

# FROME TOWN COUNCIL

*making Frome a better place*

To Members of the Internal Affairs Committee:

Eve Berry; Toby Eliot; Pippa Goldfinger; Claire Hudson; Dickon Moore (Chair); Peter Macfadyen; Helen Sprawson - White; Helen Starkie; Mel Usher  
and  
Cara Honey (Mayor for Young People); Alex Shingler (Deputy Mayor for Young People)

The next meeting of Frome Town Council's

## **INTERNAL AFFAIRS COMMITTEE**

**Tuesday 3 February 2015, 7pm**

**Saxonvale Centre, Garsdale, Frome. BA11 1RZ**

Please contact Rebecca Krzyzosiak in advance of the meeting if you are unable to attend

### **AGENDA**

1. Questions, comments and information from the public
2. Chris Stinger – FTC's new Environment Manager will give a brief presentation on his tasks ahead
3. Apologies for absence, declaration of members' interests and minutes from the last meeting on 2 December 2014
4. An update on what the Council is working on at the moment
5. Mendip Watch - summary of MDC's outstanding actions
6. To agree the outline of the roles of the Town Hall and Community Information Manager
7. To agree the Town Council's Marketing Brief
8. To agree the outline of the roles of the Town Centre Community Co-ordinator
9. To consider the options available to FTC following confirmation of Council Support Tax Grant From MDC
10. Review of FTC's Financial Regulations
11. Review of FTC's Risk Register
12. A brief update on payments over £500 made since the last meeting and other financial matters
13. Internal Auditors Report
14. Health and Safety update
15. The next meeting will be at 7pm on Wednesday 8 April 2015, Saxonvale Centre

Yours sincerely



Paul Wynne, Town Clerk,  
Frome Town Council, 5 Palmer Street, Frome,  
BA11 1DS  
28 January 2015

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## AGENDA

- 1 Questions, comments and information from the public
- 2 Chris Stinger – FTC’s new Environment Manager will give a brief presentation on his tasks ahead
- 3
  - a. Any apologies for absence?
  - b. Cllrs to declare any interests on the agenda
  - c. To consider and approve the minutes of the last meeting held on 2 December 2014 at Appendix 1
- 4 An update on what the Council is working on at the moment

| <b>Updates on current projects</b>                  |                   |              |                     |                       |   |                    |
|---|-------------------|--------------|---------------------|-----------------------|---|--------------------|
| <b>SUMMARY OF RESOLUTION</b>                        | <b>MINUTE NO.</b> | <b>CMTEE</b> | <b>MEETING DATE</b> | <b>RESPONSIBILITY</b> | <b>PROGRESS REPORT</b>                              | <b>Target date</b> |
| Risk Register                                       | 2014/9/IAC        | IAC          | 04/02/2014          | Jackie Wheeler        | On Agenda   | Feb 3rd 2015       |
| Ethical Decision Making Matrix annual review        | 2014/19/IAC       | IAC          | 09/04/2014          | Jackie Wheeler        | Living wage decision to be incorporated into matrix | April 8th 2015     |
| Submit an application to the living wage foundation | 2014/71/IAC       | IAC          | 02/12/2014          | Jackie Wheeler        | To be completed by 08 April 2014                    | April 8th 2015     |

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## 5. Mendip Watch - summary of MDC's outstanding actions

| Action  | Date        | FTC officer | Council | Update at 4 June  | Update at 20 Nov   | Update at 3 Feb   |
|---|-------------|-------------|---------|---|--|---|
| Transfer of land at Henley Way  | Mar-14      | PWy         | MDC     | No progress. MDC to arrange transfer  | Legal docs signed by FTC.  | Awaiting Persimmon to lodge s106 cheque   |
| Transfer of Garston Road Play area                                      |             | PWy         | MDC     | No progress. This is with Bloor homes and MDC. Bloor broke planning conditions by installing a water tank on the NEAP     | Opened discussions with Bloor Homes to redraft the s106 agreement. | No Progress   |
| Riverbank land adjacent to Chateau Gontier Walk opposite the Canoe Club |             | PWy         | MDC     | MDC to arrange transfer.  | In progress.   | Our solicitors working on a way of claiming ownership rights                              |
| Transfer of Showfield lease   | Autumn 2012 | PWy         | MDC     | Ongoing saga for two years. MDC said they want to do this, but not unless FROGS withdraw their Village Green Application. | Sale to FTC proceeding   | Sale to FTC proceeding Slowly. Awaiting MDC to progress their withdrawal from their lease |
| Design Statement adoption   | May-12      | JL          | MDC     | Originally submitted to MDC in May 2012, Public Consultation carried out by   | No progress  | MDC agreed to adopt statement subject further minor amendments                            |

