

**FINANCE & COMMUNITY COMMITTEE MEETING
TUESDAY 7th July 2015 AT 7.45 PM
AT THE STEYNING CENTRE**

Present: Cllrs Lloyd, Ness-Collins, Toomey, Muncey, Goldsmith, G Sullivan and S Sullivan.

Members of the public: four including Cllrs Muggridge, Northam and Picking.

Clerk: Rebecca Luckin

QUESTIONS FROM THE FLOOR:

A letter had been received from a member of the public regarding the SAYS accounts. At the request of a Councillor, Cllr Lloyd read the question.

1. Q – I wrote to the Parish Clerk and every Councillor has had a copy. It wasn't a question for this Committee, I was expecting an email response. I didn't expect it to be read.

A – If you say there is misleading information in the minutes, and that Councillors do not appear to be in control of SAYS finances and that Parish Council finances are in a poor state, so much so that a surcharge is likely, you would not expect us to leave a response to the clerk?

Q – The misleading statement was not mentioned. After the discussion at the committee meeting, there was discussion of where the returned funds should be kept, the misleading statement in the minutes states that the funds will go to youth services.

A – We will talk about the minutes at item 3.1 and address that.

A response to the letter was read, and will be attached to the minutes as an appendix and sent to the author of the letter.

There was some discussion regarding letters from members of the public and and the process of response.

The meeting was convened at: 20.10pm

MINUTES

1. APOLOGIES

1.1 Apologies were received and accepted from Cllr Howell.

2. DECLARATIONS OF INTEREST AND DISPENSATIONS – none for this meeting.

3. MINUTES OF THE PREVIOUS MEETING

- 3.1** Following agreed amendments, Cllr Lloyd **proposed, seconded** by Cllr Muncey that the minutes of the meeting of 2nd June 2015 be agreed as a correct record of the meeting and duly signed by the Chairman. **Agreed.**

4. MATTERS ARISING AND ACTIONS

- 4.1 (F&C/15/10.5)** HSBC confirm that a second card reader was not available for use with online banking. Currently, at least one member of staff and one Councillor are present when transactions are made online, who both initial the hard copy evidence of payment.

- 4.2 (F&C/15/12.1)** SAYS Unaudited Accounts for 14/15 have been posted on the Parish Council website and Appendix 1 circulated to Councillors.

- 5. NEIGHBOURHOOD WARDEN REPORT** – not available for this meeting.

- 6. ITEMS FROM COMMITTEE MEETINGS** – none for this meeting.

7. FINANCE MATTERS AND ANNUAL RETURN

- 7.1** Councillors received the Income & Expenditure Report and explanation by the Clerk. Cllr Lloyd **proposed, seconded** by Cllr G Sullivan that the report be accepted. **Agreed.**

Councillors received the Petty Cash report for June 2015. Cllr Lloyd **proposed, seconded** by Cllr S Sullivan that the report be accepted. **Agreed.**

Councillors received the Payments List (total £19,977.87) for June 2015.

Cllr Lloyd **proposed, seconded** by Cllr G Sullivan that the report be accepted. **Agreed.**

- 7.2** Following the VAT Return posted for period April – June 2015, the Clerk confirmed that the payment could be made by cheque and would not require authorisation for an online banking.

- 7.3** Councillors received the SAYS unaudited, agreed accounts for 14/15. Councillors expressed concern that other Councils had not paid in full for 14/15. The Clerk will write to the treasurer to request that payments are made promptly and ask if SAYS payments to Horsham Matters could be made directly by Parish Councils, in order that VAT could be reclaimed.

- 7.4** Councillors reviewed the appointment of an Internal Auditor for 15/16, with reference to the publication *Governance & Accountability for Local Councils 2014*. Cllr Muncey **proposed, seconded** by Cllr Goldsmith that the Clerk obtain quotes from three auditors prior to the appointment of the Internal Auditor for 15/16.

- 7.5** Councillors reviewed the scope of Internal Audit used in 14/15. Cllr Lloyd **proposed, seconded** by Cllr Goldsmith that scope was sufficient for 15/16. **Agreed.**

8. WORKING PRACTICES GROUP RECOMMENDATIONS

- 8.1 Councillors considered the draft SPC Training Statement.
Cllr Lloyd **proposed, seconded** by Cllr G Sullivan that the document be adopted.
Agreed.
- 8.2 Councillors considered the draft SPC Grant Awarding Policy.
Following agreed amendments, Cllr Lloyd **proposed, seconded** by Cllr S Sullivan
that the document be adopted. **Agreed.**
- 8.3 Councillors considered the DRAFT SPC Business Plan, prior to the document being
circulated for consultation.
Following agreed amendments and circulation to Committee members,
Cllr Lloyd **proposed, seconded** by Cllr Muncey that the document be circulated to
Officers at HDC, WSCC and SDNPA for consultation. **Agreed.**
- 9. **REPORTS FROM REPRESENTATIVES ON OUTSIDE BODIES**
- 10. **ISOLATION & LONELINESS**
- 11. **INFORMATION ITEMS AND CORRESPONDENCE**
- 11.1 Councillors were concerned to hear of a break in at the opticians. The
Neighbourhood Watch team may have information.
- 12. **COMMUNITY INFRASTRUCTURE LEVY**
- 13. **DATE OF NEXT MEETING:** 4th August 2015

