtual meetings.

The Chair reminded members about the meeting protocols surrounding virtual meetings and councillor conduct. Members of the public were reminded of their right to participate under agenda item number 5 and that there may be an exclusion of the press and public to be considered for agenda item number 7. The Chair remarked that not all business was placed on this agenda from the last meeting due to staffing issues. The new locum Clerk/RFO Safia Kauser was welcomed to the meeting. All committee members present introduced themselves. Councillor Carol Levery was present as meeting host on Zoom and recording permissions were released to councillors Lakin and Brunt on request.

Councillor Brunt requested to be present in a substitute capacity in place of Councillor Swift. Although Standing Order 4 references the appointment of committee substitutes, the Clerk confirmed that no such request had been submitted to the office from Councillor Swift or Councillor Brunt prior to the meeting and the Standing Orders did not provide a detailed procedure on substitutions. Therefore, in the absence of a detailed procedure, the Clerk advised the Chair that it would be at the committee's discretion to confirm the appointment of the substitute member to participate in the meeting. Cllr Brunt was not appointed as a substitute.

**2020/015
(F&P)**

Item 2: Election of Committee Vice-Chair

To elect a committee vice-chair for the ensuing year.

The Chair invited nominations for the election of committee vice-chair.

	<p>Proposed by Councillor Brownrigg and Seconded by Councillor Housley, and RESOLVED: That Councillor David Ogle is elected to be Vice-Chair of the Finance and Premises committee for the ensuing year. (1 abstention)</p>
<u>2020/016</u> <u>F&P</u>	<p>Item 3: Apologies for Absence To receive and approve apologies for absence and reasons given to the Clerk prior to the meeting.</p> <p>Apologies were received from Cllr Bawden due to illness and Cllr Swift who was on holiday.</p> <p>Proposed by Councillor Ogle and Seconded by Councillor Housley, and RESOLVED: That the apologies of absence and reasons are accepted and approved by the committee.</p>
<u>2020/017</u> <u>(F&P)</u>	<p>Item 4: Declarations of Disclosable Pecuniary and Other Interests 2020/017.1 - To receive declarations of disclosable pecuniary interests (DPI) and personal and prejudicial interests from members on matters to be considered at the meeting in accordance with the Localism Act 2011 (section 30 to 33). Officers are required to make a formal declaration about council contracts where the employee has a financial interest in accordance with the LGA 1972, s117.</p> <p>Note: Members must generally declare a disclosable pecuniary interest which he or she has in any item on the Agenda. A Member with a disclosable pecuniary interest may not participate in any discussion of the matter at the meeting and must not participate in any vote taken on the matter at the meeting. In addition, the Council's Standing Orders require a Member with a disclosable pecuniary interest to leave the room where the meeting is held while any discussion or voting takes place.</p> <p>The Clerk advised the Chair that members should be reminded about any personal or prejudicial interests to be declared to the meeting and that by law the responsibility remains with the individual councillor concerned to make the declaration.</p> <p>No declarations of interests were received.</p> <p>2020/017.2 - To receive, consider and record Councillors requests for DPI dispensation (section 31 Localism Act 2011) in connection with items on this agenda. Applications for this must be made in writing to the Clerk prior to the meeting.</p> <p>No applications for dispensation were received.</p>
<u>2020/018</u> <u>(F&P)</u>	<p>Item 5: Public Participation Session To receive questions from members of the public to make representation on the business of the agenda for the meeting. No resolutions can be made under public participation.</p> <p>Cllr Brunt participated in the public participation session and addressed the committee on a contractor's invoice relating to consultancy advisory support and questioned if there is any further information received since the initial query raised at full Council last week. Cllr Brownrigg reminded the Chair a discussion will take place in the private session of the meeting.</p>
<u>2020/019</u> <u>(F&P)</u>	<p>Item 6: Minutes 2020/019.1 - To approve the draft minutes of the Finance and Premises committee held on 20 May 2020 (copies of draft minutes to follow).</p> <p>The Chair informed members that the draft minutes produced by a previous officer had not been typed correctly. The new Locum Clerk/RFO had reformatted the minutes and introduced</p>

