

**FILEY TOWN COUNCIL**  
**MINUTES OF THE FINANCE & GENERAL PURPOSES COMMITTEE**  
**MEETING HELD ON WEDNESDAY 18 MAY 2016 AT 7.00PM**

Present: Cllr J Shackleton (Chairman), Cllr S Bosomworth, Cllr J Haxby (Vice Chair),  
Cllr, J Meek, Cllr K Wilkie  
RFO Mrs G Robinson

Also present: Mrs M Wright, Chairman of Filey in Bloom and  
Cllr J Casey, Council Representative - Filey in Bloom

*It was noted that all members of the Town Council had been supplied with copies of the Year End Budget Statement and the Statement of Accounts (externally unaudited) for 2015/2016 and had also been invited to attend the meeting.*

The Chairman welcomed everyone to the meeting

**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. F404/016**

**APOLOGIES**

Cllr D Glanvill (personal) had sent her apologies to the meeting and Cllr A Shaw and Cllr J Houlden-Banks (non-members of the Committee) had sent their apologies to the meeting due their attendance representing the Council at a Frack Free Filey meeting. It was

**RESOLVED: That Cllr D Glanvill, Cllr A Shaw and Cllr J Houlden-Banks's apologies be accepted. F405/016**

**DECLARATIONS OF INTEREST**

The Chairman reminded members of the need to consider whether they needed to declare a disclosable pecuniary interest (DPI) or personal interest as detailed in Appendix A and Appendix B of the Town Council's Code of Conduct.

*Cllr John Haxby declared a personal interest in any future items referring to the Town Council's Independent Financial Advisor due to him being his own personal financial advisor.*

No further 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 Cllr J Haxby's personal declaration of interest be noted. F406/016**

*The Chairman asked if members would be in agreement to bring Agenda Item 10 Grant Award forward at this point and this was agreed.*

**GRANT AWARD**

Members had previously been circulated with a letter from Mrs M Wright, Chairman of the Filey in Bloom Group requesting that the £500 grant award made to this group by the Town Council be utilised for a different use. The Chairman invited Mrs Marion Wright to speak on behalf of the Filey in Bloom Group and she informed members that at the time of applying for a grant from the Town Council the group originally thought that a stone heron would be appropriate in the centre of the fish pond in Crescent Gardens. A grant application was submitted and was successful with a grant of £500 being awarded for this purpose by the Town Council with a plaque to acknowledge sponsorship by the Town Council with the grant award being payable upon receipt of invoice. However Mrs Wright then went on to explain that the group had now been advised that a stone heron would be more susceptible to vandalism and it was thought that a specially made stone plinth with a concave top on it, similar to what used to be in place originally in the centre of the fish pond would be more appropriate and she circulated a photograph of the fish pond together with the stone plinth in the centre of the pond which was taken some years ago. Mrs Wright stated that there still was a foundation stone in the centre of the pond at present and people were using this to step across the pond. Cllr Haxby stated that he thought it would be better not having the bottom plinth above water; that the pond should not be drained and the fish should not be taken out and the top of the stone plinth would be better used for a purpose with a convex top e.g. a bird bath. Mrs Wright stated that she could take any suggestions back to the group and informed members that a stone plinth with a plaque to acknowledge the Town Council's sponsorship would cost in the region of £400-£500 and requested that if this could be achieved below £500 could a residual balance be utilised for additional bulb planting but members stated this would have to be considered as a separate request.

*Continued overleaf*

**GRANT AWARD continued**

Mrs Wright was requested to bring full details and costs before the full council meeting on 8 June 2016. After discussion it was

**RESOLVED: That Mrs Wright be requested to bring full details and costs before the full council meeting on 8 June 2016 for consideration by the council.** F407/016

**RESOLVED: That if the details of the above are acceptable a recommendation be made to full council to support the request made from the Filey in Bloom Group to alter the purpose of the Town Council's grant award £500.00 to the Filey in Bloom Group from a stone heron sculpture in the fish pond in Crescent Gardens, Filey to a stone plinth with convex top with a purpose for use, such as a bird bath together with a plaque to acknowledge sponsorship of the Town Council with payment being made upon receipt of invoice.** F408/016

**INTERNAL AUDIT REPORT – YEAR END ACCOUNTS 2015/2016**

The RFO had previously circulated to Members a detailed copy of the Internal Auditor's final report for the Year End 2015/2016. The Internal Audit report was very satisfactory and gave detailed information on all control objective areas covered by the Internal Auditor and highlighted no areas for concern and no recommendations in the action plan. Members congratulated the RFO and all the admin team on the excellent internal audit report for the year end 2015/2016 and wished their thanks to be recorded. It was

**RESOLVED: That a recommendation be made to full council that the Internal Auditor's Report for the Year End Accounts 2015/2016 be accepted.** F409/016

