



BLYTH TOWN COUNCIL

Minutes of the Meeting of the Finance Committee held in the Council Chamber at Arms Everytne House on Thursday 5th March 2015 at 6.30pm.

Present:

Councillor J R Potts (Chair), Councillor B W Elliott, Councillor A Gibbs-Barton, Councillor O Potts and Councillor J Reid.

Non Committee Members:

Councillor M Parker and Councillor R Parker.

Officers:

Town Clerk (Democratic Services) – Stephen Rickitt

Assets Officer – Sean Robinson

Office Manager – Alison McCabe

Committee Clerk – Liam Forsyth

107/15/01: APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor K Ellis, Councillor G T Knox and the Town Clerk (Corporate Services).

108/15/02: DISCLOSURE OF INTERESTS AND GRANT OF DISPENSATIONS

Councillor J Reid declared an interest as a Northumberland County Councillor and director of ARCH.

109/15/03: MINUTES OF THE FINANCE COMMITTEE HELD ON THURSDAY 8TH JANUARY 2015

The Minutes of the Finance Committee held on the 8th January 2015 were **AGREED** by the Committee and signed by the Chair.

110/15/04: COMMITTEE UPDATES

4.1 Update regarding the Finance Working Group and arranged visits

Councillor J R Potts provided an outline for this item, it was noted that this visit was to be arranged in order to view the Sage Software at Morpeth Town Council.

Following discussion, it was **AGREED** that Councillor J R Potts and Councillor O Potts are to attend a Meeting on Thursday 12th March at Morpeth Town Council (10.00 am)

4.2 Update on the appointment of an Internal Auditor (see attached report)

Councillor J R Potts provided an update regarding the appointment of the Internal Auditor. It was noted that this situation arose following on from our previous Internal Auditor's (Richard Slater) resignation.

It was noted that three candidates had previously expressed interest in the position, however, following approaches; Malcolm Wilkinson was invited to attend a discussion with the Chair and Town Clerk (Corporate Services). Following on from this meeting, Malcolm Wilkinson expressed interest in the position and it is to be proposed that this appointment is endorsed at the forthcoming Meeting of the Full Council to be held on the 19th March 2015. **This was AGREED by the Committee.**

The Town Clerk (Democratic Services) commented on his positive experience of previously working with Malcolm Wilkinson.

Councillor J Reid enquired as to the associated fees for the Internal Auditor. Councillor J R Potts commented that this is to be agreed.

111/15/05: UPDATE ON THE FINANCIAL REPORTS

5.1 Actuals Against Budget

Councillor J R Potts outlined the Actuals against Budget Sheet and outlined the individual items within. Regarding the donation to St Mary's and St Cuthberts, it was noted that the £50 donation to each for the

Remembrance Services had been completed. Councillor A Gibbs-Barton enquired as to whether this could be placed within the Remembrance Code. This was **AGREED** by the Committee.

Councillor J R Potts also provided an outline regarding the spending on the Allotments in Blyth. It was noted that there is to be an overspend in this area. Councillor J Reid expressed concern as to the expenditure associated with the allotments at present.

Councillor J R Potts commented that the expenditure was related to a need to improve the situation with the allotments and that when an appropriate standard is achieved - allotment expenditure would reflect a shift towards allotment management.

The Town Clerk (Democratic Services) commented on the need for balance with allotments in order to address areas such as the waiting list and legislation associated with rent increases.

Regarding the Assets Committee, the Chair outlined that an overspend would occur due to carried forward expenditure from the previous financial year.

Councillor B W Elliott enquired as to the playground expenditure, and whether Section 106 monies had been used regarding the playground at Cottingwood Green. The Assets Officer commented regarding Section 106 monies that he is awaiting confirmation following on from the completion of the houses on the adjacent site.

Discussion was then held regarding Section 106 monies in Blyth.

Regarding the Planning Committee it was commented that the Office is to ask Northumberland County Council for the invoice for the Conservation Officer. **Action : SER**

Councillor J R Potts also commented that following on from the presentation at the Full Council, a formal agreement was to be sought regarding a donation to the Credit Union (South East Northumberland).

It was **AGREED** by the Committee that a donation of £7,000 be made to the Credit Union (South East Northumberland).