	<p>new reference numbers against each agenda item as it was the start of a new civic year and to allow the minute reference numbers to follow consecutively for the remainder of the year. The content of the notes had remained unchanged. A member briefly commented on a suggested amendment regarding the presence of Cllr Swift and this was clarified as him being present as recorded under minute reference 2020.10.1 and minute reference 2010.3 as leaving the meeting.</p> <p>Proposed by Councillor Ogle and Seconded by Councillor Housley, and RESOLVED: That the draft minutes of the Finance and Premises committee meeting held on the 20 May 2020 are approved as a true record of proceedings. (1 abstention)</p> <p>2020/019.2 - To note that the scheduled meeting of the Finance and Premises committee for 11th June 2020 was cancelled due to an Extraordinary Full Council meeting scheduled on the same date.</p> <p>This was noted by members.</p>
<p>2020/020 (F&P)</p>	<p>Item 7: Exclusion of Press and Public - Public Bodies (Admission to Meetings Act) 1960 To consider and resolve any agenda items that require the exclusion of the Press and Public in accordance with the Public Bodies (Admissions to Meetings) Act 1960 for matters appertaining to confidential or exempt information.</p> <p>Proposed by Councillor Lakin and Seconded by Councillor Housley, and RESOLVED: That the exclusion of the press and public is applied to agenda item number 11 'Responsible Financial Officer Report' due to the sensitivity of information contained within the confidential report and that agenda item number 11 is moved to the end of the meeting.</p>
<p>2020/021 (F&P)</p>	<p>Item 8: Updates Ongoing Projects To receive an update on ongoing projects.</p> <ul style="list-style-type: none"> • War Heroes project – Cllr Ogle to report on this item. • Park Benches and Time Capsules including park benches stolen from Chapeltown Park- Cllr D Ogle to report on this item. <p><u>War Heroes Project</u> Cllr Ogle updated members on the project for the build of a new memorial, allocating a suitable site and funding. To progress discussions permission was requested to speak to Sheffield City Council and to contact potential funders including the involvement of High Green in Bloom. A further request was made to earmark £5,000 for the project which would give the project some credibility. A suggestion was made by some members for a working group to be formed and Cllr Ogle commented that appointing a working group was premature and he needed more time and permissions to pull together all the findings on the project before handing over to a working group.</p> <p>Proposed by Councillor Ogle and Seconded by Councillor Brownrigg, and RECOMMENDED: The Finance and Premises Committee recommends to full Council, that £5,000 is earmarked in the 2021/22 budget for the War Heroes project and that permissions are given to Cllr David Ogle to:</p> <ol style="list-style-type: none"> 1) Contact Sheffield City Council to discuss potential locations in High Green for a new memorial. 2) Contact potential funders to discuss the project with a view of seeking grant funding. 3) Contact High Green in Bloom for involvement in the project. <p><u>Park Benches and Time Capsules</u> It was suggested that each school in the Parish including secondary and A level schools are contacted to seek their views in being involved in the project. The initial idea is for children to</p>

put their memories in a time capsule which are to be planted in a years' time once the coronavirus pandemic is over and that the capsules are planted for 50 years under park benches (to be identified). The cost of each capsule is £60.00. The capsule was described as three times bigger than a steel thermo flask.

It was suggested that the Community Co-Ordinator Officer is involved with the project.

Proposed by Councillor Ogle and Seconded by Councillor Housley, and

RECOMMENDED: The Finance and Premises recommends to full Council that:

- 1) 16 time capsules are purchased initially for each school in the parish (including secondary and A Level schools) to start the ball rolling on the time capsule project.
- 2) All schools are contacted to obtain interest in taking part in the project with a timeframe of 12 months for the capsules to be planted (from when the coronavirus pandemic is over).

2020/022
(F&P)

Item 9: Internal Audit 2020/21

In accordance with the Full Council resolution from the 14 May 2020, the committee is requested to discuss the reappointment of Yorkshire Internal Audit Services for the 2020-21 Financial Year. (Report to follow).

A comprehensive report prepared by the Locum Clerk/RFO had been circulated to all members prior to the meeting. In normal circumstances, reports should be accompanied with the agenda, however as the Locum had only commenced post on the 01 July 2020 there was not enough time to prepare the report in advance. Members were advised if they wished to consider the report or defer to a future meeting.

Proposed by Councillor Ogle and Seconded by Councillor Housley, and

RESOLVED: That the Report from the RFO is received and fully considered.

The Locum RFO updated members on the legal framework surrounding internal audit and that the Council had not complied with reviewing the effectiveness of internal audit which should normally be carried out on an annual basis. The checklist for reviewing the effectiveness was set out at Appendix A attached to the report. The current internal auditors had been providing an auditing service to the Council since the 2014/15 financial year. The Council was legally bound to consider Regulation 5(1) of the Accounts and Audit Regulations 2015 to 'undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.' Members agreed to consider testing the market and to obtain quotations for an internal audit service having considered the recommendations from the RFO which were agreed to be taken to full Council.

