

**Minutes of the Finance Committee Meeting held on Wednesday, 26th August
2020 at 9am in the Council Chamber**

Present: Chairman Hon C R Beard
Deputy Chairman Hon L A Henry
Members Hon C G Buckley
Hon A A Green
Hon D F Thomas
Hon Financial Secretary - D L Richards
Secretary Mrs C A George, Hd of Corporate Support

Invited: Deputy Financial Secretary – N A G Yon

OPEN SESSION

1. Welcome

The Chairman opened the meeting by welcoming all present to the inaugural meeting of Finance Committee following the Council Committees (Rules of Procedure) (Amendment) Order being made on 18th June 2020.

2. Finance Committee Terms of Reference

The draft Terms of Reference (TORs) for the Finance Committee, with comments from the Deputy Financial Secretary tracked, had been circulated to Members for comments by the Financial Secretary on 23 July 2020.

Some discussion ensued as to which areas of responsibility currently under the remit of the Economic Development Committee (EDC) might transfer to the Finance Committee, thus enabling the EDC to focus on key strategic issues. The need for the Finance Committee to focus its attention on Corporate Finance functions was also mentioned.

Following discussion it was agreed that it would be beneficial to have sight of the Terms of Reference for the Finance Committee when it had been operational from 2009; this information would be set out in the Council Committees (Constitution) Order, 2010. The Secretary would send a copy to all Members, with a view to the TORs for the Committee being finalised and agreed at the next meeting.

(Action:

Secretary)

3. SHG Budget Execution Reports June and July 2020

The Hon C R Beard declared an interest in this item of business, being an Importer of goods to the Island.

The Deputy Financial Secretary (DFS) presented the reports, focussing on the most recent report for July 2020. He explained the various areas where budget variances existed and the reasons for those, emphasising that the financial position would likely change throughout the financial year; as of 31 July 2020, there was a projected overspend in the budget of £1,481.

The projected under collection in revenue by the Children and Adults Social Care Directorate and possible reasons for that were discussed. A projected underspend in the same Directorate was also noted; this was possibly attributable to an increase in demand for services as well as expenses incurred as a result of the COVID-19 prevention requirements, such as PPE. The Financial Secretary reported that he was working with the Director on this with a view to the expenses being met from the COVID-19 budget allocation. Discussions with the Director were also planned in order to determine whether or not some expenditure planned for the year were 'essential' or 'nice to have' items. The Hon Chairman, Social and Community Development Committee explained that work was ongoing in the Children and Adults Social Care Directorate to determine future needs and demands on services due to the aging population; this would inform future budget planning.

It was noted that the Social and Community Development Committee had not been receiving information relating to budget forecasts and the DFS agreed to look into this.

(Action: Deputy Financial

Secretary)

Members noted the projected overspend in IRB and BIP costs, which were in the region of £324k. Some discussion took place about the current policy relating to some of these entitlements and Members were of the view that the policy needs to be reviewed; the possibility of individuals undertaking work for receipt of Benefits was debated also. In response to a question raised by one of the Members, the DFS agreed to let them know the total amount of the projected overspend which related to Unemployment Benefit payments.

(Action: Deputy Financial

Secretary)

A further query was raised about the planned Pensions review and Members noted that TORs for a consultant to assist with this work were being drafted. It was further noted that the Social Policy Planner was working on a proposal relating to access to affordable health care, as well as the provisions of the current Benefits system.

4. Dark Skies Policy – Customs Regulation Changes

Members questioned why this agenda item had been tabled, bearing in mind that the amendment to the Environmental Protection Ordinance, in relation to Dark Skies provisions, had not yet been concluded. It was agreed that this agenda item should be deferred for discussion at a future date.

5. Public Service Provisions Policy

The DFS presented the policy, explaining that it had been developed as part of a series of policies including the recently approved SHG Subsidies Policy and the ongoing work on an SHG Grants policy.

The policy intention was to provide funding to organisations which deliver critical services to the community which SHG cannot provide; these included organisations established under law with their responsibilities and activities dictated by law eg, the Public Solicitor's Office, the Equality and Human Rights Commission and the Legal Assistance Fund. Through the implementation of the policy, SHG aimed to ensure a fair approach to the allocation of funding for the Public Service Provisions and to define the governance arrangements for funding them; this would likely be achieved through a Service Level Agreement.

There was some discussion as to which Committee should give final approval to policies such as this, noting that the Social and Community Development Committee had already seen the policy and endorsed it. It was agreed view of all that the Finance Committee should give final approval to policies such as this.

It was noted that this agenda item had been presented without an accompanying Decision Memorandum and noted for future agenda items.

6. Any Other Business

The Hon Chairman of the Environment and Natural Resources Committee enquired whether the Capital Receipts Fund could be utilised for housing matters in general. The Financial Secretary explained that the Comprehensive Development Area at Bottom Woods would absorb all of the funds available.



Signed.....

Date...07.09.20.....

Chairman