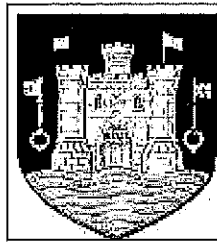


**AGENDA FOR THE MEETING OF THE OPERATIONS COMMITTEE**  
**MONDAY 27<sup>th</sup> MARCH 2017 AT THE GUILDHALL TOTNES**

You are hereby SUMMONED to attend the Meeting of the Operations Committee, which is to be held in the Guildhall, Totnes on **Monday 27<sup>th</sup> March 2017 at 3.00pm** for the purpose of transacting the following business:

No	Subject	Comments
1	To receive apologies.	
2	The Mayor will request confirmation that all Members have made any amendments necessary to their Declaration of Interests, if appropriate.	
3	<i>The Operations Committee will adjourn for the following items:</i> <u>Public Question Time:</u> A period of 15 minutes will be allowed for members of the public to ask questions or make comment regarding the work of the Council or other items that affect Totnes. <i>The Operations Committee will convene.</i>	
4	To consider any matters arising from the Minutes of 23 <sup>rd</sup> February 2017 (already agreed by Full Council 6 <sup>th</sup> March 2017)	
5	To consider the draft policy for Mayoral Allowance and Civic Budgets and the associated advice from Darnells.	Enclosures
6	To agree the use of a debit card on the Main Town Council account – for use in line with the agreed financial regulations.	Verbal update from the Town Clerk
	<i>The Operations Committee will be asked to <b>RESOLVE</b> to exclude the press and public “by reason of the confidential nature of the business” to be discussed and in accordance with the Public Bodies (Admission to Meetings) Act 1960.</i>	
7	To discuss an outstanding amount due by a Civic Hall hirer.	Verbal update from the Town Clerk
8	To consider a draft letter to businesses following the restructure of Tourism provision in the town.	Enclosures
9	To consider the change in parking permit provision and the implications on members of staff.	Verbal update from the Town Clerk
10	To note the date of the next meeting: <b>Monday 17th April 2017 at 3pm – if required.</b>	



**MINUTES FOR THE OPERATIONS COMMITTEE**  
**THURSDAY 23<sup>RD</sup> FEBRUARY 2017 AT THE GUILDHALL TOTNES**

Present: Councillor M Adams (Chairman), Paine, Westacott MBE, Sweet and Hart-Williams

Apologies: Councillors Cohen and Barker.

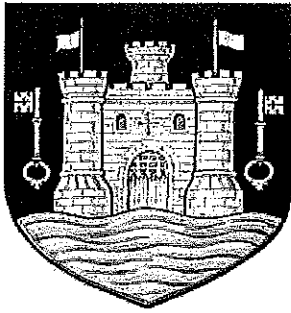
In Attendance: Catherine Marlton (Deputy Town Clerk), Councillors Hodgson and R Adams and 2 members of the public

No	Subject	Comments
1	To receive apologies and to confirm that any absence has the approval of the Council.	Agreed.
	<i>The Committee will adjourn for the following item:</i>	
	Public Question Time: A period of 15 minutes will be allowed for members of the public to ask questions or make comment regarding the work of the Committee or other items that affect Totnes.	None.
	<i>The Committee will convene to consider the following items:</i>	
2	To discuss any matters arising from the minutes of the last meeting.	The minutes were noted.
3	To discuss the issue of past mayoral expenses raised at the December Council meeting.	<p>It was agreed that the Deputy Town Clerk should meet with a local accountancy/audit provider to have the Mayoral accounts independently verified.</p> <p>It was <b>RECOMMENDED</b> that a report from this meeting, a draft statement to the press and a reviewed Mayoral Expenses policy should go to the next Operations Committee and then onto Full Council for agreement.</p> <p>At this point Cllr Hodgson arrived and confirmed that she would be recording the remainder of the meeting.</p> <p>Cllr Hart-Williams arrived.</p>
4	To receive the accounts and to: <ul style="list-style-type: none"> <li>• Approve the Payment Orders for the period 04/07/2016 to 20/12/2016</li> <li>• Note the Bank Reconciliations, Payments and Receipts for the period 01/07/2016 to 01/11/2016 from Cashbooks 1, 3, 4 and 5</li> <li>• Note the Income and Expenditure Report to date 01/12/2016</li> </ul>	<p>Approved</p> <p>Noted</p> <p>Noted</p> <p>It was agreed that pages of accounts should be numbered in future for reference purposes.</p>
5	To receive an update about the Guildhall Cottage.	The Deputy Clerk outlined recent repair works undertaken and further improvements that will be required to the windows and the roof.
6	To receive an update about the Town Mill and Totnes Image Bank.	The Deputy Town Clerk outlined a proposal from Totnes Trust asking if the Town Council would accommodate the Image Bank archive. This was