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|  |        |    |     |  |  |   |
|--|--------|----|-----|--|--|---|
|  |        |    |     | MDC finished on 24 Jan 2013. No response from MDC since.                   |  |   |
| s106 transfer to fund Henley Way to Welshmill footpath |        | JW | MDC | Still waiting for deed of variation to be signed off to release the funds. | Second and amended Deed of Variation sent to Gracewell Healthcare 1 Ltd (new owners of Rossetti House) awaiting return of signed document to forward to MDC lawyers. | With MDC Lawyers still.   |
| Southfield Farm development                            | Mar-14 | JL | MDC | MDC didn't take the full amount offered by developers                      | No progress  | s106 accepted now been issues detailing £100,000 for the new footpath linked across the river. We await detailed application. |
| Neighbourhood Plan                                     |        | JL | MDC |  | Plan now out for consultation ending 22nd December   | MDC consultation closed and MDC working with FTC to appoint inspector. Inspection unlikely to start before May elections.     |

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|   |         |  |     |   |             |  |
|---|---------|--|-----|---|-------------|--|
| The transfer of the Boyle Cross                             | 2/12/14 |  | MDC |   |             | CAMG have deferred transfer pending planning permission. Patrick liaising with them. |
| The transfer of Tower View, Packsaddle and Chapmans Close . | 2/12/14 |  | MDC |   |             | Submitted request to MDC to transfer, with the Asset Team                            |
| Fly tipping at Gypsy Lane                                   |         |  | MDC | Meeting held by Cllr Adam Boyden on 28 April 2014 | No progress | No progress  |

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## 6. For decision: Outline of the Town Hall and Community Information Manager

Author: Town Clerk

### *Summary*

Council agreed in January to recruit this post and this report identifies its responsibilities and duties. It is recommended that IAC approves this outline and delegates the Town Clerk working with the Leader of the Council and the Mayor to start the recruitment process and appoint a suitably experienced person. It seems very likely that the new name for the hub will be Frome Town Hall, hence this title being used.

### *Discussion*

While managing the Town Hall is reasonably self-explanatory, this report describes the communication functions of the post in more detail as required by Council in January. One thing that has become clear in recent months is that one of the key roles for the Town Council is “joining up the dots”; working with others to increase the effectiveness of limited resources across the town. Part of this role is increasing and improving communication to, from and between individuals and the community. This post will co-ordinate the provision of information via our reception desks in the Library and the new one in the Town Hall, via telephone, email, on our website, FB page and Twitter feeds. The role of using news releases to communicate with the local media will continue although we are finding that the use of FB and more informal contacts means that we are issuing fewer news releases than in the past.

### *Summary of Town Hall and Community Information Manager’s responsibilities.*

This post appears to be two very different tasks: first to make a major contribution to the success of the Town Hall project and, second, to improve the way information is shared across the town.

The post’s key responsibilities and the core of the job description will be to:

- develop and manage a vibrant and well used Town Hall that is considered by the communities of Frome to belong to them
- Work closely with the Community Project Officer, develop the Town Hall as a model of best practice in the provision of work experience and volunteering opportunities
- Present a Town Hall to the community that provides a central, physical information point and direct access to services on all manner of activities and opportunities generated (including volunteering) by the community, third sector organisations and other public sector organisations including the Town Council. It will be a central place to go for information, help and advice

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- A comprehensive virtual information package which provides community members with accessible information through website, FB, Twitter, email or on the telephone
- Manage a small team of information centre assistants, the receptionist / administrator and the caretaker.