The meeting closed at 20.57pm

Signed: Date: 4th August 2015
Chairman

**Appendix one – Letter received from a member of the public, with Parish Council
Response below:**

Dear Mrs Luckin,

I would be very grateful if you could acknowledge this email and forward it to all SPC
councillors including those co-opted onto the SPC on Monday 8th June 2015. I am
concerned that certain SPC councillors have in the past, rightly or wrongly, stated to the
Parish Clerk that they have not received certain emails that I had requested to be forwarded
to them for their information.

The purpose of this email is to reaffirm my written and spoken assertion that there was a
very important statement under 12.1 of the F & C Minutes (*Funds will be reserved for
youth provision.*) that deliberately or accidentally distorted the discussions and
conclusions of the F & C meeting of the 2nd June 2015. (The F & C meeting of the 2nd

June 2015, as is often the case, contained very intelligent and detailed discussion on a range of issues).

Draft Minutes: Finance & Community Committee Meeting. Tuesday 2nd June 2015 at 7.30 pm at the Steyning Centre

<http://steyningpc.gov.uk/wp-content/uploads/2014/11/FC-Draft-minutes-June-2015.pdf>

I raised this '*funds for youth provision issue*' in an email dated Monday 8th June 2015 (as soon as I became aware of it) asking if SPC councillors could be informed so that this untrue statement could be corrected before the Minutes were agreed by the council on the 8th June 2015. Unfortunately this was not done and the official F & C Minutes of the 2nd June 2015 therefore contains misleading information in what are now the official Minutes of that F & C meeting. The situation is made worse by the fact that Standing Order 12.f calls for the destruction of any draft minutes or SPC audio recordings once the Minutes are approved.

Standing Order 12. f *'Upon a resolution which confirms the accuracy of the minutes of a meeting, the draft minutes or recordings of the meeting for which approved minutes exist shall be destroyed.'*

Fortunately there is now a proposal to delay that '*destruction*' of a vital record for six months.

Fortunately the actual SAYS discussion can be listened to on (1) archive.org or on the (2) Steyning Voice:

(1)

https://archive.org/details/20150602SteyningParishCouncilFinanceAndCommunityMeetin_gSC

(2) SPC Planning, and Finance & Community Committee Meetings, 2nd June 2015

<http://steyning.ning.com/parish-council/steyning-parish-council>

The relevant part of the SAYS discussion starts at 1.20.50 and finishes at 1.28.05 (Simply move the cursor along to 1.20.50 to miss out the preceding F & C discussion). A brief summary of the timing and key statements is as follows:

1.20.50: Councillor Bowell urged caution about putting the SAYS refund (£11,372) into this years budget for general use and/or into reserves.

1.21.32: Councillor Lloyd stated that if the funds were to be kept for youth then it should stay with SAYS, but if it comes to the SPC it should go into reserves, not into the budget, for the benefit of the community and capital projects.

1.22.52: Councillor Bowell **stated that there should be a debate at the appropriate juncture. (This confirms that no final decision was made at the F & C meeting)**

1.23.17: Councillor Muncey made a number of statements about the SAYS funds and her concern about the size of the SAYS reserve fund and the size of future payments to SAYS.

1.25.40: Councillor Goldsmith proposed that a F & C Working Party should be formed to discuss the SAYS reserve funds and future payment to SAYS.

1.28.05: Conclusion of SAYS discussion.

The issue at stake is not whether Horsham Matters or SAYS are doing a good job but whether or not the payments made to them by the SPC are excessive in view of the fact that the SPC has been living beyond its means for some time and that the SPC Financial Reserves are significantly below the recommended level, as highlighted by the External Auditor in the same F & C Minutes.

Item 10.2: 'However, the Auditor did make comment to the Clerk that General Reserves should be in the region of £75,000.'

