

FILEY TOWN COUNCIL

MINUTES OF THE FINANCE & GENERAL PURPOSES COMMITTEE
MEETING HELD 3 MARCH 2008

Present: Cllr D Murton (in the Chair) Cllr Mrs S Bradney, Cllr J Haxby,
Cllr Mrs J Viles and Cllr Mrs M Wright
RFO Mrs G Robinson

NOTICE OF THE MEETING

RESOLVED : That Public Notice of the meeting had been given in accordance with Schedule 12, para 10(2) of the Local Government Act 1972

F157/08

APOLOGIES

Cllr E Holden had sent his apologies to the meeting due to a family commitment.

RESOLVED: That Cllr E Holden's apologies be accepted.

F158/08

DECLARATIONS OF INTEREST

There were no declarations of interest in items on the agenda.

RESOLVED : That this information be noted.

F159/08

RISK MANAGEMENT

Members had previously been circulated with copy documents of all Risk Assessments associated to the council which had been transferred by the RFO to a new procedure using Risk Assessment software. The RFO informed members that the new software could identify all areas/functions (including financial risks) applicable to the council for risk evaluation. The RFO had selected each risk assessment and by using a scoring mechanism based on the likelihood of an event happening with the current controls in place against the impact it would have upon the council and the RFO had produced a risk assessment for each activity/function of the council. The RFO explained that Risk Assessments were working documents and would continually be assessed on either a weekly, monthly, quarterly or an annual basis. There were two areas which had scored a medium risk being the Christmas Tree Lighting Scheme and the Performance of Investments which the RFO brought to the attention of Members, both were discussed in detail and sufficient controls were agreed to be in place. The RFO stated that the Risk Assessment software also mapped all risks to an Insurance Holding Checklist and a Health & Safety Checklist. The RFO stated that she would be consulting with the Health and Safety Advisor to the Council to ensure that all associated risks had been adequately assessed. Members agreed that a lot of hard work had been done by the RFO and commended her for the transfer of Risk Management to the new system and it was

RESOLVED: That the new format for Risk Management and Risk Assessment for 2007-2008 be accepted and updated by the RFO as necessary with any areas for concern being brought to the Finance and General Purposes Committee as a matter of priority.

F160/08

RESOLVED: That the RFO consult with the Health and Safety Advisor to the Council to ensure that all associated risks had been adequately assessed.

F161/08

ASSET REGISTER

Members had previously been circulated with a copy of the Asset register which had been updated by the RFO. The RFO informed members that the Asset register had been linked to the council's insurance document as at 4 February 2008. The RFO stated that she was now in receipt of the District Valuation Report for re-instatement costs for both the Council Offices and Filey Museum and recommended to members that the insurance policy be revised in line with the valuation report as soon as possible as both buildings were currently undervalued for insurance purposes, at a cost of £35 for the month of March 2008 and £447.35 for 2008-2009. The RFO confirmed that the additional costs had been budgeted for the next financial year's budget. The RFO also informed members that a complete inventory of all council property had been undertaken as attached to the Asset Register and this was also linked to the council's insurance. It was

RESOLVED: That the council's insurance be updated to reflect the recent property valuations for the Council Offices and Filey Museum.

F162/08

RESOLVED: That a recommendation be made to the full council that the Asset Register and Inventory for 2007-2008 be accepted.

F163/08

REVIEW OF THE EFFECTIVENESS OF INTERNAL CONTROL

Members had previously been circulated with a YLCA Advice Note and considered the council's responsibilities to review the effectiveness of internal control. The Finance & General Purposes Committee considered that sufficient mechanisms were in place to regularly check and monitor the financial management of the council. The Committee had over the year undertaken the following:

- Minute F289/07 & F 290/07 Review of Insurance Policies including public liability, employer liability and fidelity guarantee
- Minute F447/07 Review of Investments
- Minute F625/07 Terms of Reference
- Minute F635/07 Model Agreement Estimates
- Minute F646/07 Insurance Valuations
- Minute F647/07 Initial Draft Budget Outline
- Minute 695/07 Review of Investment
- Minute F043/08 – F059/08 Grant Applications
- Minute F061/08 Draft Precept requirements
- Minute F063/08 Review of Cemetery Fees
- Minute F064/08 Review of Hire & Service Charge
- Minute F068/08 Draft Budget 2008/2009
- Minute F080/08 Investment Bond signatories
- Minute F082/08 Financial Working Plan incorporating Financial Internal Controls and Procedures
- Minute F084/08 Review of Financial Regulations
- Minute F/08 Review of Risk Management and Risk Assessment
- Minute F/08 Review of Asset Register linked to Insurance Policy

Members considered that the council was receiving regular and adequate financial information from the RFO and that the system of internal control was effective. The Town Council's Standing Orders are also scheduled to be reviewed this month by the Strategic Planning Committee. After discussion it was

RESOLVED: That a recommendation be made to full council that the Finance and General Purposes Committee have conducted a review of the effectiveness of the council's system of internal control and are completely satisfied that a suitable and effective system of internal control is in place.

