

**Minutes of the Finance & Policy Committee meeting held on
Thursday 21st March 2013
in the Committee Room, Clayport Street, Alnwick at 7.30pm.**

Present: Cllrs Castle (Chairman), S Allcroft, K Gray, B Gridale, S Patience, A Symmonds and R Waddell.

In attendance: W Batey, Chief Officer and Town Clerk.

FP 12/21. Apologies: Cllrs R Roberts and J Thompson.

FP 12/22. Declaration of Interests

FP 12/23. Review of 2012/13 Budget position

The clerk circulated the committee budget as at the 20th March 2013. This was examined line by line and showed that expenditure was £61,425 against a budget of £66,500. The final out turn for 2012/13 was estimated to be £67,482, marginally above the budget. Councillors asked the Mayor about the current Mayor's Allowance, and he confirmed that he felt it was adequate.

RESOLVED: That the budget update be received

FP 12/24. Review of Insurance & Fidelity Guarantee

The clerk reminded Councillors that the Insurance Policy had been reviewed in 2012 and the Council had elected to have a three year fixed price deal. This policy had been satisfactory during the year and had been added to for additional assets. The current Fidelity Guarantee was for up to £250,000. This was more than the level currently required by the Council. However when the Council assumed responsibility for the Swansfield Park play area and received an endowment, additional cover may be required. This would also apply if the Swansfield Park was transferred to the Council.

RESOLVED: That the current insurance position be noted and the Fidelity Guarantee be kept under review, in the light of potential asset transfers.

FP12/25. Year-end Procedures

a) Review of Internal Controls

The clerk circulated a copy of the internal controls that are in existence. These covered payments, petty cash, wages, records, income reporting, standing orders and insurance. Councillors were happy with the controls that were currently in place but were in favour of reviewing the mandate arrangements for signing cheques as part of the review of the Constitution.

RESOLVED: That the current internal controls are satisfactory.

b) Internal Audit Checklist

The clerk circulated a checklist showing the internal audit checklist, the controls and the tests required. Councillors felt that when payments are reported to Council, they should make section 137 expenditure clear.

RESOLVED: The Internal audit checklist be approved.

c) Review of the Effectiveness of Internal Audit and the appointment of Internal Auditor.

Councillors were happy with the thorough way the 2011/12 audit had been completed and the feedback and comments they received from the internal auditor. The last audit had been

carried out by Mr David Grindle and the clerk confirmed that he was willing to do the audit again for 2012/13, at a similar fee.

RESOLVED: The 2011/12 internal audit arrangements were effective and Mr David Grindle be appointed as internal auditor for the 2012/13 audit.

d) Consideration of Risk Management

The clerk circulated a list of risks, control measures and suggestions for further actions, These covered various risk categories, including, Financial, Legal, Operational and Business Continuity. Councillors agreed that in particular, the Council needed to review its Business Continuity arrangements and ensure that any new Councillors coming on to the Council in May are properly trained. Investigation of the position for giving insurance cover if a key member of staff was absent should also be carried out.

RESOLVED: That the Risk Management report be received and the Action Plan be approved.

The meeting closed at 8.30pm