It is one thing for Councillor Muggridge to state that Emma Edwards is doing a great job and that she will be putting forward proposals to expand the SAYS operation into new areas. Her work and that of Horsham Matters should actually be looked into by a totally independent body to ensure that the SPC and the three other parishes are really getting

value for money. Clearly if you ask a contractor (Horsham Matters) to come up with ideas of how they can spend £30,000 - £50,000 of course they will do so. It is naive in the extreme to ask them to be both judge and jury on this matter when such large public funds are at stake. The fact is that the cricket club, tennis club, scouts, Steyning Strikers, and other youth bodies are already doing great work in Steyning but they do not have access to these massive funds to encourage them to involve vulnerable young people.

Many new SPC councillors will not be aware of how much the SPC will pay Horsham Matters and SAYS during the three year period 2013/2014 to 2015/2016. That sum is £33,760 + £26,276 + £26,342 making a grand total of £86,378. And this is from a SPC council that does not have the funds to replace litter bins, repair benches, upgrade urinals, give grants to worthy local causes and so on. If one uses the proportional payments made by the four parishes, Steyning, Upper Beeding, Bramber and Ashurst, the payment to Horsham Matters and SAYS over the three years will actually be a staggering £106,363. This sum may be fine for Upper Beeding who have/had a significant surplus in their financial reserves but it is simply totally out of proportion for Steyning.

It is almost as if the *'tail is wagging the dog'* and that SAYS is dictating the health or otherwise of the SPC finances. Councillors Bowell and Muggridge state that the residents of Steyning voted to fund a youth service but did those residents actually vote to spend £86,378 over a three year period? If Councillors Bowell and Muggridge can produce written evidence to support that level of payment all well and good but I believe that it is highly unlikely they will be able to do so. If they are able to do so then whoever proposed that level of payments has been totally irresponsible and that is why the SPC finances are in such a bad state.

As Councillor Lloyd, Muncey, Goldsmith and others have stated it is about time some sanity returned to this SAYS process inasmuch as:

- (1) The initial £11,370 refund should be returned to the SPC reserves.
- (2) Any other excess payments to SAYS should be returned to the SPC reserves as soon as possible.
- (3) A moratorium should be implemented on any future Horsham Matters or SAYS payments until the SAYS reserves are reduced to a much lower level, perhaps £5,000. This would help avoid the implementation of a surcharge on Steyning residents in 2016/2017 and help the SPC finally achieve acceptable reserve levels and be able to properly fund core activities that come within the SPC areas of responsibility.

I appreciate that this is a long email but the future finances of the Steyning Parish Council are at stake.

End

Response:

Thank you for your email concerning the SAYS funds and other SAYS financial issues:

The minutes reflected the statement made by Cllr Bowell. The SAYS funding was not an agenda item and therefore no proposal was made, seconded or, voted on. The statements by other councillors were their opinions and do not necessarily reflect those of the other members of the committee or, the council. As you commented, Cllr Bowell went on to say that 'there would be a debate at the appropriate time'.

It is up to the SAYS trustees to ensure that the Councils are getting value for money and Horsham Matters have not been asked for any ideas on how to spend £30-50K but are contractually bound to provide a youth 'service' at an agreed contract figure for the initial three year period.

The SAYS budget and contract was agreed three years ago and a town poll gave overwhelming support for the project. All households were advised of an increase in the council tax per band D property at £86.48 per annum. Built into this was a surplus to fund a possible move from the Cuthman Centre which as you know, is now less acute.

SAYS are not dictating the SPC finances. They have acted correctly within the terms and conditions and cost parameters that were agreed at the time. The fact that some of the excess funds will come back to SPC is because circumstances have changed and it is right that all the councils should benefit from a rebate if these funds are no longer required.

SPC reserves are there for emergency purposes and major capital projects and not to be used for replacing benches and bins. Each committee was asked to draw up a nil increase budget for the 2015/2016 year and acted fiscally responsibly and limited their expenditure and, as a result, unessential repairs and maintenance were put on hold. Any surplus fund returned to the council will be debated and agreed by council as to whether this should go into reserves or, be used for youth projects.

The Council and Committees will have to find other sources of funding for capital projects like the urinals in the High Street which are not essential but desirable. For items such as bins and benches these can easily be funded by community groups or, by individual donations.

Cllr. Bowell will pass on the comments from Councillors made in both Committee and the Council, to the SAYS trustees and will report on this at some future date.

End

Action list F&C 07.07.15

Provide response to author of letter – **Clerk**

- 7.3** Councillors received the SAYS unaudited, agreed accounts for 14/15. Councillors expressed concern that other Councils had not paid in full for 14/15. The **Clerk** will write to the treasurer to request that payments are made promptly and ask if SAYS payments to Horsham Matters could be made directly by Parish Councils, in order that VAT could be reclaimed. Emailed 08.07.15.
- 7.4** **Clerk** obtain quotes from three auditors prior to the appointment of the Internal Auditor for 15/16 (use Mulberry scope as a reference).

Quotes requested:
Mulberry – 08.07.15