



**Minutes of the Finance & Policy Committee meeting held on
Thursday 18th February 2016
at the Mechanics Institute, Percy Street, Alnwick at 7.00pm**

Present: Councillors A Symmonds (Chair), P Broom, D Farrar, G Mavin and R Roberts.

In attendance: B Batey, Chief Officer and Town Clerk; J Pibworth, Assistant to the Town Clerk; Councillor P Holt and Kevin Field (Alnwick Music Camp).

FP 15/29 Apologies

Councillors S Allcroft, P Allcroft, G Castle, W Gridale, S Mavin and S Patience.

FP 15/30 Declarations of Interest

None.

FP 15/31 Presentation by Kevin Field on the Alnwick Music Camp

Kevin Field gave an overview on the Alnwick Music Camp which this year takes place from July 18th to 25th in the Northumberland Hall. The camp offers music for the underprivileged and takes UK performers abroad. In 2017 a group of performers will visit Australia.

He explained that the company is a not for profit company. The cost of the music camp to individuals is usually £375 but is reduced to £240 (£190 early bird rate).

He also explained that the Music Camp were looking for support in kind including hire of the hall, marketing & PR and accommodation for attendees.

Councillor questions:

Councillor Farrar asked if the music camp was eligible for a Town Council grant. The Town Clerk advised that is probably was but would need to make an application attaching the necessary financial information.

Councillor G Mavin asked how many people attended the music camp. Kevin advised that in 2016 they had 40 applicants but only six attended the music camp. He advised that in 2016 they are aiming for 60 people on stage performing.

Councillor Roberts asked if it were mainly aimed at young people. Kevin advised it wasn't although they usually attracted more young people.

Councillor G Mavin asked if Kevin had talked to The Northumbrian Ranters. Kevin confirmed he had. He also advised that he was fairly new to the area and was getting to know the area and its people.

Councillor Symonds suggested that Kevin speak to the Town Council's Project & Funding Officer about possible funding opportunities. He advised that NCC's Community Chest did not currently have any money but that it had given this type of support in the past.

RESOLVED: To receive the update.

FP 15/32 Budget update 2015/16

The Town Clerk circulated the committee budget as at 18th February 2016. This showed expenditure at £71,615 and included the payments approved at the February's Full Council meeting. This was reviewed line by line with the following highlighted by the Town Clerk:

ADMINISTRATION - currently at £36,888 and includes 10 months' salaries.

RENT – 7 months paid.

OFFICE ACCOMMODATION – includes extra phone bills.

MISC/CONTINGENCY – includes Away Day costs.

Current expenditure – £71,615

Budgeted expenditure – £114,780

Predicted end of year expenditure - £98,676

The Town Clerk explained that the underspend was due to the Project & Funding Officer post starting later in the year than budgeted

RESOLVED: To receive the budget update.

FP 15/33 Consideration of the new Grant applications

The Town Clerk advised that three new grant applications had been received. Each one was reviewed against the grant criteria by the committee and the following comments and recommendations made:

Choysez – received funding in 2015. Form dated December 3rd 2015 but arrived December 21st. Asking for £300 to run 5 weekly events in Alnwick for 10 young people plus a 2 day course at Easter.

Councillor Roberts said she would like feedback on how the previous grant was spent and to see financial information. She would also like them to provide how the youngsters will be identified, what they will do in the sessions and where the youngsters will come from.

Councillor Holt asked if Choysez got referrals from Social Services.

Councillor Symmonds suggested that the application would be considered again once further information was received.

Councillor Roberts wanted to know if the activities are reliant on funding being obtained from the Town Council.

RESOLVED: To ask Choysez for further information then delegate authority to the Town Clerk in consultation with the Chair of Finance & Policy after email consultation with committee.

Alnwick Triathlon Juniors – Holding event in July 2016 for 100 youngsters and have requested £200 to cover the costs of trophies. The Town Clerk advised that they had about £12k in their accounts which included £10k grant from Awards for All.

Councillor Broom said that as this was for an event should it be considered by the Recreation & Amenities committee. The Town Clerk advised that this was more of an outside body application and Finance & Policy committee was appropriate.

RESOLVED: To award Alnwick Triathlon Juniors a grant of £100.

Alnwick Tourism Association – The Town Clerk advised that the grant application was received at the beginning of February requesting a grant towards the cost of a brochure similar to the 2015 version. The leaflet only contained Tourism Association members.

Councillor Symmonds felt it was very similar to last year's leaflet which did not get a grant.

Councillor Broom felt it did not fit the criteria as it was a commercial leaflet.

Councillor G Mavin felt that this was for a commercial organisation. He was also disappointed that the leaflet did not feature local attractions.

