

FILEY TOWN COUNCIL

MINUTES OF THE FINANCE & GENERAL PURPOSES COMMITTEE
MEETING HELD 20 OCTOBER 2010 AT 7.00PM

Present: Cllr D Murton (in the Chair), Cllr S Cross, Cllr R Walker
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 **F804/010**

APOLOGIES

Cllr J Haxby had sent apologies to the meeting due to a work commitment, it was noted that there were currently two vacancies on the Committee and only three members in attendance. The Clerk advised that the meeting was quorate. It was

RESOLVED: That Cllr J Haxby's apologies be accepted. **F805/010**

DECLARATIONS OF INTEREST

No declarations of interest were declared in items on the agenda at this point but the Chairman informed Members that they could make a declaration of interest at any point during the meeting. It was

RESOLVED : That it be noted no declarations of interest were declared. **F806/010**

REVIEW OF INVESTMENT POLICY

Members had previously been circulated with copies of Investment Portfolio Valuation Reports as at 30 June 2010 and 30 September 2010 for consideration. Members noted the Investment Policy values and were informed by the Clerk that she would arrange for the Independent Financial Advisor to attend a forthcoming meeting to give his annual report to the Committee and it was

RESOLVED: That the Investment Valuation Reports be accepted. **F807/010**

FIXED TERM DEPOSIT

The RFO informed Members that the twelve months Fixed Term Deposit of £300,000 plus interest had materialised from the Bank of Ireland and that she had sought advice from the Independent Financial Advisor for re-investment of the £300,000 capital for a further twelve months. The Irish Government had extended the 12 month guarantee on investments for a further year and the Bank of Ireland was offering an interest rate which was highly competitive with other banks. The RFO and the Independent Financial Advisor had assessed the level of risk and had taken the view that the investment would have the security of the Irish Government whilst achieving a preferential rate of interest for the Council and therefore under delegated power the RFO had re-invested £300,000 with the Bank of Ireland for a further 12 months at 2.8%. It was

RESOLVED: That this information be noted. **F808/010**

EXTERNAL AUDIT REPORT 2009/2010

Members had previously been circulated with a copy of the Annual return for the year ended 31 March 2010 which had been returned by the External Auditor with no comments or concerns. Members expressed grateful thanks to the RFO and the admin team for the receipt of an excellent audit return for the financial year 2009/2010. The RFO informed Members that a saving of approx £500 had been made on audit fees due to the 2009/2010 accounts being classed as a small audit and not an intermediate audit and this information was welcomed. It was

RESOLVED: That a recommendation be made to full council that the Annual Return for year ended 31 March 2010 together with External Audit Report be accepted. **F809/010**

LOCAL REFERENDUMS TO VETO EXCESSIVE COUNCIL TAX INCREASES

Members had previously been circulated with a consultation document issued by the Department for Communities and Local Government which outlined proposals to protect council taxpayers from excessive council tax increases. It was suggested that registered local electors could hold local referendums to veto excessive council tax increases and this would also include precepts raised by Town and Parish Councils. Members stated that it was therefore more imperative that efficiency savings in the Council's budget be made in order that the precept not be increased so as not to increase council tax next year. The RFO would circulate more information once the proposals had been actually been agreed by the government. It was

RESOLVED: That the above information be noted. **F810/010**

INTERNAL AUDIT REPORT – FIRST QUARTER 2010/2011

Members had previously been circulated with a copy of the Internal Audit Report for the First Quarter 2010/2011. The Internal Auditor commented on the employment status of two persons used by the Council to carry out work and the RFO explained this in more detail to Members and assured them that HMRC evaluations had been undertaken and these had found them both to be classified as not being employees. The Internal Auditor noted that Financial Regulations and Standing Orders had both been reviewed by the Council. It was

RESOLVED: That a recommendation be made to full council that the Internal Audit Report for the First Quarter 2010/2011 be accepted. **F811/010**

FIRST QUARTER BUDGET REPORT 2010/2011

Members had previously been circulated with a copy of the First Quarter Budget Report for 2010/2011 and this was analysed by Members. The RFO gave an explanation to members in relation to actual income and expenditure which was compared with the planned budget and projections. The RFO expressed concerns regarding the reduction in bank interest in this financial year due to the Investec Investment not materialising until the following year and to counteract this shortfall efficiency savings had been made on the staffing budget. It was noted that savings on the following budget headings had also been made; £500 on external audit fees; £530 reduction in small business rate relief and £131 in refuse collection budget by using refuse bags for green bin waste. Members requested that efficiency savings be discussed at the next meeting when initial budget planning for 2011/2012 would commence and the Second Quarter Budget Report 2010/2011 would be available. It was

RESOLVED: That a recommendation be made to full council that the First Quarter Budget Report 2010/2011 be accepted. **F812/010**

MODEL AGREEMENT

Members had previously been circulated with a letter from the Council's contractor for the Maintenance of Public and Commemorative Seating requesting an increase to the Scale of Charges submitted at the beginning of the contract on 1 April 2009. The RFO informed Members that as RFO she was the Supervising Officer for the contract and it clearly stated under '*Section 36 Method of Review that at the expiry of the first and second year of the contract an agreed percentage increase or decrease to the rates, to reflect changes in labour and material prices over the previous 12 months will be permitted. This figure to be negotiated 2 months prior to the expiry of the contract period. In the event of failure to agree a percentage adjustment the supervising officer's decision shall be final*'. The RFO stated that she had discussed this with the contractor and informed him that a request should have been made prior to 31 March 2010 for consideration. Members considered the request but due to the present financial climate and no increase in the Model Agreement being received from Scarborough Borough Council could not agree to the Contractor's request for an increase to the scale of charges submitted. It was

RESOLVED: That the above information be noted and the Contractor be informed by the RFO. **F813/010**

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

The meeting finished at 7.50pm

Councillor D G Murton
Chairman
Finance & General Purposes Committee