		<p>agreed in principle, subject to further negotiations with the Museum Trust and subject to there being enough space.</p> <p>It was <b>RECOMMENDED</b> that the Town Council write to the Museum Trust to explain the proposal for sharing the storage space.</p> <p>The Deputy Town Clerk was asked to check that weight bearing would not be problematic.</p>
7	To note the statistics from the 2016 Guildhall season.	Noted
8	To note the minutes of the Tourism Partnership in November 2016 and February 2017.	Noted
9	To consider whether the use of <b>glyphosate</b> should be banned from all future grounds maintenance contracts.	<p>Cllr Hodgson was asked to speak to the item regarding Glyphosate.</p> <p>It was <b>RECOMMENDED</b> that the Town Council ban Glyphosate use by all contractors we hire.</p> <p>Cllr Hodgson was asked to send a paper with some background information to Full Council to inform this decision.</p>
10	To discuss an item referred from the November Full Council meeting: "Totnes Town Council will support the designation of the Civic Square/market area and Heath's Garden as an Asset of Community Value and will investigate leasing or transferring the ownership of these areas together with the car parks within the T3 site from SHDC to Totnes Town Council subject to budget being made available. This item will also be placed on the next Operations Committee agenda to consider the financial implications of such a decision."	<p>Councillors raised concerns regarding the financial viability of an asset transfer and the current staff capacity to engage and investigate this option.</p> <p>It was <b>RECOMMENDED</b> that the Town Council wait for an outcome on the application to have the market square designated as an Asset of Community Value before discussing this matter further.</p>
11	To note the decision following the consultation about public telephone boxes: Westonfields, Totnes – no objections to removal Opp Cemetery Lodge, Plymouth – objections made to removal	<p>Noted.</p> <p>Noted.</p>
11	To note the date of the next meeting on <b>Monday 27<sup>th</sup> March 2017</b> at 3pm.	This date and time was agreed.

Catherine Marlton

Town Clerk



## TOTNES TOWN COUNCIL

The Guildhall Offices

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Totnes

Devon

TQ9 5QH

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Dear all,

Further to lots of discussion on the matter of Mayoral expenditure we contacted Darnells to undertake a review of the figures. Their response is included in this information.

As expected the response highlights the lack of formal adopted policy on the matter of allowed Mayoral expenditure so we have drafted a policy to clarify the issues and prevent any future miscommunication. This document can be considered by Operations Committee Councillors with amendments being made as required.

One of the issues raised by Cllr Jacqi Hodgson was the issue of the Civic Hall hire being charged from the Mayoral account when in previous years there were 3 free uses granted to the Mayor to give out during their term.

However, upon looking at this it appears that a VAT report from October 2013 identifies that the Town Council cannot have free use of the Civic Hall without impacting the status of the Paige Adams Trust, who receive the income for the Civic Hall. A Paige Adams meeting on 2<sup>nd</sup> December 2013 discussed and agreed the recommendation below.

*The Council sub-lets the Civic Hall to the Trust for no rent. As such the grant of the sub-lease is a non-business activity of the Council. VAT incurred on expenditure for the Civic Hall is recoverable under section 33 VAT Act 1994. This would include VAT paid on the cost of reconstruction.*

*The Council uses the Civic Hall for meetings, approximately 4 hours per month. If the Council does not pay for the use of the Civic Hall, it is possible that the provision of free use by the Trust to the Council could be regarded as a rental payment from the Trust to the Council. This would remove the non-business treatment of the grant of the sub-lease to the Trust and convert the sub-lease to a business activity that is exempt from VAT. In that event the Civic Hall would need to be included in the Council's partial exemption calculation and VAT should be included in the reinstatement value for insurance purposes.*

***It is recommended that the Council pays for its use of the Civic Hall to ensure retention of the non-business treatment of the sub-lease.***

Although this recommendation was agreed, the changes were not implemented by the Town Council until the 15/16 financial year. The Mayors free uses continued in 14/15 as in previous years. This was likely due to changes in personnel and meant that it is possible not all Councillors were aware that all Civic Hall hire needed to be paid for.

Another point raised by Councillor Hodgson was that expenditure into the following 16/17 year should be allowed by the outgoing Mayor and is usual practice. It is true that although the financial year ends 31<sup>st</sup> March the Mayors term does not finish until around 20<sup>th</sup> May and expenditure and expense claims could be made in this period. We have therefore suggested that a capped figure of £300 should be permitted and a deadline for claims to be submitted introduced to avoid any conflict between the outgoing and incoming Mayor.