## *Recommendations*

1. Agree the main responsibilities of Town Hall and Community Information Manager
2. Recruit (subject to the purchase of the building) a suitably qualified person to start in April and to delegate this to the Town Clerk in conjunction with the Leader and Mayor

## **7. For decision: To agree the Town Council's Marketing Brief**

Author: Economic Development and Regeneration Manager

### *Summary*

This report comprises the proposed brief (see below) for Marketing and PR services to be funded by the Marketing budget as agreed by Council on 7 January.

### *Recommendation*

IAC approve this brief and delegate the Economic Development and Regeneration Manager to advertise and recruit a suitable contractor.

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## **Discover Frome – marketing brief**

### *Introduction*

Frome is an historic market town in Somerset with a population of 27,000. It has a reputation for creative industries, arts and entertainment including cultural festivals and events, artisan producers and markets. It offers a full range of shops and services and has a growing profile as an independent shopping destination. It is very community minded and inclusive and attracts skilled and professional people particularly those wishing to leave major urban areas such as London to experience a lifestyle and all its attendant benefits.

Frome's USP is its ability to distinguish itself as a creative hub and one where sustainability matters. The Town Council has been putting increasing resources into projects that will build a resilient town and uniquely has a dedicated Energy & Recycling Officer. We have helped to set up a Frome Renewable Energy Co-operative that is working with local businesses and the wider community to invest in renewable energy. There are growing clusters of businesses in the town within the creative and environmental technology sectors and enquiries from businesses outside of the town who wish to move here are on the increase.

We see the potential to build Frome's profile and reputation not only as an attractive place to visit but also to run a business. 'One Planet Valley' is a vision for Frome with 'One Planet

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Living' principles at its heart which we think will be particularly attractive to businesses in the environmental technology sector.

Frome would like greater public awareness of its value and uniqueness and to encourage those with resources and wherewithal to experience the town and all that it offers by either visiting or moving here permanently. This brief sets out the next programme of marketing work with a particular focus on driving traffic to the Discover Frome website for which tenders are invited. The brief also provides background information on recent activity.

### *Recent activity*

Frome's Town Team commissioned a national press contact programme in 2013 utilising £10k in grant aid from Government. This programme delivered by Siren Communications was a success in terms of the number and range of articles that were published in national press and magazines. But at the time Frome lacked a quality presence online to take full advantage of this high profile PR campaign. There has also been a re-appraisal of Frome's offer and an assessment of the work that needs to be pursued to put Frome on a firmer footing in terms of its online profile in the marketplace and the welcome it provides to visitors.

At the Council's Internal Affairs Committee on 11 June 2014, Frome Town Council agreed to pursue a strategy that would improve both awareness of Frome's offer and the infrastructure to support tourism. Specific objectives that were agreed included:

- Improving awareness of Frome's offer to encourage more day visits to the town
- Improving first impressions on arrival in the town
- Encouraging people to explore Frome's historic shopping streets, independent shops, galleries and arts scene in order to increase footfall and trade
- Improving the experience for people using the town centre

Since then, new branding – 'Discover Frome' <http://www.discoverfrome.co.uk/> has been developed and a new destination website has been launched. The Council has forged an alliance with My High Street to help raise the profile of one of the town's best tourism assets – the high quality independent shopping offer. The My High Street venture also enables local independent businesses to offer the opportunity to shop online. The Council has been working with local independent retailers to develop the town's PR profile; some very positive features on BBC Points West have been secured recently. Also, with the help of the existing retained PR consultancy Common Sense Media, we have been able to secure an article in the New York Times!

The Town Council is also planning to partner with Visit Somerset. This will enable Frome to further raise the profile of its brand and secure further online traffic and day visits.

Some major public realm and signage projects are in the pipeline that will improve the welcome at key arrival points such as the railway station and Cattle Market Car Park. They will also improve the appearance of the Market Place, make it easier for visitors to get around in the town centre and improve Frome's event infrastructure. The first of these improvements



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will be delivered in 2015 and a progress update will be provided at the Council's External Affairs Committee on 25 February 2015.

The Council is also about to commission some research that will identify the demand for and supply of business workspace and is developing an Implementation Prospectus for Saxonvale, a large edge of town centre regeneration site.

