



GILLINGHAM TOWN COUNCIL

The Town Hall

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GILLINGHAM

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FINANCE COMMITTEE

The minutes of the **Finance Committee** meeting held on **Monday, 15th July 2019**, at 7.30pm in the Jubilee Room, Town Hall, Gillingham, Dorset.

Present

Cllr Sharon Cullingford (Chairman)	Cllr John Kilcourse
Cllr Donna Toye (Deputy Chairman)	Cllr Val Potheary
Cllr Fiona Cullen	Cllr Graham Poulter
Cllr Alison Gale	Cllr Barry Von Clemens
Cllr Paul Harris	

In Attendance

Town Clerk: Julie Hawkins

Responsible Financial Officer: Debra Edwards

Press and Public

Press: There were no members of the press present

Public: There were no members of the public present

Minute no,

029	Public Participation. Please note: a period up to a maximum of fifteen minutes will be allowed for public comments and questions restricted to items listed on the following agenda.
	There were no questions from members of the public.
030	To receive apologies.
	Apologies were received from Cllr Hill and Cllr Gould for personal reasons. It was agreed and RESOLVED that the apologies for absence received from Cllr Hill and Cllr Gould are accepted.
031	To approve the minutes of the last meeting held on Monday, 17th June 2019.
	It was agreed and RESOLVED to approve the minutes of the Finance Committee meeting held on Monday, 17 th June 2019. The minutes were duly signed as a correct record.
032	To receive questions pertinent to the previous meeting.
	There were no questions pertinent to the previous meeting.
033	To receive any declarations of interest. Please note: members are required to comply with the requirements of the Localism Act 2011, section 27, disclosable pecuniary interests.
	There were no declarations of disclosable pecuniary interests.

034	To receive the 1st Quarter Accounts FY 2019/20
	The 1 st quarter accounts for FY 2019/20 prepared by the Responsible Financial Officer were circulated prior to the meeting. It was agreed and RESOLVED to approve the 1 st quarter accounts. Please refer to Appendix A .
035	To note payments for the previous month.
	The payments for June 2019 were noted. Please refer to Appendix B .
036	To authorise any payments between £5,000 and £9,999, in accordance with Financial Regulations, para 4.1.2.
	There were no payments due.
037	To receive a report on the review of the Assets Register and the insurance renewal premium.
	A report had been prepared and circulated prior to the meeting. An amended report was tabled at the meeting. Please refer to Appendix C . The report contained five recommendations. It was agreed and RESOLVED that a virement is made of £205 from budget no. 2.13 Asset Accrual for van registration no. HY66 XUJ to budget no. 2.01 Motor Insurance. It was agreed and RESOLVED that a virement is made of £1,865 from budget no. 13.21 Defrib Accrual to budget no. 13.17 Commercial Combined Insurance. It was agreed and RESOLVED that the commercial combined insurance policy with Aviva is renewed at a cost of £18,082.28 and financed from budget no. 13.17 and a request is made to Full Council for payment. It was agreed and RESOLVED that the motor insurance policy with ERS is renewed at a cost of £3,903.47 and financed from budget no. 2.01. It was agreed and RESOLVED that the minimum value for assets recorded for accrual and disposal purposes is £100.
038	To receive any requests for virement of budgets.
	It was agreed and RESOLVED that a virement is made of £9,000 from budget no. 8.04 Summer 6-month Gardening Contract to budget no. 12.01 Staff costs.
039	To receive and consider sub-committee reports.
	The Finance sub-committee had met prior to the meeting at 7.15pm.
(a)	It was agreed and RESOLVED that the Office Manager enrolls for the AAT Foundation Certificate in Accounting as an apprenticeship with Kingston Maurward College at a cost of £100 plus the purchase of text books and financed from the training budget no. 12.06. It was RESOLVED and agreed that the Office Manager joins the AAT at a cost of £138 and financed from budget no.13, Professional Fees.
(b)	It was agreed and RESOLVED that under the Public Bodies (Admissions to Meetings) Act 1960, the press and public shall be excluded during the discussion of the following staff matters. There were no press or public present. It was agreed and RESOLVED that salary cheque Nos. 019222 and 019223 could be paid one week early. It was RESOLVED that under the Public Bodies (Admissions to Meetings) Act 1960, the press and public shall be included during the discussion of the remaining agenda items.

040	To receive matters pertinent to this meeting. <u>Please note:</u> Members are advised that inclusion of any item is at the Chairman's discretion and that a council cannot lawfully decide upon any matter which is not specified in the summons (agenda).
(a)	The Town Clerk reminded councillors that when claiming mileage for training courses and meetings an expense claim form must be completed and mileage must be claimed from the Town Hall using postcode SP8 4QR.
There being no other business on the agenda, the meeting closed at 8.14pm	
<p>Signed: _____ Date: 19th August 2019</p> <p>Chairman of Finance Committee, Cllr Sharon Cullingford</p>	
PLEASE NOTE: These minutes appear as draft minutes until reviewed and ratified by Full Council.	