Councillor A Gibbs-Barton enquired as to the provision of War Memorial cleaning within the Town. It was commented by the Chair, that annual inspection and maintenance is currently within the Partnership Agreement, however no services outwith are included.

Regarding the War Memorials, Councillor O Potts (Mayor) wished to comment that she was glad that the Newsham War Memorial had been found at Northumberland Archives at Woodhorn Colliery.

5.2 Deposit Accounts (see attached report)

Regarding this item it was outlined that information documents had been circulated by the Chair prior to the commencement of the Meeting and were to be placed in the Members' Room.

A brief review of the presentation was provided to the Committee. It was noted that the CCLA works specifically with Local Authorities (on the outlined accounts) and is a AAA rated company.

Associated logistics with receiving the Precept from Northumberland County Council were also discussed by the Committee.

Councillor J R Potts following on from discussion wished to suggest that Blyth Town Council place £100,000 within the Local Authorities Property Fund and £200,000 in the Public Sector Deposit Scheme.

It was noted that the deposit scheme allows for same day removal of funds.

Councillor B W Elliott enquired as to whether there was a statutory requirement for Reserves. The Town Clerk (Democratic Services) commented that there was not, however, guidance bodies representing Town and Parish Councils advise rates at higher than to that which is currently held by Blyth Town Council. A further outline as to why Town and Parish Councils hold reserves was also provided.

Councillor B W Elliott sought information regarding the current account and cash book. This was provided by the Committee and Officers.

It was **AGREED** following discussion that the Bank Reconciliation is to be dated and circulated before every Finance Committee.

Councillor B W Elliott expressed his belief that the reserve levels at Blyth Town Council were too high and expressed concern at placing investments within the CCLA scheme. Concern was also expressed at other budgetary items.

Councillor A Gibbs-Barton commented that if Councillor B W Elliott and his party wished to provide a budget proposal, that such could have been submitted at the Budget Setting Meeting of the Finance Committee.

Councillor J Reid enquired as to what Councillor B W Elliott would consider a prudent amount for Blyth Town Council. Councillor B W Elliott suggested a figure of around £150,000.

Regarding the CCLA scheme, the Town Clerk (Democratic Services) commented that he would re-circulate the online links to the booklets.

Councillor J Reid commented on the need to have a running amount within the current account. Councillor A Gibbs-Barton suggested that 2 months running be the standard. Councillor J R Potts commented that this is to be tracked.

A vote was then held regarding placing £100,000 into CCLA's Local Authority Property Fund and £200,000 into CCLA's Public Sector Deposit Fund. The Committee voted for 4 (Councillor J R Potts, Councillor O Potts, Councillor J Reid and Councillor A Gibbs-Barton) against 1 (Councillor B W Elliott) in favour of Councillor J R Potts proposal. The motion was therefore **AGREED** by the Committee.

112/15/06: UPDATE REGARDING BUDGET

Councillor J R Potts commented that the Town Clerk (Corporate Services) had met with the Partnership Divisional Manager and that feedback would be reported at the Full Council when the Town Clerk (Corporate Services) is in attendance.

The Assets Officer outlined that areas discussed included roundabout landscaping enhancements at Laverock, South Beach and Newsham.

Councillor J R Potts noted that such proposed expenditure would be required to come before the Full Council.

It was **AGREED** that the Town Clerk (Corporate Services) is to report on this matter at the Meeting of the Full Council.

113/15/07: BLYTH TOWN COUNCIL WEBSITE

The Committee Clerk provided an outline of his report. It was noted that Google and Facebook Analytical data had been provided to Councillors.

It was noted that following the development of the Committee Clerk's role, more time is to be spent enhancing the Town Council's website. Individual items highlighted for improvement were discussed by the Committee. It was noted that the Officers would be seeking support from Councillors to suggest further items.

Councillor A Gibbs-Barton enquired as to whether a visitor traffic ticker could be provided. It was **AGREED** that this is to be investigated.

The Committee Clerk outlined that initial statistics indicate an increase in traffic outwith that experienced by our previous website and our social media platforms. It was noted that Social Media is a key area for development and will play a key part in the new Communications and Committees Officer role.