Our web content regarding Frome as a business location is underdeveloped. We think that there is some synergy between the messages that appeal to visitors and prospective business investors that could be exploited and this will influence the work on future web and social media content.

### *The brief*

The brief is to develop and implement a programme that encourages more people to visit and more business to locate in Frome. We expect this to be delivered by higher levels of traffic to the Discover Frome website and more coverage in appropriate media regionally, nationally and internationally. Start date: 1 April 2015.

The expectation is that the programme will include

- The development of new web content regarding Frome as a business location and a refresh of content targeted at visitors
- A weekly refresh of content on Discover Frome
- Launching Discover Frome on social media and developing content that gets shared
- Engaging an Instagram photographer to shoot content and promote through their account
- Building web links
- Securing better regional media coverage to build the awareness of the Discover Frome brand in the region

Tenders are invited for an initial 3 month programme that will be extended to 12 months depending on results. Please note the maximum budget available for the initial 3 month programme is £3.5k to include fees and expenses. Please provide an indication as to how this budget will be spent.

### *Agency attributes*

The successful bidder will have proven expertise in the delivery of social media and web marketing and regional PR campaigns. Applicants will present their credentials, relevant client work and biographical details of key team members as part of their written proposal and will also make a presentation to Frome Town Council.

Proposals to be sent to: Peter Wheelhouse, Economic Development and Regeneration Manager at [wheelhousep@frometowncouncil.gov.uk](mailto:wheelhousep@frometowncouncil.gov.uk) by **Friday 20 February 2015**.

Enquiries: Contact Peter Wheelhouse on 01373 475573

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## 8. For decision: Outline of the roles of the Town Centre Community Co-ordinator

Author: Economic Development & Regeneration Manager

### *Summary*

At the last Council meeting, councillors agreed to put more resources into the Council's work to secure improvements to the town centre in 2015/16 and to that end establish a new part-time post. This report presents a proposal to create the post of Town Centre Community Co-ordinator. As the title suggests this role will be dedicated to:

- better engagement of all stakeholders in the town centre – businesses, residents, the voluntary and community sector and public agencies
- co-ordinating action that will secure a marked improvement in the:
- cleanliness of the centre and waste reduction;
- promotion of the town;
- welcome for visitors;
- sustainable transport links;
- town centre events to be staged
- fortunes of the independent retail sector including markets

A key vehicle for securing better co-ordination will be a Town Centre Working Group that the post holder will set up. That Working Group will be focused on action not talking.

This report explains this role in more detail and seeks approval for the main responsibilities of the post as a basis for developing a job description. The report also seeks approval for the Economic Development & Regeneration Manager (EDRM) to recruit as soon as possible.

### *Background*

Securing improvements to the town centre is a high priority in the Strategy for Success and the current Action Plan. Much of the work in progress relates to improvements to the Market Place, developing a landscaping and signage scheme for the Market Yard, improving the Station Approach and signage between the railway station and the town centre and visitor signage within the town centre car parks and station. The Town Council has started discussions with Mendip and Somerset over the development of a parking strategy. All of these projects are being managed by the part-time Town Centre Regeneration Manager (TCRM). Detailed reports on progress are due at the February and May meetings of EAC.

In addition, work is proceeding to develop sustainable transport options to serve the town centre and other parts of the town; this work is being led by the Energy & Recycling Officer with support from the TCRM due to his transport planning background.

Business engagement is being led by the EDRM. It has been crucial in delivering initiatives such as The Frome Independent, promotion of the town, town centre events and the My High Street scheme that enables independent retailers to sell online. But the business community

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and other users of the town centre have demonstrated that there is more that needs to be done to impact positively on the town centre as a place to visit, shop, work in, enjoy sports and events and generally socialise in. Key areas of work relate to improving the cleanliness of the streets and reducing waste, developing sustainable transport links, supporting the development of the independent retail sector including markets, promoting the town, improving the welcome to visitors and supporting town centre events.

For this to be effective requires greater engagement of businesses, residents and the voluntary and community sector and building strong, productive and trusting relationships between all these interests. A Working Group will be necessary – one that is about action not talking. Ideally, we should try to move to a position where this partnership has the opportunity and resources to plan how to improve the town centre. This is precisely the position that many towns across the country are already in and many have enabled this by the designation of a Business Improvement District (BID).

