

FINANCE AND GENERAL PURPOSES COMMITTEE

Minutes of the meeting of the BEST VALUE AND SCRUTINY SUB COMMITTEE of Bridport Town Council held at Mountfield, Bridport on Tuesday 27 February 2018 at 11.00am

PRESENT Cllr Sandra Brown (Chairman)

Cllrs:	Geoffrey Ackerman	Maggie Ray
	Kelvin Clayton	Anne Rickard
	Barry Irvine	Dave Rickard (until 12.25pm)

Also in attendance: Cllrs Julian Jones and Sarah Williams.

PUBLIC FORUM

There were no speakers in the Public Forum.

33. APOLOGIES

Apologies for absence were received from Cllrs Keith Day and Martin Ray.

34. MINUTES

The minutes of the meeting of the Best Value and Scrutiny Sub Committee held on 5 December 2017 were confirmed as a correct record and signed by the Chairman.

35. DECLARATIONS OF INTEREST

There were no declarations of interest.

36. INTERNAL AUDIT 2017/18

Consideration was given to a report from the Internal Auditor, ENCL: 3282.

The Town Clerk reported on the second visit that the internal auditors, Lightatouch, had made in February 2018.

He highlighted each section covered under the audit, namely:

- Bank Reconciliations and Balances
- Petty Cash
- Income and Expenditure
- VAT
- Tourist Information Centre
- Town Council Minutes

The Auditors reported that the records and procedures in place continue to provide a good standard of control and no formal recommendations were made for the period September to December 2017 for these transactional elements.

Members thanked the Finance and Office Manager for all his work.

The Town Clerk drew members' attention to the Internal Auditors' comments on Investments.

RESOLVED: that the Internal Audit report for September to December 2017 be noted.

37. FINANCIAL RISK ASSESSMENT

The Town Clerk & Finance and Office Manager presented the current assessment for 2017/18 in detail. The report would be finalised at the end of the year.

RESOLVED: that the update on the Financial Risk Assessment be noted.

38. INVESTMENT REVIEW 2017/18 AND STRATEGY 2018/19

Consideration was given to a report of the Town Clerk, ENCL: 3282.

Members noted the investment income over the past year.

Members discussed the investments in CCLA as recommended in the report and it was generally agreed that a decision would be made by June 2018 on whether to invest in the CCLA Property Fund. Prior to that decision, the Council would be asked to agree the revisions to the Investment Strategy, which should be considered as a separate item.

The Sub Committee considered a proposed amendment to the Investment Strategy, to prioritise ethical considerations alongside the considerations of security and liquidity in taking decisions on investments and to specify that the highest rate of return would be sought, consistent with ethical considerations. This would replace para 6.0 in the draft strategy.

The Town Clerk advised that the Town Council's Strategy had to be produced in accordance with guidance from the Secretary of State and this did not provide for ethical considerations to be given such weight in investment decisions. He would though seek advice on this point and report to the full Council, when it was asked to approve the Strategy.

RECOMMEND:

(1) that the investments made in 2017/18 be noted as in the report.

(2) that the Town Council be asked to agree a revised Investment Strategy for 2018/19 as attached.

(3) that subject to the approval of the Investment Strategy, the Council be asked to consider investing up to £200,000 in the CCLA Property Fund. That decision to be taken by June 2018.

39. ASSET REGISTER

Councillors considered the Asset Register, ENCL: 3281.

RECOMMEND: that the Asset Register be approved and the Town Clerk be given delegated authority to make any final amendments, before it is signed by the Chairman of the Finance and General Purposes Committee and the Town Clerk.

40. GRANT CRITERIA FOR 2018/19

RECOMMEND: that the criteria and form be reviewed at the next meeting of this Sub Committee, prior to advertising the 2018/19 round of grant applications.

41. GRANTS TO LARGER ORGANISATIONS

The Town Clerk reported that all of the Service Level Agreements expire in March 2019, with annual reviews. The future funding was also under review as part of the preparations under Local Government Reorganisation.

RECOMMEND: that the current position be noted.

42. TOWN PLAN

There was nothing further to report at this stage.

43. ANNUAL TOWN MEETING ARRANGEMENTS

It was reported that all grant recipients were invited to the Annual Town Meeting on Tuesday 6 March 2018 in the Town Hall. The meeting starting at 7.00pm and would be followed by a Special Council meeting.

RESOLVED: that the arrangements for the Annual Town Meeting be noted.

The meeting closed at **12.45pm**

The next meeting of this Sub Committee will be held on on a date to be agreed at the next meeting of the Finance and General Purposes Committee

**BRIDPORT TOWN COUNCIL
ANNUAL INVESTMENT STRATEGY 2018/19 (DRAFT)**

1.0 Introduction

1.1 This Strategy has been produced in accordance with Guidance issued by the Secretary of State under Section 15(1) (a) of the Local Government Act 2003.

2.0 Objectives

2.1 The general policy objective is that the Town Council will invest prudently, the surplus funds it holds on behalf of the community. Priority is given to security and liquidity.

2.2 The Town Council will seek the highest rate of return (yield), consistent with the proper levels of security and liquidity.

3.0 Specified Investments (Short Term)

3.1 Specified investments are those offering high security and high liquidity. All such investments shall be in sterling and for no longer than one year.

3.2 For the prudent management of its treasury balances, maintaining sufficient levels of security and liquidity, ~~Bridport Town Council will continue with its policy agreed in June 2004, that funds which are surplus for up to three months can be invested in short term deposits with one or more of the UK major clearing banks and/or building societies or~~ **similar financial institutions with good credit ratings. If it is proposed to invest in institutions other than banks and building societies then this decision will be taken by the Finance and General Purposes Committee.**

3.3 ~~As agreed in June 2004,~~ The placement of funds in specified investments shall be delegated to the ~~Town Clerk,~~ as the Responsible Financial Officer, who will determine the maximum period for which funds may be prudently invested subject to para. 3.1 and 3.2 above, so as not to compromise liquidity.

4.0 Non-Specified Investments

4.1 These have greater potential risk, such as investment in stocks and shares and the Town Council will not participate in such investments, which are considered not to offer the level of security and liquidity needed.

5.0 Long Term Investments

5.1 **Long Term Investments are defined in the Guidance as greater than 36 months. Any decision on long term investments shall be agreed by the full Council on the recommendation of the Finance and General Purposes Committee.**

6.0 Ethical Considerations

6.1 **The power to invest must be exercised for investment purposes in accordance with the provisions of this Strategy. Investment decisions must be directed towards what is best for the financial position of the Council. However, so long as that remains true, the precise choice of investment may be influenced by wider social, ethical or environmental considerations.**

7.0 End of Year Report

7.1 At the end of each financial year, the Responsible Financial Officer shall report to the Best Value and Scrutiny Sub Committee, detailing any investments made in line with this Strategy.

8.0 Review of this Strategy

8.1 The Investment Strategy shall be reviewed annually by the Town Council, before the commencement of a new financial year. It shall be approved by the full Council.

8.2 The full Council shall be able to amend or make variations to the Strategy at any time.

Amended February 2018