Councillor Roberts said it looked like a positive document but only for some, but not all, businesses in Alnwick. She felt it was not comprehensive enough.

Councillor Symmonds suggested that the Tourism Association were advised that the Town Council would consider again in the future.

RESOLVED: To advise Alnwick Tourism Association that their grant application was unsuccessful, giving feedback on the reasons, but advising that future grant applications could be considered.

FP 15/34 New External Audit arrangements for 2017/18

The Town Clerk advised that a new government scheme was being put into place in 2017/18. The Town Council need to decide by March 31st 2016 whether to go along with national arrangements or make their own arrangements. BDO will be the Town Council's external auditors in 2016/17. He also advised that other councils he had spoken to had confirmed that they were keen to stay in a national scheme.

Councillor Farrar asked what the new arrangements would mean for the Town Council. The Town Clerk advised that there would be an Audit Procurement Body put in place (SLAA). He also asked what the costs of the new national scheme would be. The Town Clerk advised that the cost it would be £800, the same as in 2015/16.

Councillor G Mavin felt that if costs were the same he would stay with the national scheme.

RESOLVED: To recommend to Full Council that the Town Council go with the new national audit scheme in 2017/18.

FP 15/35 Council pension scheme

The Town Clerk explained the councillors that there was a new government scheme coming into place which means that all businesses, including local councils, must have a pension scheme for their employees. Alnwick Town Council has been given August 1st 2016 as their staging date to have all employees enrolled. He also advised that from January 1st 2017 the Town Council would need to sign a legal document relating to this. He also explained that employees can choose to opt out of the scheme.

He explained that currently the Town Council pay 6.6% into private pension schemes annually for the Town Clerk and Assistant to the Town Clerk. The Cemetery Superintendent will wait for the council pension scheme to be put into place then have his payments, including the backdated ones, paid into that.

He had looked at several schemes including Local Government Pension Scheme, NEST (National Employer Savings Trust) and People's Pension. He advised that he would consider NEST or People's Pension as they both worked well with the auto enrolment requirement. The Local Government Scheme was very expensive.

He confirmed that a decision would need to be made at the next Finance & Policy meeting.

Councillor Broom asked if the pension could be transferred to another scheme. He had experience of schemes which had been very difficult to transfer out of and would not like to put the Town Council's employees in the same situation. Councillor Farrar explained that the pension would be frozen but would continue to go up and down. If an employee moved to a new employer, they could transfer to another pension scheme.

Councillor Symmonds thanked Councillor Farrar for his input and suggested that councillors sent any comment to the Town Clerk and the matter be discussed again at the next meeting.

Councillor G Mavin felt it was important that the Town Council considered its employees.

Councillor Holt agreed that the Town Council needed to safeguard its employees.

The Town Clerk recommended putting on the next Finance & Policy agenda for a decision then recommendation to Full Council.

RESOLVED: To add Council Pension Scheme to the April Finance & Policy meeting agenda and make a recommendation to Full Council in May.

FP 15/36 Use of Mobile Phones

The Town Clerk explained that the Town Council did not currently have an employee scheme or policy for mobile phones. He advised that it was important to be able to contact members of staff, especially the Town Handyperson, and that some staff may not have or wish to use their own mobile phone for council phone calls, so mobile phones may need to be offered. He also advised that it was important that staff had mobile phones especially when lone working. He explained that there were several schemes across other Town & Parish Councils but no standard scheme.

Councillor Farrar felt that not all employees would take up the offer, as most would have their own phones.

Councillor Symmonds asked if all employees should be offered mobile phones.

Councillor G Mavin felt that guidelines were needed and that the cost of the phone and the amount given as a monthly top up should be limited and suggested £10 a month.

Councillor Roberts advised that it was possible to get some very cheap contracts and that the most cost effective system should be used.

Councillor Broom felt that the Town Council should subsidise employees to buy and use their own phones and suggested giving an allowance of £10 per month.

Councillor Roberts asked if elected members should also have an allowance. Councillor G Mavin advised that councillors could claim phone used through expenses if needed.

Councillor Symmonds advised that sometimes people could need to talk to one of the Twin Towns and might incur larger costs.

Councillor Broom thought that if employees were given a mobile phone that the employer had to keep records as part of the Data Protection Act. This was so that the data was available if anyone requested it.

Councillor Farrar suggested that Pay as You Go mobiles were offered to employees with no monthly limit but that print out of all calls were taken for audit purposes, if necessary.

The Town Clerk advised that the mobile phones were mainly needed for the Cemetery Superintendent and the Town Handyperson.