A BID is a defined area in which a levy is charged on all business rate payers in addition to the business rates bill. This levy is used to develop projects which will benefit businesses and others in the local area. There is no limit on what projects or services can be provided through a BID provided that they represent additional services to those provided by local authorities. A BID is worthy of investigation as it would generate additional cash that can be invested in new services within the town centre.

There is a limit to the amount of time that either the EDRM or the TCRM can devote to this additional work given their other responsibilities. What is needed is someone who can dedicate all of their time to engaging and co-ordinating town centre interests.

### *The proposal*

The main purpose of the role which will be reflected in the job description will be to:

Engage and support businesses, the public and community sectors in the planning and delivery of improvements to Frome Town Centre.

The main responsibilities will include:

- Establishing a Town Centre Working Group that has the task of planning and delivering improvements to the town centre as a place to visit, shop, work in, enjoy sports and events and generally socialise in
- Investigating the potential for establishing a Business Improvement District (BID) within the town centre and bringing forward plans to establish a BID subject to the level of support from town centre businesses
- Engaging the business, wider community and public partners in planning and implementing projects that will secure a marked improvement in the:
  - cleanliness of the centre and waste reduction;
  - promotion of the town;
  - welcome for visitors;

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- sustainable transport links;
- town centre events to be staged
- fortunes of the independent retail sector including markets

The post holder will work closely with other members of the Town Council team but especially the TCRM, Environment Manager and Energy & Recycling Officer. The new post holder will report to the EDRM.

The proposal is to advertise the position at an annual salary of £25,440 (pro rata for 18.5 hrs or 2.5 days per week) on a fixed term contract ending 31 December 2015. This would be co-terminus with the contract of the Town Centre Regeneration Manager and would provide an opportunity later this year to review the provision of services to the Town Centre.

### *Recommendations*

1. Create a part time post with the title Town Centre Community Coordinator on a fixed term contract ending 31 December 2015.
2. Approve the main purpose and responsibilities for this post set out in this report.
3. The Economic Development & Regeneration Manager to recruit as soon as possible.
4. Arrangement to be reviewed later in 2015.

## **9. For decision: How to proceed with the grant from MDC for £110k**

Authors: Town Clerk and Responsible Finance Officer

### *Summary*

MDC has now confirmed that FTC will receive £110,000 from Government in compensation for changes in Housing Benefit resulting in a one off increase in Council Tax in 2013/14. On 7 January, Council noted this and asked IAC to consider its options and recommend a way forward.

This report explores these options and recommends that Council lodge this grant in the general reserve.

### *Background*

This is the third year FTC has received this grant. In 2013/14 Council received £117,000 and decided to establish two EMRs for £55,000 each to support the Fair Frome Project and to support training for young people in town. The remaining £7k was allocated to support the Participate Frome initiative in the Autumn of 2013.

In 2014/15 Council received £115,000 and decided to allocate this grant towards the establishment of community hub; specifically, to support community groups physically access the building (following DDA compliance survey) and to help them afford their rental costs. This amount is still held and remains within the planned capital and

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revenue budgets respectively for the hub which is due to be purchased in March / April.

Council noted that it was going to receive a grant of £110,000 for the financial year 2015/16 on 7 January 2014 and asked IAC to consider what options it has at this meeting and to report back to Council with recommendations.

## *Discussion*

It should be recognised that this grant has reduced in size over the past three years and that in each of these years there has never been certainty that, first, Government will forward it to the billing authority (Mendip in our case) and, second, that Mendip will forward part or all of it to the parishes. Indeed, in other parts of the country some billing authorities have decided to forward none or a portion. Mendip has decided to forward most or all of it in the past three years.

The point is that it is highly risky to consider this grant as permanent annual feature and reduce the annual precept demand accordingly. This is because Government or Mendip could decide at any time in the future not to pass this grant on to the parishes. In the past two years Council decided not to take this risk, to retain the precept amount and to consider what to do with the grant as a separate issue – as described above.