Proposed by Councillor Lakin and Seconded by Councillor Brownrigg, and

RECOMMENDED: That the Finance and Premises Committee recommends to full Council that:

- 1) The Report from the RFO on internal audit services is received and fully considered.
- 2) The Council adopts the internal audit plan to be drafted by the Locum RFO having regards to the standards that should be met for reviewing the effectiveness of internal audit and the two key competencies of independence and competency.
- 3) That three quotations are obtained for an internal audit service for Ecclesfield Parish Council on a fixed three-year term contract based on two internal audit visits per financial year. Contractors should be provided with a copy of the agreed internal audit plan adopted by the Council and must demonstrate they are independent and competent. Copies of Public Liability insurance must be enclosed with the quotation.
- 4) That Yorkshire Internal Audit Services are invited to submit a quotation for internal audit services to Ecclesfield Parish Council subject to meeting the requirements set out by the Council.

<p>2020/023 (F&P)</p>	<p>Item 10 - Community Co-Ordinator/Curator Archivist Report 2020/023.1 - In accordance with the Full Council resolution from the 14 May 2020, the committee is requested to discuss the proposed community event to bring the community together from the current coronavirus pandemic.</p> <p>Cllr Housley provided the committee with an overview of the project and suggested the appointment of a working group to be appointed by full Council in September and that Ed Brown is invited to address the Council.</p> <p>Proposed by Councillor Brownrigg and Seconded by Councillor Lakin, and RECOMMENDED: That the Finance and Premises Committee recommends that the full Council is involved in the proposed community event and that the presentation from Ed Brown is considered.</p> <p>Action: Ed Brown to be invited to the full Council meeting in September.</p> <p>2020/023.2 - To receive a report from the Community Co-Ordinator on the expenditure incurred in connection with archivist activities in accordance with the contract (report to follow).</p> <p>The Chair read out the report from the Community Co-Ordinator that had been circulated to all members prior to the meeting which stated: 'After looking into all of the Archiving, the website seems to be in need of some updating and re-categorising, as it is currently not really searchable. To begin with this will incur the following costs: Implementing searchable tags £90 + VAT . Updating the appearance £90 + VAT. This of course will come out of the archiving budget and this is a start of the updates to help get the Archive back on track. Authority to Spend - In the absence of a Scheme of Delegation, there are no clear parameters in place for Officers to incur expenditure or committee delegated budgets. However, in accordance with the Community Co-Ordinator Officers contract of employment there is provision for budget responsibility. This is based on the information made available to the Locum Responsible Financial Officer at the time of preparing this report. Recommendation - To consider authorisation of archivist activities as set out in the summary above.'</p> <p>Cllr Brownrigg reminded members that the Community Co-Ordinators predecessor had an archiving budget and authority to spend so long as the expenditure was reported to full Council and the same would apply here. Clarification was requested on which website required the changes and if this could be done for free. Cllr Housley reported that the cost was outside the terms of the website contract and it was the archivist website that required the changes and not the Parish Council website.</p> <p>Proposed by Councillor Lakin and Seconded by Councillor Housley, and RECOMMENDED: That the Finance and Premises committee authorises the expenditure for the searchable tags for the archivist project.</p>
<p>2020/024 (F&P)</p>	<p>Item 12: Any items for discussion for a future agenda To notify the Clerk of any matters for inclusion on the agenda of the next meeting.</p> <p>The Clerk informed members that the purpose of this agenda item was to remind members which continuous items of business would be placed on the agenda for the next committee meeting subject to agreement of all members. Any new items of business would need to be submitted as a motion to the Clerk in accordance with the Standing Orders unless the committee formally resolved to have a specific agenda item to be considered at the next meeting. The Chair agreed to pick up the outstanding items from previous meeting in consultation with the Clerk for the September meeting.</p> <p>All members agreed that the listed items of continuous business be placed on the agenda for</p>