GILLINGHAM TOWN COUNCIL

Review of Assets Register and Insurance Cover

Author: Mrs Clare Ratcliffe, Deputy Town Clerk

1. Assets Register

The Assets Register has been reviewed and is used to ascertain the level of insurance that the town council requires each year. All assets with a minimum value of £100 are recorded. Below is a summary of the Assets Register and the level of insurance required:

	Insurance Summary	Insured Values £
1	Material Damage - Buildings	1,780,500.00
2	Material Damage - Buildings Contents	59,527.00
3	Material Damage - Street Furniture	964,942.00
4	Business - All Risks	113,233.00
5	POS - Community Areas	6.00
6	POS - Smaller Areas	15.00
7	POS - Larger Areas	18.00
8	POS - Playing Spaces	12.00
9	Motor Insurance	188,573.00
		3,106,826.00

2. Main Policy – Commercial Combined - Aviva Insurance

A representative from WPS Insurance Brokers visited the Town Council on Wednesday, 3rd July 2019, to review the Town Council's insurance requirements, based on the summary above. The insurance policy commences on 16th July each year. A three-year fixed term deal was agreed with WPS Insurance Brokers in 2017 and will expire on June 2020. This deal included a free full valuation of all town council properties, which was undertaken last year. One insurance claim made earlier in the year to compensate for stolen tools.

It is possible that a claim remains outstanding following an alleged injury at the Christmas Festive Lights Parade in 2016. To be confirmed.

The commercial combined insurance renewal premium this year is **£18,082.28**. There has been no rate increase and any increase to the premium is due to index linking and the changes made in the summary that appears in item 1 above.

Please note that as things stand, the Low Claims Rebate will be £455.37+IPT (£510.01 including IPT), payable 3 months after renewal.

The insurance policy also covers the following:

Insurance cover to include:

- Terrorism
- Business Interruption: Rent Receivable from room hire per annum circa £5,000
- Fidelity Guarantee £750,000
- Annual Income (Precept FY 2019/20) £858,594
- Employers Liability:
Indemnity limit £10,000,000
Clerical wage roll: 4 employees including NI contributions £157,696
Manual wage roll: 9 employees including NI contributions £268,132
Canal/River work Maintenance £4,869
- Employers' Liability £10m. Public Liability £10m
- Legal Protection £100k
- Management Liability £250k
- Travel - any authorised journey in connection with the business including any ancillary holiday.
- Officials Indemnity £250k
- Money and Assault
- Glass £2k
- Products liability £10m.
- Engineering - sudden breach and unforeseen damage.
- Personal Accident for staff/members/volunteers

3. Boundary Wall / Fencing

To-date boundary walls and fencing have not been included in the insurance premium. It may be prudent to consider this in the future as it is now understood that the town council would be liable for the boundary/retaining wall at St Mary's closed churchyard. A quotation for insurance purposes is currently being sought from a dry-stone wall specialist, who will also provide a quotation for remedial works. Once costs are known, the insurance company will be able to provide a quotation for including this within our current policy. A report will follow in due course.

4. Data Breach Security/Cyber Security

The town council leases IT and a linked telephone system from Dorset Council (DC). DC are responsible for the maintaining the network and maintain a high level of security. The DC network is not covered by cyber security insurance; however, cover will be in place soon. It is not possible for the town council to provide its own insurance cover as a third party.

5. Fidelity Guarantee

The fidelity guarantee insurance (loss of money/employee dishonesty) has been increased from £580,000 to £750,000.

6. Public Liability - Events/Activities – Litter picking

Gillingham Litterpickers have become so successful that they are now an autonomous group and therefore we have been advised that they can no longer fall under the town council's insurance policy. Litter picking is only covered if it is a town council organised activity; for example, the annual community litter pick event in the spring and autumn.

Since the original report was circulated, it has been confirmed that the Gillingham Litterpickers will be able to obtain public liability insurance with the Three Rivers Partnership at no charge.

7. Motor Insurance – ERS (Equality Syndicate Management Ltd)

The cost of the motor insurance for this year is **£3,903.47**. The policy excess for damage, fire and theft is £100; windscreen or window damage is included. Only persons over 25 years old are permitted to drive the two Peugeot Partner vans. There is no restriction on the tractors or utility vehicles. All grounds staff are over 25 years of age.

The motor insurance now covers occasional business use for staff and members.

The insurance brokers have commented that ERS is a very completely priced motor insurance for town and parish councils.

8. Insurance FY 2020/21

Our commercial combined and motor insurance policies will need to be reviewed early next year when the fixed three-year agreement will expire in July 2020. WPS Insurance Brokers have recently undertaken a tendering process to obtain the best value for local authorities with seventeen companies tendering for the work. Consequently, all customers with Aviva Policies are now being advised to renew their policies with Royal Sun Alliance to achieve savings. More information will be available in due course.

9. Financial Implications

The precept for 2019/20 covered this expense as follows:

Budget no. 2.01	Motor insurance	£3,700
Budget no. 13.17	Commercial Combined Insurance	<u>£17,220</u>
Total		£20,920

Insurance for 2019/20 will total £21,985.75, an overspend of £1065.75, which will be met from virements, as detailed below.

10. Recommendation

- That a request is made for a virement of £205 from budget no. 2.13 Asset accrual van reg HY66 XUJ to 2.01 Motor Insurance.
- That a request is made for a virement of £1,865 from budget no. 13.21 Defib accrual to budget no. 13.17 Commercial Combined Insurance.
- That the Commercial Combined Insurance of £18,082.28 is agreed and financed from budget no. 13.17.
- That the ERS Motor Insurance of £3,903.47 is agreed and financed from budget no. 2.01.
- That the minimum value for assets recorded for accrual and disposal purposes is £100.