Council should also be aware that there remain rumours coming from DCLG that Government it still considering whether to impose precept caps on parishes. This is important in this context because if Council decided or decides next year to reduce the precept demand by the grant amount, there is no guarantee that either the grant will continue or that Government will not cap the precept. If both happened the ability of this Council to raise the precept by the grant amount in future years would be impossible.

The question remains, therefore, about what to do with this grant and it is recommended that it is lodged in reserves, considered separately from the normal revenue budget and for Council to consider options as and when they come up in future.

In particular, the hub project, improvements to the Market Place and the work around Saxonvale might well need support in the future and having an amount in reserve for the hub project in the first instance would enable Council to reduce the risk posed by any unforeseen events.

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## *Recommendation*

IAC recommends to Council that the

1. MDC grant of £110,000 for 2015/16 is allocated to the General Reserve.

## **10. For decision: Financial Regulations**

Author: Responsible Finance Officer

### *Purpose of report*

To consider adoption of draft Financial Regulations.

### *Background*

The Financial Regulations were last reviewed by Council in their entirety and formally adopted in October 2013.

It is my responsibility to review and table the Financial Regulations for re-adoption by Council annually. I have worked with our Internal Auditors and taken their advice on this draft. (see appendix 2).

Councillors should note there are no fundamental changes proposed. However, I would like to bring attention to the proposed inclusions.

- FTC as a Living Wage Employer
- The Ethical Matrix
- Connected Party Declaration Form
- Urgent repair or other work: this is proposed to increase from £5k to £10k as renovation of the Town Hall, for example could raise the need to commission immediate work
- Arrangements and authorisation of BACS payments replacing cheque payments
- Permission for asset disposal increased from £200 to £500

### *Recommendation*

The Committee approve the draft Financial Regulations tabled and recommend them to the next Council meeting for adoption to become the formal Financial Regulations at the end of that meeting.

## **11. For decision: Approval of Risk Register 2014/15**

Author: Responsible Finance Officer

### *Background*

The Local Council Audit places responsibility on councils to demonstrate best practice in all aspects of their governance and the assessment of risk can be seen as a key test.

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Management of risk is not restricted to the control of Council finance. It has a much wider definition which involves the assessment of all aspects of service delivery, and the failure to implement effective risk management can have a significant and adverse impact on the ability of the Council to meet its service objectives.

The evaluation process involves simple effective scoring to eliminate low risk areas and direct the Council's attention to those risks that may require attention by means of an Action Plan.

Each risk is scored by selecting a value of the likelihood (the likelihood of this happening with the controls the Council has in place)

- N/A not taken into account/ignore
- Low (no/not likely) = value of 1
- Medium (chance it may happen) = value of 2
- High (this may happen) =value of 3

and impact (estimated impact of this risk on this area to the Council with the controls the Council has in place).

- N/A not applicable/ignore
- Low (little or no impact)
- Medium (low to medium impact on the Council)
- High (great impact on the Council)

The system multiplies the likelihood score against the impact score to arrive at a risk value for each item.

Each of the Council's 118 risks ranging from financial to safety of play equipment has been updated, assessed and scored bearing in mind the controls the Council has put in place. Where relevant, risks are cross referenced with the current Financial Regulations. Risks with a value of 4 or more appear in the 2014/15 Action Plan. For 2014/15 six areas have scored 4 or above and the relevant officers will continue to monitor these risks. (Action Plan appendix 3)

(A full copy of the Risk Register can be made available on request).

### *Recommendation*

The Chair to sign the 2014/15 Action Plan on behalf of the Council and approve the 2014/15 Risk Register.

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## **12. For information: Update on payments made, year end forecast, and other financial matters**

Author: Responsible Finance Officer

A breakdown of Income and Expenditure as at 31 December 2014 is shown at appendix 4.

### *Income*

Income from Mendip Councillors' Community Fund was received. Cllr Hudson has contributed £2k towards the installation of a street light in Tickleberry Alley. Cllrs Pinnock and Horsfall have both contributed £1k each towards additional litter bins.

The PV panels on the roof of the C&G building generated £3.2k which was received from Npower. Donations and sponsorship of the Christmas Extravaganza were received from local traders and businesses totalling £1.8k. The Environment Agency contributed £5k towards widening the Henley Way riverside footpath.