In overview it would seem that although the figures do reflect an overspend in the second term of Cllr Hodgson being the Mayor, this is due to the lack of clear policy in relation to expenditure and not all Councillors being aware of changes made by the Paige Adams Trust. With that in mind this proposed policy would provide future Mayors, and the Clerk, appropriate guidelines when managing these budget lines.

Catherine Marlton

Town Clerk

22 March 2017

Mrs C Mariton  
The Town Clerk  
Totnes Town Council  
The Guild Hall Offices  
5 Ramparts Walk  
TOTNES  
TQ9 5QH

CAJ/JMD/JEM/TOT021

Dear Mrs Mariton

**Mayoral Expenses of Cllr Jacqi Hodgson**

In accordance with your instructions, I have reviewed the Mayoral expenses claimed by Cllr Jacqi Hodgson for her period of office from 20 May 2014 to 19 May 2016.

A summary of income and expenses claimed was received from yourself as prepared by senior administrator, Christina Bewley. A schedule of the income and expenses is attached and is the version in which the £960.83 of tea dance income received by the Paige Adams Trust is treated as mayoral income.

I have reviewed the summary and can confirm that it is in accordance with the ledger records supplied for Civic Events Income, Civic Events Expenditure and Mayoral Allowance. Individual expenses within the ledger records have been test checked to invoices or other evidence and were in accordance therewith subject to those selected within the £654.99 missing invoices. The invoices inspected appeared to be for bona fide expenditure.

It can be concluded that for Cllr Jacqi Hodgson's overall period of office, that the expenses claimed remained within the overall Mayoral budget of £13,000 with an underspend of £2,229.28. It was noted however for the periods 1 April 2015 to 31 March 2016 and 1 April 2016 to 19 May 2016, net Mayoral expenses claimed were in excess of the budgets for the periods by £137.76 and £694.06 respectively.

It is Council policy that an overspend or underspend cannot be carried forward from one accounting year of the Town Council to the next. This is to safeguard against the non re-election of a mayor and is a reasonable and prudent precaution. Consequently although there was an overall underspend for the two years of office this is irrelevant when considering individual years of office. To reiterate for 2015/16 and 2016/17 there was an overspend of mayoral allowance with the budgets exceeded by £137.76 and £694.06 respectively.

The review highlighted weaknesses in the procedures for the claiming of Mayoral expenses. The Totnes Town Council accounting year is from 1 April to 31 March. The Mayoral office is from 20 May to 19 May. Due to the inconsistency in these periods it is unfair to compare the budget and the expenditure solely on the year to 31 March. I recommend the Council adopts a formal written policy clarifying what expenditure can be claimed for the periods 20 May to 31 March and 1 April to 19 May. I have been advised that this is currently being drafted.

It was also identified that there was no specific policy as to what the Mayor may or may not claim. It was noted that two mayoral allowances of £375 each were claimed and also a parking fine. It was also seen that the Mayor incurs a fee for using the Civic Hall. This allows for disputes as to what may in fact be claimed. It is recommended that the Council adopts a policy clarifying what is acceptable expenditure.

Finally it was seen that there was no formal written policy as to the time limit for claiming mayoral expenses. This allows for a distortion to arise of reported expenses for individual accounting periods. It is recommended that the Council clarifies in a formal written policy as to what the time limit is for claiming expenses.

If you would like to discuss these matters further please do not hesitate to contact either myself or my assistant Catherine Johns.

Yours sincerely

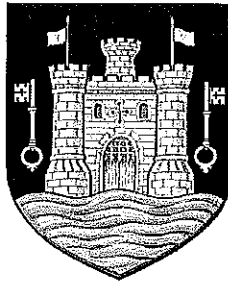
**John Dollins**

**Totnes Town Council**  
**Summary of Mayor Hodgson's net expenditure**

<b>Budget</b>	£	£
Year ended 31 March 2015		6,500.00
Year ended 31 March 2016		6,500.00
		<u>13,000.00</u>
 <b>Actual</b>		
20 May 2014 to 31 March 2015		
Income	2,457.76	
Expenditure	5,896.66	
Net expenditure	<u>3,438.90</u>	
 Year ended 31 March 2016		
Income	892.47	
Expenditure	7,530.23	
Net expenditure	<u>6,637.76</u>	
 1 April 2016 to 19 May 2016		
Income	960.83	
Expenditure	1,654.89	
Net expenditure	<u>694.06</u>	
 Total underspend for period of office		<u>£ 2,229.28</u>



<u>Summary of Mayor Hodgson's Spend</u>					
	<u>Budget</u>	<u>Income</u>	<u>Expenditure</u>	<u>Balance</u>	<u>Notes</u>
14/15	6500.00	2457.76	5896.66	3061.10	
15/16	6500.00	892.47	7530.23	-137.76	includes full hire cost of CH for 6 organisations
16/17	no policy on allocation	960.83	1654.89	-694.06	notional as it includes Tea Dance income paid to PA Charity. No budget allocation given.
Or 16/17	no policy on allocation	0.00	1654.89	-1654.89	excludes Tea Dance income paid to PA Charity. No budget allocation given.