**RESOLVED: That thanks be recorded to the RFO and all the admin team in achieving a successful internal audit report.** F410/016

**YEAR END BUDGET STATEMENT 2015/2016**

**Year End Budget Statement 2015/2016**

Members had previously been circulated with a copy of the Year End Budget Statement for 2015/2016 from the RFO and copies had also been provided to all members of the Town Council. The RFO gave a full explanation of the Budget Statement and invited questions from members. The Budget Statement had been produced to show net income and expenditure figures and transfer values to and from reserves were shown separately. The RFO gave an explanation to members in relation to actual income which had exceeded expectation due to additional income being received for various projects and expenditure was less than projected due to efficiency savings being made on several budget headings; the Contingency Budget not being utilised and an underspend in the Cemetery Model Agreement Budget.

**Year End Financial Report 2015/2016**

Members had previously been circulated with a copy of the Year End Financial Report for 2015/2016 from the RFO and copies had also been provided to all members of the Town Council. The RFO informed members that efficiency savings had been made on several budget headings and transfers to and from the Council's earmarked reserves to the value of £2,786.86 as detailed on the budget statement for member's approval. Members stated they were pleased with the overall year end budget statement for 2015/2016 which had only reduced the General Fund Balance from £85,685.73 to £82,451.43 a deduction of £3,234.30 which was better than had been projected. The General Fund Balance was in line with external audit requirements. The RFO had also provided a list of the overall expenditure and the legal statutes which had been applied. After discussion it was

**RESOLVED: That the transfers detailed on the Year End Budget Statement between earmarked reserves be accepted.** F411/016

**RESOLVED: That a recommendation be made to full council that the Year End Budget Statement for 2015/2016 and the Year End Financial Report for 2015/2016 from the RFO be accepted.**

F412/016

**STATEMENT OF ACCOUNTS 2015/2016 (Externally Unaudited)**

Members had previously been circulated with the Income & Expenditure Account, Balance Sheet, Bank Reconciliation, List of Reserves and related documents comprising the 2015/2016 Statement of Accounts which had been internally audited but had yet to be externally audited. The RFO explained how the council's reserves were represented on the Balance Sheet and the transfers which had been made in 2015/2016 between earmarked reserves. A potted history of transfers between reserves had also been circulated to members. After discussion it was

**RESOLVED: That a recommendation be made to full council that the Statement of Accounts for 2015/2016 (Externally Unaudited) be accepted.** F413/016

### **ANNUAL AUDIT RETURN**

The RFO had previously circulated to members a prepared Annual Return based upon the Statement of Accounts for 2015/2016. The RFO explained to members that external audit now required members to confirm Section 1 – Annual Governance Statement 2015/2016 first before they accepted Section 2 Accounting Statements 2015/2016. The Chairman asked members of the committee to confirm whether they were in agreement with Section 1 – Annual Governance Statement 2015/2016 of the Annual Return and read out each question with members all being in agreement that Questions 1-8 could be answered as YES and Question 9 (Trust funds) was not applicable. The Chairman then asked if members were in agreement that the figures detailed on Section 2 – Accounting Statements 2015/2016 of the Annual Return were correct and this was agreed by all members present. Members also noted that all questions had been completed positively and signed by the Internal Auditor on the Annual Internal Audit Report. It was **RESOLVED: That a recommendation be made to the full council meeting on 8 June 2016 that the Annual Return, Section 1 – Accounting Governance Statement 2015/2016 and Section 2 – Accounting Statements 2015/2016 for the year ended 31 March 2016 as duly completed by the RFO be signed by the Chairman of the Council prior to the Annual Audit Return being submitted to the External Auditors.**

F414/016

### **INTERNAL AUDITOR 2016/2017**

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 2016/2017 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 quotation fee for four quarterly audits was quoted as £435.00 per annum. After discussion Members were of the opinion that they wished to retain the services of Mr D Latham, Internal Auditor on a quarterly basis for 2016/2017 as per the Specification and Terms of Reference supplied. 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 2016/2017 as per the Specification and Terms of Reference supplied.**

F415/016

### **REVIEW OF THE EFFECTIVENESS OF INTERNAL AUDIT**

Members considered the council's responsibility to review the effectiveness of internal audit as detailed in the 'Practitioners Guide 2014 for Governance and Accountability for Local Councils'. Members of the Finance and General Purposes Committee had 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:

- 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 conducted an Internal Audit Review and considered the expected standards and evidence of achievement in Part 1 Meeting Standards and considered the characteristics of effectiveness and evidence of achievement in Part 2 Characteristics of Effectiveness for internal audit and completed the internal audit review checklist. The Finance & General Purposes 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. 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.**

F416/016

Finance & General Purposes Committee Meeting held on 18 May 2016 continued

***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 closed at 8.00pm.*

***Councillor J Shackleton***  
Chairman  
**Finance & General Purposes Committee**