### *Expenditure*

Aside from normal monthly running costs, significant expenditure comprised the following:

- £54k - half yearly Public Works Loan capital and interest repayments
- £74k - deposits and instalments paid to Play Innovation for work on the MUGA commenced with the balance due on completion of the project.
- £8.8k - Somerset Rural Youth Project for their play ranger service over the summer
- £13k - Extravaganza payments for event management and various acts
- £9k - Christmas lights, leased on a 3 year deal with Blachere Lighting

Councillors are invited to spot check 2 invoices over £500 through to payment shown at appendix 5.

### *Budget Savings/Overspends*

It is forecast there will be a saving of approximately £40k going back into General Reserves at the end of this financial year. The highlight savings and overspends are

- small saving in the Democratic Management
- an overspend in the Town Events budget although more Christmas Extravaganza sponsorship is expected
- saving in the Community Support budget because external funding was secured



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- significant saving in the Grounds and Property Maintenance budget and Outside Services salaries budgets reflecting recent staff changes and more emphasis on contracting grass cutting, play equipment and site checks
- a slight overspend in legal and professional fees, primarily incurred whilst acquiring more land and property

## *Reserves/Balance Sheet*

The Balance Sheet shows the deposits held in the bank and investments at 31 December 2014. Total reserves stand at £1,321,835. Shown at appendix 6.

In January 2015 Council approved in £57k expenditure from General Reserves to support the Save Whatcombe Fields project £35k and to establish an EMR of £22k to provide a loan over 5 years to Frome Cheese & Grain Ltd to purchase LED lights.

The effect is that the GR started the financial year at £232k and once the £40k savings (as described above) are added and £57k additional expenditure are taken into account it is anticipated the GR at the end of the year of £215k, £35k over the approved figure of £180k.

## *Section 106 agreements*

The Rossetti House s106 (£10k) is part funding the new footpath along the riverside from Welshmill Lane. MDC lawyers have now received the second Deed of Variation from the owners Gracewell Healthcare 1 Ltd (16.12.14). MDC lawyers have not released the agreement to FTC for signing or the money.

The Latona Leisure, former Mendip Lodge Hotel s106 (£38k) is going to be used to support improvements to the Market Yard and information to tourists. The proposals for how the contribution will be spent have now been supported in principle by the district ward councillors. A detailed scheme is being refined.

FTC's purchase of the Showfield when completed should see the transfer of the S106 Open Spaces enhancement (£44.9k). There is no progress to report on the Garston Road open space s106.

## *Investments*

Three short term (90day) investments with a fixed rate of 0.57% matured on 31 December 2014, option for future investments are being explored in line with the Investment Strategy.

## *Recommendation*

1. Note the council's financial position as at 31 December 2014.

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**13. For information: Internal Auditors Report**

Councillors are requested to note report below:

**Fair Account**

Fair Account  
1 Roker Way  
Fair Oak  
Eastleigh  
Hants  
SO50 7LD

19 January 2015  
Frome Town Council  
Town Clerk  
5 Palmer Street  
FROME  
SOMERSET  
BA11 1DS

TEL/FAX: (023) 8069 6763

Dear Mr Wynne

**Internal Audit Report for Frome Town Council 2014/15 Oct – December 2014**

In accordance with the Accounts and Audit Arrangements introduced from 1st April 2002 (lighter touch audit) that requires all Town and Parish Councils to implement an independent internal audit examination of their Accounts and Accounting processes annually.

The Council have complied with the requirements in terms of independence by the Council decision making process in 2014/2015, appointing Fair Account to undertake the work for 2014/15.

Continuing visits have been made on the 08 December 2014 and 19 January 2015 to check that the Town Council adhere to the requirements set out in the National Association of Local Councils Accountability and Governance Manual Appendix 9 ensuring that compliance is maintained.

A further visit has already been arranged to continue the internal audit visits for 2014/2015 on 24 March 2015.

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During the course of this internal audit visit it was agreed with the Responsible Finance Officer that we would in future provide an Interim Summary Report Letter on each occasion to highlight any issues from the continuing Internal Audit.