Councillor Roberts felt employees could be offered a contracted phone with documented calls.

Councillor Symmonds felt that that the Town Council should offer a mobile phone to any employee who wants one.

RESOLVED: To offer a basic mobile phone and value for money tariff to all employees.

FP 15/37 Year-end Procedures

The Town Clerk took councillor through several year-end procedures:

- i. **Review of Effectiveness of Internal Audit / Controls** – updated document

Councillor questions:

Councillor G Mavin asked staff were paid weekly by cheque. The Town Clerk advised that staff were now paid monthly by cheque.

Councillor G Mavin asked if Petty Cash was reported to Council. The Town Clerk advised that it was and that receipts were needed for all expenditure. Councillor Symmonds added that both the internal / external auditors and the VAT inspector would want these to be available.

Updates to document:

Petty Cash – change to Payments supported by receipts and reported to council

Wages – change to Monthly Wage Book signed by Councillor

RESOLVED: To make the agreed changes to the Internal Controls document.

Internal Audit Check List

The Town Clerk advised that this was based on National Guidance.

RESOLVED: To accept the Internal Audit Checklist document.

ii. Appointment of Internal Auditor

The Town Clerk advised that Norman Dunn, who had done the Internal Audit for the past few years was retiring and would not be available to undertake the internal audit of the 2015/16 accounts.

He advised that he had received a quote from John Ainsworth, who quoted when Norman Dunn was appointed. John was a former Alnwick District Council employee with 35 years' experience and was now self-employed. He undertakes Pegswood and East Bedlington Internal Audits. The cost would be £400 for three days work.

Councillor Symmonds felt that £400 was very good value.

RESOLVED: To appoint John Ainsworth as Internal Auditor for the 2015/16 accounts.

iii. Risk Management

The Town Clerk issued the update Risk Management document and explained that the updates on the 2015/16 Proposals were highlighted in red and the suggested New Proposals for 2016/17 were highlighted in green. He also advised that the recommended document needs to be taken to Full Council meeting in March.

Councillor Roberts asked how Incorrect Salary Payments could be made. The Town Clerk advised that a new member of staff could be paid at the wrong grade. He explained that NI or Tax payments are both calculated automatically by HMRC software.

Councillor G Mavin asked how NI payments were checked by the Government. The Town Clerk advised that PAYE and NI were paid monthly and checked through an integrated system.

Councillor Farrar felt that Staff Pensions and External Audits could be added to the document.

Councillor G Mavin felt that the risk of failure to identify and implement new legal requirements could be wider than H&S.

Updates to document:

Financial - Item added to reflect the Risks of Long Term Investments.

Legal - Item added for Staff Pensions.

Legal – expand the failure to identify and implement new legal requirements to include other items.

RESOLVED: To update the Risk Management document and recommend the updated document to Full Council for approval.

iv. Asset Register

The Town Clerk advised that the Asset Register had been updated last year and included single item valued over £250. An updated register was circulated, he advised that some seats, bins, play equipment, computer equipment and the Magna Carta facsimile had been added.

Councillor G Mavin asked if the Town Council would get the value in the Insurance Value column if a claim were made. The Town Clerk advised that generally they would (minus any excess).

RESOLVED: To accept the Asset Register update and recommend approval to Full Council.

FP 15/38 Investment Policy

The Town Clerk advised that the Investment Policy would be reviewed at the Finance & Policy meeting in April for recommendation to Full Council in May. He reminded councillors that under the policy, the Town Council currently could invest around £16k, instead of this being in a current account.

Councillor Farrar reminded councillors that the Investment Policy had been sent out and signed off in December 2015. He explained that from the work the investment working group had undertaken the best option currently for investment was Rathbone Ethical Bond R Acc. Others funds offered slightly higher returns but with higher risk. He added that the money could be split between more than one fund.

Councillor Symmonds thought that the information presented by Councillor Farrar was very comprehensive.

Councillor Roberts felt that the best time to invest was when the market was low and the council did not need to access the money quickly.

Councillor G Mavin asked why gilts had not been suggested. Councillor Farrar advised that the highlighted funds were less volatile.

Councillor Holt asked how quickly the Town Council could access its money as she was nervous after the issue with Kent County Council and the Icelandic Banks. Councillor Farrar advised that all the schemes highlighted were covered by the Financial Services Compensation Scheme.

RESOLVED: To recommend that, should the Full Council decide to invest, the Committee would recommend that £16k be invested with Rathbone Ethical Bonds.

FP 15/39 Any Other Urgent Business

Councillor G Mavin asked if the Town Council could write to the new owners of Covance to welcome them to the town.

Meeting closed at 9.50pm