

## FILEY TOWN COUNCIL

### MINUTES OF THE FINANCE & GENERAL PURPOSES COMMITTEE MEETING HELD 22 JULY 2009 AT 7.00PM

Present: Cllr D Murton (in the Chair), Cllr Mrs S Bradney, Cllr P Bradney, Cllr S Cross, Cllr J Haxby, and Cllr C Hodgson, 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** **F470/09**

#### APOLOGIES

All members of the Finance & General Purposes Committee were present at the meeting.

**RESOLVED: That this information be noted.** **F471/09**

#### DECLARATIONS OF INTEREST

There were no declarations of interest made on items on the agenda, it was

**RESOLVED : That it be noted that no declarations of interest were made.** **F472/09**

#### REVIEW OF INSURANCE POLICY

Members had previously been circulated with a copy of the Town Council's insurance policy and reviewed the insurance cover as detailed on the schedule. The RFO stated that the insurance policy included the Filey Tapestries at an annual cost of £231.30 and to offset this cost a contribution of £100 had been made by the Evron Centre Management towards this year's insurance costs whilst the tapestries were housed within the Filey Visitor Centre. The RFO informed Members that a quote for Business Continuity insurance had been obtained at an annual cost of £156.41 which would provide cover up to £783,609 and this was accepted by Members. The Clerk was also requested to obtain a cost for insurance against terrorism and report back to a future committee meeting. Members reviewed additional insured items and agreed that the TV/Video Unit could be removed as this item had now been disposed of on the Asset Register. Members together with the RFO reviewed the insurance policy including excesses and stated that they were confident that suitable and adequate insurance was in place to provide cover for the town council and its functions. It was

**RESOLVED: That the review of the Town Council's insurance policy be accepted.**

**F473/09**

**RESOLVED: That the RFO instruct the Town Council's Insurance Company to add Business Continuity Insurance to the policy and arrange for a quotation for insurance against terrorism to be obtained.** **F474/09**

#### INTERNAL AUDITOR 2009/2010

The RFO had previously circulated to members copies of a Specification and Terms of Reference (including detailed Control Objectives) for the Internal Audit of Filey Town Council for 2009/2010 by Mr D Latham, Internal Auditor. In line with the suggested standards for Internal Audit members considered that the content of the information supplied by the Internal Auditor was sufficiently detailed to meet the council's needs. The Internal Auditor's work would be carried out on a quarterly basis and at the conclusion of each internal audit detailed reports would be supplied to the council with findings and recommendations. It was noted that no increase in Internal Audit fees had been applied. It was

**RESOLVED: That a recommendation be made to full council that Mr David Latham be re-appointed as the Town Council's Internal Auditor for the year 2009/2010 as per the Specification and Terms of Reference supplied.**

**F475/09**

#### REVIEW OF THE EFFECTIVENESS OF INTERNAL AUDIT

Members considered the council's responsibilities to review the effectiveness of internal audit as detailed in the 'Practitioners Guide 2008 for Governance and Accountability for Local Councils'. 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:

*Continued overleaf*

**REVIEW OF THE EFFECTIVENESS OF INTERNAL AUDIT continued**

- 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
- Minutes

Members of the Finance and General Purposes Committee considered the expected standards of internal audit and the characteristics of 'effectiveness' and evidence of achievement for internal audit (copy completed internal audit review checklist 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 effective and are being met by the internal auditor. The RFO stated that a training need for all members of the council to be made aware of their overall financial responsibilities had been highlighted in the Town Council's Training Statement of Intent and an analysis of training needs was currently being undertaken by the Council's Staffing Committee. 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.**

**F476/09**

**FILEY'S DECORATIVE LIGHTING SCHEME**

In the absence of the Vice Chairman of the Filey Decorative Lighting Scheme Working Party the RFO made a request to Members of the Finance & General Purposes Committee on her behalf. The RFO explained that the Working Party had produced a five year Master Plan to provide both Christmas lighting and permanent feature lighting in Filey working with other partners and community groups and organisations within the town. She informed members of the current funding which had been obtained from SBC and NYCC Area Committees, the Chamber of Trade, past Mayor's fundraising events and Filey Tourism Association which amount to approximately £9,000. The Working Party had sourced and investigated various lighting companies on the possibilities of a 2-3 year Christmas lighting hire package which included the erecting, dismantling and all health and safety aspects of Christmas lighting. Prior to progressing any further with this project the Working Party were requesting the Town Council to consider the provision of financial support should there be any shortfall due to grant funding not being forthcoming in years two and three which would be at the most a maximum of £8,000 per year, but this would only be needed in the event grant funding could not be raised for the project. Members considered the request in detail and stated that the Town Council was already committed to providing Christmas trees and lighting on Scarborough Road and Station Avenue roundabouts, Memorial Gardens and The Crescent, and has pledged £1,500 towards the Filey Decorative Lighting Scheme for 2009/2010. Members felt that in the present financial climate the Council could not include £8,000 per year in its budget for the next two years to support Christmas lighting as part of the Decorative Lighting Scheme. Members were concerned that funds should be spent on purchasing lights rather than a hire agreement and were of the opinion that permanent feature lighting would be more preferable than Christmas lighting. The RFO explained that an application would be made for grant funding from the Arts Council for permanent feature lighting areas outlined in the scheme and if successful would be undertaken over a five year period.

*Continued overleaf*

**FILEY'S DECORATIVE LIGHTING SCHEME continued**

The RFO informed members that other partners represented on the Working Party had pledged funds specifically towards Christmas lighting and that permanent feature lighting was part of the five year Master Plan but would only be achievable through external funding. Members also expressed concerns regarding the amount of staff time which was being spent on the scheme. After much discussion it was

**RESOLVED: That the Finance & General Purposes Committee could not support the Filey Decorative Lighting Scheme Working Party's aspirations for Christmas lighting as the requested sum of £8,000 per annum was too high a figure to commit over the next two years in the present financial climate and the Town Council had already made a commitment to the partnership of £1,500 for 2009/2010.**

F477/09

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

**Councillor D G Murton**  
Chairman  
Finance & General Purposes Committee