An Internal Audit testing strategy is set out in the current, NALC Accountability & Governance manual. This covers a “suggested approach to internal audit testing” covering 10 aspects ranging from Proper bookkeeping right through to Year-end procedures. Our Internal Audit testing is based on this approach.

Our initial discussion with the Responsible Finance Officer established any system/procedure changes to the internal controls from the previous period. A series of independent audit tests were then undertaken using the various financial records, vouchers, documents, minutes, previous audit reports, insurance etc. to ascertain the efficiency and effectiveness of these internal controls.

As part of the Internal Audit Reviews we checked that:

## **Bank Reconciliations**

- the financial totals as at 30 September 2014 brought forward are accurately shown in the cash books.
- all un-presented cheques and un-banked income at 30 September 2014 were checked to bank statements to verify these were banked in October 2014.
- all direct debits, standing orders, transfers were checked and accounted for in the period 1 October to 31 December 2014.
- all bank paying in slips were banked and agreed to bank statements in the period 1 October to 31 December 2014.
- bank reconciliations for all bank account had been carried out between 1 October to 31 December 2014, and totals agreed to those shown in the appropriate cash books.

## **Petty Cash**

- the Petty Cash totals for the Office, Tourist Information Centre and Victoria Park were agreed to the cash in hand as at 31 December 2014.
- a series of tests to agree the reimbursements from the Office Imprest Account to sub floats held by Tourist Information Centre and Victoria Park between, 1 October – 31 December 2014 were undertaken.
- a series of petty cash vouchers were checked and agreed, and Cash Books 2, 3 and 4 were reconciled up to 31 December 2014.

## **Investments**

- the level of Investments shown in Cash Books 5,6,8,10,11,12 and 13 were reconciled to information shown on the bank statements and Investment Portfolio details as at 31 December 2014.

## **Income and Expenditure**

- all un-presented cheques and un-banked income information at as 31 December 2014 were confirmed that the details are accurate to the records held by Town Council.
- test check Cash Books 1,2,3 and 4 and Purchase Day book totals for October – December 2014 to Quarter 3 VAT reimbursement claim for accuracy of VAT elements.

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- Check sample of payment vouchers over £500 for accuracy to Cash Book 1 and for October 2014.
- Agreed Tourist Information Centre Daily totals in the Cash Books for the period October – December 2014.

## **VAT**

- the totals of VAT shown on the reimbursement claims for the period 30 September 2014 had been received and the correct sums are shown in the bank account.

## **Cardnet**

- all transactions shown on the Cardnet statements for the period 1 October – 31 December 2014 were accurately recorded in the cash books and that all the transactions including Cardnet fees could be traced to the bank statements.

## **Review of Financial Regulations 2014/15**

- a detailed review was carried out to ensure that Financial Regulations for the Town Council contained sufficient details that govern the conduct of the financial management of the Council. The review considered whether the Financial Regulations in place were robust and followed the best practice update of Model Financial Regulations produced by NALC in April 2014.
- We are pleased to report the Responsible Finance Officer has updated the Financial Regulations for the 2014/15 and will be reporting this to the Town Council for approval.

## **Risk Register Review 2014/15**

- a review of the Town Council Risk Register was undertaken at our visit in January 2015 to ensure that the current risks identified were up to date and sufficient details were records to mitigate the risk identified. We confirmed with the Responsible Finance Officer that some risks should be reviewed and updated from the last review in 2013/14, in particular those risks that show a high overall rating where the impact or likelihood remain high.
- We are pleased to report the risks will be updated on the Risk Register and reported to the Town Council at their meeting in February 2015.

Therefore I am pleased to report that the various records and procedures in place for the Council provide a good standard of control. All minor queries were resolved during the course of the audit, and therefore no formal recommendations have been made for the period October - December 2014 for these various transactional elements.

This letter report should be noted and taken to the next meeting of the Town Council to inform them of the Internal Audit work carried out. The details of this Internal Audit Report Letter should be also be minuted by the Town Council.

Yours sincerely,

Paul Reynolds FMAAT and Tim Light FMAAT  
Internal Auditors

## **14. Health and Safety update**

Nothing to report

## **15. The next meeting will be at 7pm on Wednesday 8 April 2015, Saxonvale Centre**