## Totnes Town Council

### Draft Protocol for the Civic Budget & Mayoral Allowance

All Civic and Mayoral spending will be limited to the agreed budgets over the course of the financial year, therefore pre planning of proposed events and larger commitments is essential. All major civic events should take place within the Council's financial year ending 31<sup>st</sup> March.

During the period from 1<sup>st</sup> April to 18<sup>th</sup> May a combined maximum spend of £300 is allowed from both budgets and must be agreed in advance with the Town Clerk.

Any surplus at the end of the financial year will not be carried forward.

The budgets must not be in deficit at the financial year end.

#### Expenditure which is allowed :

- A. The Mayoral Allowance budget is to defray reasonable costs in order that the office holder is not out of pocket for fulfilling the role of Mayor. The Mayor can claim an amount equivalent to the annual Councillor Allowance as a lump sum at the end of the financial year from this budget.
- B. Funding for all the formal and informal Civic events and costs associated with the role of the Mayor during the Mayoral year.

These may include:

- ❖ Mayor Choosing and reception
- ❖ The Civic Service
- ❖ Remembrance Sunday (in conjunction with the British Legion)
- ❖ Civic Funerals (as and when required) and refreshments at a wake for Honorary Citizens
- ❖ The Civic Event (Community fundraising event)
- ❖ Events where the Mayor is usually accompanied by the Town Sergeant, such as Totnes Carnival, the annual Orange Race, the opening of the Elizabethan Market.

- C. Civic events supported by the Council involving, but not necessarily arranged by, the Mayor, or agreed Councillors.

These may include

- ❖ hosting the Mayor of Vire
- ❖ receptions for Civic visitors
- ❖ hosting small award ceremonies
- ❖ hosting meetings of community groups
- ❖ activities related to the Town Council but not necessarily organised by the Mayor.

- D. The costs of any events held or attended by the Mayor or Deputy Mayor or Councillors deputising in their place in the course of his/her duties in the Mayoral Year.

These may include

- ❖ Christmas reception
- ❖ specific refreshments etc. when organising events at the Guildhall during the year.
- ❖ the incidental costs of attending community and charitable events e.g. purchase of tickets for both the event and raffles
- ❖ charity functions, and to cover any costs when attending functions e.g. the purchase of raffle tickets, collections, etc.

- E. Supporting the Mayor in raising money toward his/her chosen charity.

These may include

- ❖ providing facilities paid for by the Civic Budget in raising funds for the chosen charity e.g. reception in the Guildhall, hire of the Civic Hall, etc.

NOTE: All use of the Civic Hall must be paid for in full from the Civic Budget to the Paige Adams account. No free use can be granted by the Mayor.

Expenditure which is not allowed :

The Civic budget must not be used to pay for

- ❖ gifts of monies or goods (including flowers) other than to charities. NOTE: Any requests for contributions to groups and charities outside of fundraising must be considered by Paige Adams through the grants process.
- ❖ parking fines
- ❖ social events internal to the Council
- ❖ items normally covered by the Mayoral and Councillor Allowance e.g. costs associated with the use of home as office, personal telephone bills, etc.
- ❖ printing fliers/leaflets/posters etc. other than for civic events covered in B. above.
- ❖ *Other ..... ?*

Reporting and monitoring procedures:

The Mayor is asked to account for his/her spending and to submit these expenses, along with the Mayor's monthly engagements, as a quarterly agenda item to Operations Committee meetings:

- All amounts submitted for reimbursement from the Town Council will be signed off and paid according to the Town Council financial regulations.
- Amounts of £250 and over need to be agreed by The Operations Committee in advance of agreement. Details of the proposed expenditure will need to be submitted, to ensure contributions and events are in line with Civic function and the Town Council priorities. If agreed it can then be submitted for reimbursement/payment to the Town Council Finance Officer.

Once 85% spend of the budget is reached the Operations Committee must be informed and any future spend must be agreed in advance with the Town Clerk.

Any outstanding civic expenses need to be submitted by the outgoing mayor by the end of June, when the preceding mayor's budget will be closed.

**March 2017**