

## **CHESHAM TOWN COUNCIL**

### **MINUTES of the meeting of the FINANCE COMMITTEE held on Monday 14<sup>th</sup> August 2020**

**PRESENT** Councillor F.S. Wilson – Vice-Chairman (presiding)

Councillor	A.K. Bacon	Councillor	N.L. Brown
"	J. L. Baum	"	P.W. Yerrell

Officers: Mr W. Richards - Town Clerk  
Mr S. Pearson - Finance and Contracts Manager  
Mr D. Essex – Chesham Moor Gym and Swim Manager

Apologies for absence were received from Councillor D. MacBean and M.W. Shaw

#### **7. DECLARATIONS OF INTEREST**

There were no Declarations of Interest that were brought to the Vice Chairman's notice.

#### **8. MINUTES**

It was

#### **RESOLVED**

that the Minutes of the meeting of the Finance Committee held on 15<sup>th</sup> June 2020, be confirmed and signed by the Vice-Chairman as a true record.

#### **9. INTERNAL AUDITOR'S REPORT**

The Committee considered the latest report from the Internal Auditor which confirmed no negative responses had been given for any of the internal control objectives and the officers' comments in respect to observations raised.

Arising from one of the Auditor's observations, Councillor Wilson suggested that it might be advisable to ensure a review of the Council's insurance policies every year even if the length of policy was greater than twelve months to ensure cover was still fit for purpose in terms of the Council's many varied services. It was agreed therefore that a report on current insurance policies be brought before a future Committee.

It was

#### **RESOLVED**

that the Internal Auditor's report and officers' comments be noted and a future report on insurance cover be brought to this Committee.

10. **ANNUAL GOVERNANCE AND ACCOUNTABILITY RETURN 2019/20 AND STATEMENT OF ACCOUNTS 2019/20**

The Committee considered the Statutory Annual Governance & Accountability Return (AG&AR) for the year ended 31<sup>st</sup> March 2020 and Financial Statements 2019/20.

It was noted that, legally, the AG&AR needed to be formally approved at a special Council Meeting before the end of August while the Financial Statements had no legal requirements and therefore had no deadline for amendments and adoption.

In regards to the AG&AR, the Committee was happy to recommend the questions presented in the Annual Governance Statement 1-8 be answered in the affirmative.

In respect to the optional financial accounts, the Finance and Contracts Manager advised a slight revision with a change of a figure of £20,688 from the debtors to the creditors' column. He also reported that the Chairman of the Finance Committee had suggested that the Assets Register undergo a further scrutiny; that 'other costs' be further broken down into more detail and that Members be allowed to forward any qualifications to be included next to their name on the accounts if so desired.

Accepting these proposals, it was

**RESOLVED TO RECOMMEND**

1. That, in respect to the Annual Governance Questions numbered 1 to 9 on Section 1 page 4 of the Annual Return, the Council responds in the affirmative, except for number 9 which is 'not applicable' and that it is then signed by the Chairman presiding at this Council meeting and the Town Clerk.
2. That the Accounting Statement as shown in Section 2 on page 3 of the Annual Governance & Accountability Return be approved and signed by the Chairman presiding at the next Council meeting together with the supplementary Financial Statements, as amended, which remains not subject to audit.
3. That the Asset Register be brought to a future Committee meeting for further discussion.

11. **FINANCIAL REPORT TO 30<sup>th</sup> JUNE 2020 AND COVID-19 FINANCIAL IMPLICATIONS UPDATE**

The detailed report compiled by Officers on the current financial situation particularly pertaining to the effects of Covid-19 was discussed. The Town Clerk firstly advised on the current situation with the reopening of the Elgiva, Gym and Swim Centre and the Town Hall, all with reduced capacity in light of social distancing protocol and government guidance. He commended his officers for working particularly hard to make the facilities Covid secure and ensuring they could reopen to the public – a commendation that was endorsed by the Committee. However, he opined that the Council was in a unique period in terms of the pandemic and therefore projecting figures at this stage was very difficult and said he was of the view that it may be better to wait a month to ascertain the public's willingness to return to venues so income could be better forecasted. This was generally

agreed by Members, though it was accepted that it was very important to continue monitoring finances for the services during this period of social distancing and therefore the proposal to circulate weekly receipts was welcomed.