The Committee Clerk also provided a further outline regarding the suggested move from an '.org.uk' address to a '.gov.uk' address. Associated logistics were also discussed.

The Committee **AGREED** to the areas for focus outlined in the report and **AGREED** to a move to a '.gov.uk' address.

114/15/08: ITEMS FOR INFORMATION AND URGENT MATTERS

None.

115/15/09: DATE OF THE NEXT MEETING

It was **AGREED** that the next Meeting of the Finance Committee is to take place on the 12th May 2015 at 6.30 pm in the Council Chamber.

MEETING CLOSED AT 20:10

MEMBERS OF THE FINANCE COMMITTEE:

Councillor J R Potts (Chair)
Councillor G T Knox (Vice-Chair)
Councillor B W Elliot
Councillor K Ellis
Councillor A Gibbs-Barton
Councillor G T Knox
Councillor K Nisbet
Councillor O Potts
Councillor J Reid

Date:

Signed:

BLYTH TOWN COUNCIL

Finance Committee – Item 4.2

Thursday 5 March 2015

Report/ Update on Internal Auditor

RECOMMENDATION:

- That the Finance Committee confirms the appointment of Malcolm Wilkinson as Internal Auditor with immediate effect.

REPORT:

1. On 14 January 2015 letters were emailed to three contacts who had indicated an interest in the role of Internal Auditor at Blyth Town Council (See Appendix 1).
2. Two of the people contacted indicated that they were no longer interested in arranging a meeting to discuss the Internal Auditors role.
3. The third contact, Malcolm Wilkinson, indicated an interest in discussing the role further and a meeting was scheduled for 10.00am on Tuesday 3 February 2015.
4. The meeting was attended by Councillor J R Potts, Chair of Finance Committee; Sue Noddings, Town Clerk (Corporate Services); Ali McCabe, Office Manager.
5. Following extensive discussions, Malcolm Wilkinson indicated his interest in the role of Internal Auditor and a programme of familiarisation and hand over was agreed.
6. The Town Clerk forwarded a range of documentation to Malcolm Wilkinson on 18 February 2015.
7. Malcolm Wilkinson will be spending some time in the Blyth Town Council Offices during March 2015 in readiness for the end of year procedure.

Appendices

1. Template Letter

**SUE NODDINGS
TOWN CLERK (CORPORATE SERVICES)**



14 January 2015

Dear

APPOINTMENT OF INTERNAL AUDITOR

Blyth Town Council (BTC) is in the process of appointing a new Internal Auditor and would like to invite you to confirm whether or not you would be interested in undertaking this role.

BTC was established in 2009 when the Single Unitary Authority was created in Northumberland. The initial budget was in the order of £69,000 and in 2015-16 it will exceed £1,000,000. Growth is ongoing but the provision of services through partnership agreements means that jobs are preserved within Northumberland County Council (NCC) and the BTC workforce has developed at a more manageable pace.

Of course we would be happy to arrange a mutually convenient date and time for you to visit us at Arms Everytne House, Quay Road, Blyth, Northumberland, NE24 2AS, where we could discuss the organisation, its structure and current accounting systems in more detail.

The role of the Internal Auditor will be to ensure that BTC comply with Appendix 9 "An Approach to Internal Audit Testing" of the March 2014 "Governance and Accountability for Local Councils" as follows: -

- Proper Bookkeeping
- Standing Orders Adopted and Applied
- Financial Regulations Adopted and Applied
- Payments Control
- Risk Management Arrangements

Plus: -

- Budgetary Controls
- Income Controls
- Petty Cash Procedures
- Payroll Controls
- Assets Controls
- Bank Reconciliation
- Year-end Procedures

If you are interested in discussing this role please contact me by email at sue.noddings@blythtowncouncil.org.uk or by telephone 01670 361668 to arrange a meeting.

Yours sincerely

SUE NODDINGS
TOWN CLERK (CORPORATE SERVICES)

Enclosure: Appendix 9 'An Approach to Internal Audit Testing' of the March 2014 'Governance and Accountability for Local Councils'

BLYTH TOWN COUNCIL

Finance Committee – Item 5.2 Thursday 5 March 2015

Report/Update on CCLA

RECOMMENDATION:

- That Blyth Town Council invests in both CCLA Public Sector Fund and their Local Authorities Fund.

