

Minutes of the meeting of Belbroughton Parish Council Finance Committee held on 10th December 2012 in Belbroughton Recreation Centre

Present: Councillors J Kitson, J Bradley, K Green, T Jones, S MacDonald, D Roberts, P Shotton and C Scurrall.

In attendance : Katie Limm (Clerk). Mr K MacMaster also attended.

361/12 Apologies : Apologies were received and accepted from Cllr Hine. Cllr Scurrall apologised for his late arrival.

362/12 Declarations of interest

Cllr Kitson declared an Disclosable Pecuniary Interest in the item relating to the Council's investments through Prosperity; the Council had granted a dispensation to enable him to take part in the discussions concerning these investments.

363/12 Minutes of the meeting on 19th November 2012

The Minutes were approved.

364/12 Bank reconciliations

The bank reconciliations for the Council's two accounts were noted.

365/12 Income and Expenditure

The Clerk's report on income and expenditure to date was noted.

366/12 Accounts for Payment

Payments for December set out in a schedule tabled by the Clerk were approved. The reimbursement of the costs of a Christmas tree for Wildmoor was also approved.

367/12 Collapsed Wall, Belbroughton

The quotes for work to make the wall safe would be available for the Council meeting arranged for 17th December. The surveyor's fee for supervising this stage of the work would be around £1,000. It was agreed that he should be asked to attend the meeting on 17th December.

368/12 Investments

The Committee reviewed the proposal to invest £25,000 in a Bank of Cyprus UK one year Bond. The Clerk outlined the Council's cash flow position- there would be £10,000 in the bank and £50,000 in the Scottish Widows 7 day notice account after the investment was made. A Natwest one year investment of £25,000 would mature in February. The Committee therefore agreed that if the investment was made the Council would still have sufficient accessible funds to pay for work on the collapsed wall and meet other commitments. The security of the Bank of Cyprus was discussed. The Committee noted that the UK bank was regulated by the FSA and its operations ring fenced from the parent bank. The Committee agreed that the investment of £25,000 should be made. Cllr Scurrall did not support this decision.

The Chairman had produced a note setting out the options for the Council's current investment with the Henderson Multi-Manager Fund. These were to:

1. seek advice about moving the investment to a fund with potential higher returns;
2. continue with the Henderson investment and continue to monitor its performance;
3. cash in half the investment and move this to a three year bond;
4. cash in the full amount and move to a 3 year bond.

The options were evaluated. A majority of the Committee did not favour options 3 and 4 since three year bonds were currently offering very poor rates of interest. Advice had been sought informally from Brewin Dolphin about alternative investments with potential higher returns, but the firm had been unable to help without a fuller understanding of the Council's circumstances and requirements. The Committee noted that the funds could be moved to seek a higher return within the Skandia platform (the umbrella for the current Henderson investment) but that this would inevitably increase the possible risk. A majority of the Committee did not favour a higher risk investment. The high charges associated with the Henderson fund were noted and that the initial performance had been poor. However, the fund had been intended as minimum 5 year investment and had the potential to give a positive return.

The Committee decided on balance to recommend to the Council that the Henderson investment should be maintained for the time being and that the performance of the fund should continue to be monitored. Cllr MacDonald supported this but only with the proviso that he would like the funds to be drawn down as necessary to pay for work on the collapsed wall in Belbroughton.

369/12 Maintenance work

The Clerk was asked to remind the lengthsman that the new post at Dark Lane needs to be painted and to ask the District Council if they will clear the paths on Holy Cross Lane of leaves.

The clearance of the footpath along the A491 was discussed. The Committee agreed that the task was too substantial for the lengthsman to tackle and that the County Council should be asked to clear the path.

The Clerk was asked to make enquires of the Countryside Service about landowner responsibilities for ensuring that footpaths are accessible- the entrance to the footpath on Hackmans' Gate Lane was so churned up by cows that it was almost impossible to access.

It was agreed that James Callaghan should be asked to look at the repair work needed on the Fairfield bus shelter next to the church. Cllr Green agreed to meet him to discuss this.

370/12 Other Finance business

The Clerk informed the Committee about two initiatives that would affect the parish council.

Real time (monthly) reporting of PAYE information was being introduced for all employers from April 2013. HMRC software would be available for this.

From June 2016 the Council would have a duty to enrol all employees earning over £8,105 pa (current value) in a pension scheme. Employees earning less than this (currently the lengthsman) will have a right to join a scheme and the Council must provide one if asked to do so.

The meeting closed at 9.20 pm.

Signed.....Chairman