Councillor Baum then asked the Gym and Swim Manager about the reopening of the Gym and Swim Centre and the financial implications thereof. The Manager replied that in some ways, the closure and partial reopening period had been a positive time allowing, by necessity, the Council to install a new booking system which allowed for customers to only book sessions on-line as well as changing to the much requested system of payment by direct debit rather than standing orders. He suggested the current situation where the changing rooms were out of use due to Covid-19 was far from ideal but the public's response had been very encouraging to date, particularly in terms of swimming. Some £18,000 had been received in the 15 days since reopening. The Centre Manager acknowledged that much of this was initial signing up payments so weekly income was likely to fall, but he was pleased with the position thus far. Moreover, he added that the wage bill was likely to fall now that that he was more comfortable that social distancing protocols were being adhered to and so required less staff to check on this. Councillor Wilson, on behalf of the Committee, requested that his thanks be passed on to the team at the centre for its efforts.

The Clerk then updated Members on the position with the Elgiva. He advised that, with almost all promoters cancelling live shows due to the pandemic, the Manager was currently only able to put on films and repeat screenings from other theatres. However, the building was open during weekdays and the Manager was beginning to fill in a major Arts Recovery Grant application form, based on significant changes to the programming of the theatre to enhance its sustainability. The Town Hall's finances had not been too badly affected as this summer period was usually quiet for hall bookings in any case and earlier months had been offset by a grant.

Looking at the finances as a whole, Councillor Wilson stated that, in broad terms, he was working on the assumption that the original grant monies and waiving of Council Tax charges savings (along with the furlough closure period monies) had now been utilised and asked the Finance and Contracts Manager to confirm this. The Finance and Contracts Manager agreed this was the case and suggested that much of the profit and loss would now be based around how much or how little income was taken. Councillor Wilson then raised the matter of one of the report recommendations, namely, whether outside financial advisors ought to be contracted to assist the Finance team during an uncertain and significant period for the Council. The general view expressed was that help and guidance should be made available but it was perhaps premature to do this now and better to wait until a clearer 'direction of travel' in terms of usage had become apparent. Moreover, the Clerk advised that the Staffing and Strategy Working Party would be imminently looking at the question of financial operation and forecasting in a wider context so this could be considered by its Members with recommendations thereof. Councillor Wilson added that the Council may be well advised to consider management accountants with appropriate experience to postulate best case and worse case scenarios for the facilities and propose necessary remedial actions if necessary. This was agreed by the Committee.

Finally, Members agreed that any revised rental charges should be delegated to officers in regard to any commercial hirers who had been affected by the Covid 19 closures.

It was

## **RESOLVED**

1. That the Financial Report be noted.
2. That seeking external professional accountancy/consultancy help on a short-term basis be considered once the financial position for the businesses becomes clearer and following recommendations from the Staffing and Strategy Working Party.
3. That the furloughed employees continue to receive 100% of their normal pay until further notice but the flexi furlough submission, and who is on furlough, is reviewed every week by the Finance Committee to analyse the implications of income versus wages.
4. That a weekly financial report for the Town Hall/Elgiva/Gym and Swim Centre be prepared and distributed to the Members of the Finance Committee.
5. That the findings of the Staffing and Strategy Working Party regarding the operation of Finance Team, and any recommendations for improvement measures, be fed back to this Committee for consideration.
6. That officers be delegated to deal with any rent discounts.

## 12. **CLOSE OF MEETING**

The meeting closed at 6.25pm.

CHAIRMAN