REPORT:

1. CCLA provides investment opportunities specifically for Charities, The Church of England and Local Authorities.
2. There are two funds suitable to local council investment: -
 - 2.1 The Public Sector Deposit Fund – an AAA-rated, same day liquidity fund for cash.
 - 2.2 The Local Authorities Property Fund – a long-term investment option for Council's reserves, s106 type monies.
3. 230 Councils (of which 130 are Parish or Town Councils) are currently utilising the Public Sector Deposit Fund. Funds are spread across 24 banks for security and diversity and daily dealing is permitted providing requests for transfer are made before 11.30am daily.
4. Once the account is established with an initial minimum deposit of £25,000 there is no further restriction of the size of the deposit.
5. The Local Authorities Property Fund also requires a minimum investment of £25,000 and thereafter £10,000.
6. It is suggested that investments are made with the intention of leaving for three to five years although this can be changed and there are monthly dealing dates. Ideally for a local council to gain benefit from this investment it would make sense to make no withdrawals within 18 to 24 months.
7. This fund currently owns 29 commercial properties and these are let to strong business tenants.

8. Local councils do not have to declare capital investment in annual accounts – only action needed is to state the value of the deposit.
9. Currently investors are receiving approximately 9% total return in a four to five year period. Quarterly dividends are paid.
10. This fund is typically used for core reserves, precept, s106 money, asset management funds, etc.

No Appendices

**SUE NODDINGS
TOWN CLERK (CORPORATE SERVICES)**

BLYTH TOWN COUNCIL

Finance Committee

5th March 2015

Blyth Town Council 's Website

RECOMMENDATION

1: *To acknowledge the development of the Blyth Town Council Website and continue to work with Officers to ensure its success.*

REPORT

Following the completion of Blyth Town Council's website and the return of its maintenance to the Officers, we have endeavoured to develop and enhance the website for the benefit of all interested parties. From discussions and working with the website, the following items and the need for the potential enhancements have arisen:

Partnership Page – In order to best display and allow members of the public to monitor the success of the Partnership, a dedicated page is required to signpost visitors to all of the appropriate documents. Following on from comments made at the Assets Committee, this is to be made a priority and is to host such documents as the standards photographs and the Blyth Town Council partnership performance updates (Dashboard).

Updated Allotments Page – Areas indentified for improvement include the need to create a space to demonstrate the newly acquired allotment plans and the associated waiting list numbers.

Mayor 's Page – This page is to be created in order to outline the events attended by the Mayor during the year.

Integrated Social Media – During discussion as to the areas to enhance our previous website, this was agreed to be a priority in order to widen the scope of the Town Council. In order to complete this, it is anticipated that Blyth Town Council will develop and combine its Social Media across Facebook, Twitter and potentially YouTube – all to be prominently displayed on the site.

Northumbria in Bloom – Due to the increasing success and scope of this project. A page is to be created in order to demonstrate and advertise areas such as planting days and previous submissions to the competition.

Play Areas – It is envisaged that this page be used to display the plans for Blyth Town Council's parks, including projects that are to be developed.

Minutes and Agendas - Officers are conducting work to eradicate any gaps to minutes which have arisen from the transfer between sites. Following discussions the priority is to be the Agendas, Minutes and associated documents circulated following the Council Elections in 2013.

Google Analytics - In the run up to the Finance Committee Meeting, I am to monitor the use of our website and provide the weekly figures at the Meeting. In order to provide a direct comparison, the analytical figures generated from Facebook are also to be provided.

Move to a '.gov.uk' domain - The associated logistics for this change has been discussed at length with our IT support team and it has been advised that this route would be beneficial to the Council. Such a change would allow for Blyth Town Council to move in line with other Town Council's and improve the Council's position in areas such as search engine results.

Overall, a continued content reviewal process will take place in order to address any issues arising. If any member of the public or Member spots any items for attention/ has any suggestions for further development or enhancement of the website, the Office would more than gratefully receive such requests.

If any Councillor would like any further information regarding the content of this report, please don't hesitate to get in touch via the usual channels.



Liam Forsyth
Committee Clerk