	<p>the September meeting:</p> <ul style="list-style-type: none"> • Review of Notice Boards • Review of the Grants Policy • Defibrillators <p>Cllr Housley raised a matter relating to graffiti in Chapeltown and a brief discussion took place surrounding the agreement of the toilets and responsibilities. It was agreed that the office staff would look for the contract and make any necessary enquires with Sheffield City Council if required.</p>
<p>2020/025 (F&P)</p>	<p>Item 13: Date of the Next Council Meeting</p> <p>To note the date of the next scheduled committee meeting to take place on Thursday 10th September 2020 at 7.00pm.</p> <p>Note: In light of the coronavirus pandemic, it is likely that the next meeting will be held remotely.</p> <p>This was noted by members.</p>
<p>2020/026 (F&P)</p>	<p>Item 11: Responsible Financial Officer Report</p> <p>To consider the report from the Responsible Financial Officer (report to follow).</p> <p>Members of the public were requested to leave the meeting. The Locum Clerk informed members that as Cllr Levery was the meeting host and Cllr Brunt was an observing member, the meeting would need to resolve their presence to remain in the meeting or to exclude as required. In error the meeting host had removed Cllr Brunt from the meeting before this could be considered.</p> <p>Proposed by Councillor Lakin and Seconded by Councillor Brownrigg, and RESOLVED: That Councillor Carol Levery remains in the meeting as the meeting host/observing Council member during the private session of the meeting.</p> <p>The exclusion of the press and public was applied as resolved at minute reference 2020/020 (F&P).</p> <p>The Locum RFO reminded members for the reasons why the report had not been sent out with the agenda as referenced in the earlier part of the meeting and that the committee was to resolve considering the report or deferring to a future meeting.</p> <p>Proposed by Councillor Guest and Seconded by Councillor Housley, and RESOLVED: That the Report from the Locum RFO is received and fully considered.</p> <p>The Locum RFO informed members that there were three elements to the RFO report to be considered. The first part was referenced within the written confidential report, the second part related to a verbal External Audit update and the final part related to a contractor.</p> <p>It was reported that the Council’s Financial Regulations currently do not include any provisions for financial delegation to Council officers to incur expenditure on behalf of the Council with the exception of the emergency budget of up to £1,000 [FR 3.4] for urgent work/repairs delegated to the Clerk and the provision of a petty cash float of £200.00 [FR 6.6]. In addition, the Councils standing committees do not have any delegated financial budget responsibility to incur expenditure without further reference to Council. The current framework as it stands was not effective as it was slowing down the business of the Council and meetings of full Council may have to be arranged to authorise expenditure and to seek approval before payments are</p>

released to contractors. Committee delegation and responsibility is generally attached to financial responsibility to ensure the smooth transaction of business. The Council did not have a Scheme of Delegation in place and references within the Committee Terms of Reference were unclear. A delegation system is set-up in accordance with the Local Government Act 1972, section 101. The purpose of having this document is to capture all delegated responsibility throughout the Council including those delegated to Officers, including financial delegation. This document is normally read in conjunction with the Councils Financial Regulations and Standing Orders.

Payments Schedule

Currently the Council is requested to approve expenditure retrospectively. Although the payments are being released and approved retrospectively in between council meetings to avoid interest charges this is presenting a risk to the Council as its unclear who is entering the Council into contracts without delegation or if the expenditure has been previously authorised by full Council. It is unclear from the paperwork as to which authorisation procedure is being followed in terms of placing the initial order to releasing the payment to the contractor. Each individual payment transaction should be supported by an authorisation reference ie a reference from the Financial Regulations for payments on a direct debit arrangement for example gas/utilities, payments on account in accordance with a contract or a council minute reference.

Outstanding Invoices

There were several outstanding invoices that required payment before Council is due to meet to authorise the payments schedule. The current set-up within the Financial Regulations stipulates that a schedule of payments must be drawn up and presented to the Council for approval prior to payments been made to contractors. As referenced in the summary of the report, the system is not effective as it is creating a lengthy delay for invoices to be settled. Some of these invoices may relate to expenditure previously authorised and therefore should not be delayed.

Contracts Timetable

To the Locum Clerk/RFO's knowledge there was no contracts timetable that is set-up to list all contracts the Council is tied into and the duration of the contract. Having a contracts timetable in place can not only assist with procurement when it comes to renewal, but it can also act as a reference guide to link with invoices with the payment arrangements made via a direct debit arrangement or in accordance with a contract for services. It can also allow the RFO to arrange payment accordingly.

Councillors Incurring Expenditure

There are several invoices that are addressed to individual councillors. It was unclear from the face of the invoice if it had been paid or if the Councillor required reimbursement. Councillors should not be entering the Council into any contracts and should any councillor or their spouse/partner have any interests in council contracts then these should be declared accordingly under the Localism Act 2011.

Provision of a Payroll Provider

The payroll is run in house via Sage. The responsibility for payroll is with the Clerk/RFO. As the officer holds two titles, there is no segregation in duties, and this can present a risk to the Council. To provide the Council with some comfort that the payroll is being managed correctly and Tax and NIC deductions are being made correctly, consideration should be given to outsourcing the payroll. An approach has been made to Sheffield City Council for a quotation and Autela Payroll Services.

