

**Minutes of the Finance & Policy Committee meeting held on
Thursday 15th March 2012
in the Committee Room, Clayport Street, Alnwick at 7.00pm.**

Present: Cllrs E Blakey (Chairman), S Allcroft, K Gray, B Grisdale, J Thompson, S Patience, A Symmonds and R Waddell.

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

FP 11/21. Apologies: Cllrs Castle and J Thompson.

FP 11/22. Declaration of Interests

No interests were declared.

FP 11/23. Review of the current budget position

The Council receipts and payment account for the period 1st April to 10th March were considered these showed a closing balance of £98,686. Finance and Policy Committee expenditure and estimates were considered in detail. These also showed the position at 10th March. Expenditure was £49,451 but this was likely to reach £56,000 by the end of the financial year, an underspend of about £4,000.

RESOLVED: That the 2011/12 budget updates be received.

FP11/24. Review of Insurance and Fidelity Guarantee

The clerk outlined details of the current insurance policy and confirmed that assets taken over by the Town Council would be added to the insurance as previously agreed by Council. He reminded councillors that the level of Fidelity Insurance cover had been an issue at the last external audit and that based upon best practice the cover should have cover for the maximum level of cash reserves held at any one time. This would be the end of year reserve plus 50% of the precept. In the case of 2012/13 this was likely to be in the region of £150,000. Councillors were in agreement with this and wished to increase the Fidelity guarantee to some £150,000. Councillors were also keen to obtain competitive quotes for the insurance policy renewal when it is due in June.

RESOLVED: To agree the level of insurance cover and to increase the Fidelity Guarantee cover to approximately £150,000 (end of year reserve plus half the precept).

FP11/25. Review of the Reserve Policy

It was outlined that the current policy required the Council to keep a minimum reserve of 4 months of gross expenditure and a maximum reserve of 8 months. For 2011/12 this meant between £50,000 and £100,000. The clerk explained that the gross expenditure would increase in 2012/13 and under the current policy the figures would become in the region of £55,000 and £110,000. Councillors considered if this was adequate, particularly as new responsibilities were being taken on. It was agreed to keep this under review.

RESOLVED: No change be made to the Reserve Policy and that this be kept under review, particularly as more assets are taken over from the County Council.

FP11/26. 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

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 2010/11 audit had been completed and the feedback and comments they received from the internal auditor. The last auditor had been carried out by Mr David Grindle and the clerk confirmed that he was willing to do the audit again for 2011/12, at a similar fee.

RESOLVED: The 2010/11 internal audit arrangements were effective and Mr David Grindle be appointed as internal auditor for the 2010/11 audit.

FP 11/27. Any Other Urgent Business.

The clerk outlined that the Government were looking to establish 12 'Portas Pilots' to test some of the findings of the Mary Portas report. Submissions were required on behalf of town teams by 30th March. Applications were required to be a set format and needed to be accompanied by a short amateur video. Councillors discussed if a bid should be made and felt that this could be linked to the Neighbourhood Plan work that had been completed. They felt that a volunteer could be found to do the video. Successful pilots will be given up to £100,000 to implement their proposals. It was agreed for the Town Council to support and coordinate a bid and that a budget of £1500 (will some leeway if necessary) be approved to enable a person to be engaged to help with and write the bid.

RESOLVED The Committee support a Portas Pilot bid being made for Alnwick and commitment £1500 (with the clerk having some additional discretion to increase the figure if necessary), towards the writing of the submission.

The meeting closed at 8.05pm