F164/08

REVIEW OF THE EFFECTIVENESS OF INTERNAL AUDIT

Members had previously been circulated with a YLCA Advice Note and considered the council's responsibilities to review the effectiveness of internal audit. Members of the Finance and General Purposes Committee have scrutinised the appointment of the internal auditor ensuring that a specification and clear terms of reference were submitted. The internal auditor had provided control objectives for the following areas:

- Books of account have been properly kept
- Standing Orders and Financial regulations have been adopted and applied
- Payment Controls
- Risk Management
- Budgetary Control
- Income Controls
- Petty Cash
- Payroll Controls
- Asset Controls
- Bank reconciliations
- Year End Procedures

Members of the Finance and General Purposes Committee considered the expected standards of internal audit and the evidence of achievement for internal audit (copy completed annual review attached). The Committee have examined the competence of the internal auditor through quarterly substantial internal audit reporting which encompasses control objectives for the above areas and are assured that internal audit standards are being met by the internal auditor. One area for development was highlighted that there was a training need for all members of the council to be made aware of their overall financial responsibilities and the RFO was asked to arrange some training in the near future as part of a Member Training Plan. It was

RESOLVED: That a recommendation be made to full council that the Finance and General Purposes Committee have conducted a review of the effectiveness of the council's system of internal audit and are completely satisfied that a suitable and effective system of internal audit is in place.

F165/08

REVIEW OF THE EFFECTIVENESS OF INTERNAL AUDIT Continued

RESOLVED: That the RFO arrange financial training for all members of the council in order that they be made aware of their financial responsibilities within the council. F166/08

FILEY BOYS AND GIRLS CLUB PROJECT

The RFO informed members that a recent meeting had taken place with representatives of the Filey Boys and Girls Club and Officers of Scarborough Borough Council (Legal Services, Finance and Engineering) and Cllr D Murton had also been present at the meeting. The RFO informed Members that the legal agreement had now been signed by all three parties, the Filey Boys and Girls Club, Scarborough Borough Council and Filey Town Council. The representatives of the Filey Boys and Girls Club requested that payments of the grant be made directly to the 'Filey Boys and Girls Club' instead of through their solicitor as this was incurring extra costs for them which had not been budgeted for. Scarborough Borough Council could not foresee any problems with complying to this request and members of Filey Town Council were asked to consider this. The RFO stated that the Works Schedule and JCT Contract for the project were currently being studied by Legal Services and if this was acceptable together with the Engineering and Planning Department's approval, funds from both councils could be released shortly. The RFO stated that she had received a request for the first payment for £11,842.10 (Filey Town Council's 12.5% share of the first payment for the purchase of the land and architects fees). The RFO also requested that the Town Council elect a representative to the Filey Boys and Girls Club as soon as possible.

RESOLVED: That the RFO make all payments of the grant to the 'Filey Boys and Girls Club' direct instead of via their solicitor. F167/08

RESOLVED: That the RFO make the first payment to the Filey Boys and Girls Club after approval by Scarborough Borough Council's Legal, Planning, Engineering and Financial Services. F168/08

RESOLVED: That a recommendation be made to full council to elect an Executive Member of the Town Council to sit on the Board of Directors of the Filey Boys and Girls Club Company. F169/08

EXCLUSION OF PRESS & PUBLIC

RESOLVED: That members of the press and public be excluded from the next item of the meeting due to the private and confidential nature of the business transacted, that being in relation to the awarding of contracts. F170/08

NORWICH UNION INVESTMENT

Members had previously been circulated with copy letters from the Irish Financial Ombudsman confirming that the Town Council's complaint was now being investigated however the second part of the complaint had to be dealt with by the Financial Ombudsman in England. It was

RESOLVED: That the RFO forward the second part of the complaint to the English Financial Ombudsman as a matter of priority. F171/08

Under Section 17 of the Crime and Disorder Act 1998, members considered that none of the above decisions would impact on crime and disorder.

Chairman
Councillor D G Murton