Legal Implications

Members were reminded of their legal responsibilities for safeguarding public money. The Responsible Financial Officer post is a legal position in law as referenced in the Local Government Act 1972 section 151. The Clerk/RFO is responsible for ensuring that there is an adequate and effective system of internal controls of the Council's accounting, financial and other operations. In accordance with the Localism Act 2011, all Councillors should be declaring disclosable pecuniary interests (DPI) and personal and prejudicial interests. No individual councillor should be entering the Council into any contracts on behalf of the Council.

Members were requested to consider the recommendations from the Locum RFO contained within the report. The reasons for recommendations was to ensure compliance with the law. For legal reasons, the Council as a corporate body is responsible in law for ensuring that council business is conducted in accordance with the law, regulations and proper practices and that public money is safeguarded and properly accounted for.

Proposed by Councillor Lakin and Seconded by Councillor Brownrigg, and

RECOMMENDED: That the Finance and Premises Committee recommends that the full Council:

- 1) Authorises the Locum Clerk/RFO to authorise the release of payments to all contractors on receipt of an invoice including payment of any outstanding commitments as a short term measure whilst full Council fully considers the financial framework including a review of the Financial Regulations and a Scheme of Delegation at their next meeting in September. The Locum Clerk/RFO to present a schedule of retrospective payments to full Council for approval. All payments to be approved by two signatories and all invoices to be initialled.
- 2) The Locum Clerk/RFO is tasked to obtain three quotations for a payroll provider and present to full Council for consideration.

External Audit

It was reported that the external auditors had been in touch with the Chairman of the Council, Cllr Housley to request further information that had not been supplied with the submission of year end accounts for the 2019/20 financial year. The email from the external auditors was subsequently forwarded to the Locum RFO to be dealt with who in turn reported this information to members. The yearend accounts had been prepared by the contractor to the Council/YLCA Advisor Karen Mann and approved and signed off by full Council at the May meeting by both the Clerk/RFO at the time Karen Canadine and the Chairman Cllr Housley.

The Locum read out the email from external auditors which stated 'Please can you quantify the explanations given for the variances in boxes 3, 4 & 6. Please provide figures that explain the increases and decreases in the boxes detailed above. As the authority has Expenditure which has exceeded £200,000, it is subject to intermediate level review procedures this year. Therefore, please could you send copies of the following additional documents which are requested for intermediate level procedures this year:

- a copy of the relevant minutes and supporting agenda papers from the meeting at which the annual review of risk management arrangements during 2019/20 was discussed by the whole authority
- if the 2018/19 external auditor report included any 'except for' matters, copies of minutes and any agreed plan showing the corrective action taken to address these matters.'

The Locum RFO expressed concerns about responding to external auditors due to lack of knowledge and involvement with the preparation of the year end accounts for 2019/20 and that the Council as a corporate body needed to respond or alternatively an approach made to the YLCA/Advisor to Council Karen Mann and the former Chair of the Council and Proper Officer/RFO Councillor Terence Bawden as they would have the information that was needed.

Proposed by Councillor Lakin and Seconded by Councillor Brownrigg, and
RESOLVED: That the Chairman of the Council, Councillor Housley contacts the former contractor/Advisor to the Council Karen Mann and the former Chair, Proper Officer/RFO Cllr Terence Bawden to assist in responding to the queries raised by external auditors relating to the 2019/20 financial year.

Exercise of Public Rights – External Audit

The Locum RFO provided members with a summary of the legal background relating to public inspection rights. The notice period had been prepared by the Advisor to Council and subsequently advertised on the website and notice boards. A request was received by a member of the public and due to the coronavirus pandemic, it was not deemed safe to allow members of the public to the Council offices. Councillor Brownrigg had contacted the external auditors to change the agreed dates that could be extended to commence on or before the 01 September. The Council was yet to receive permission from the external auditors to change the dates. However, another member of the public had contacted the Locum earlier today expressing an interest in inspection and was informed about the changes to the inspection dates. The member of the public was advised to formally email the Clerk with the request.

Payments to an External Contractor

The Locum RFO shared the contents of an email that was brought to her attention from a member of the Council and subsequently read out at the meeting relating to financial matters that had been discussed by full Council at last week's meeting.

Members exchanged their views on the issues relating to the payments and the level of scrutiny that takes place over expenditure transactions. The contractor had requested that no further contact is made by members and officers of the Council as they considered their work complete. The Locum RFO commented that it would be difficult to extract financial information relating to external audit if the contractor did not wish to engage in any further contact. The Locum RFO also felt that she could not assist the Council with this contractor issue as it happened before her time and it would be unprofessional to comment on the subject without fully understanding the issues. It was agreed that the Chairman of the Council, Councillor Housley would contact the contractor.

There being no further business the Chair closed the meeting at 8.58pm.