

Minutes of the Axe Brue Finance and Governance Sub Committee held on Tuesday 23 May 2017 at 10:30hrs at Bradbury House, 33-34 Market Street, Highbridge. **Chairman: D Tratt**

In the absence of Cllr Gilling, Jeff Fear proposed that David Tratt, Vice-Chairman acts as Chairman for this meeting. This was supported by all members.

David Tratt (DT) took the Chair and continued with the agenda.

		Action
1	Attendance & Apologies for Absence: as per register appended.	
2	<p>Items Additional to the Agenda: Nick Stevens (NWS) - arbitration – appended.</p> <p>Item 7 – Governance review.</p> <p>Martin Watts (MW) – Request for extra ordinary meeting and minutes not received from previous meeting. He believed that the proposal of a meeting had been seconded and agreed. If it was not the case he wished the item to be struck from the agenda.</p> <p>Wendy Welland (WW) – information regarding members on each committee and attendance figures together with full contact details for all board members. DT reported that Jim Lukins and Liz Scott wish to be added to the committee.</p> <p>The issue of proxy voting and election of Chairman had been taken to a solicitor for advice and a copy of the report appended. MW considered the report to be the opinion of one person and wished for the matter to be discussed at the full meeting. DT asked for the item to be held in abeyance and for the meeting to return to the agenda. Stephen Gee (SMG) clarified that the item was for discussion at the sub-committee meeting.</p> <p>The Chairman asked for a minutes silence to reflect on the horrendous events that had occurred in Manchester at the weekend.</p>	
3	Declarations of Interest: none	
4	Salaries Sub-Committee update: NWS asked this item to be discussed later in the meeting.	
5	<p>Policy and Strategy: NWS reported on a SRA Strategic Grant Agreement with Somerset County Council. NWS and SMG are satisfied with the document and feels the terms and conditions are quite straightforward. Jeff Fear (JF) request that the document is circulated and confirmed at the full board meeting on 13 June 2017. MW asked for the Chairman and Vice Chairman to receive the report.</p>	NWS RES 1
	<p>Proposed: Martin Watts, Seconded: Wendy Welland “that the Strategic Grant Agreement from Somerset County Council is circulated to the Chairman and Vice Chairman prior to consideration of the Full Board Meeting on 13 June 2017”. All in Favour RESOLUTION 1</p>	
6	<p>Budgets: SMG briefed members on the report – appended with the following point of note:</p> <ul style="list-style-type: none"> • The Axe Brue accounts show a surplus of £41,000 • All schemes are within budget range • note 6 - JF reminded the committee that the Board also owns a small strip of land at Walrow • note 7 - £5,000 expenditure on plant is machinery to improve the tractor performance • SDBC accounts had a very small surplus divided between the two Boards • Annual Return Section 1 and Section 2 need to be completed for full board for approval. <p>The Board is able to answer “yes” to the eight annual return statements.</p>	
	<p>Proposed: Jeff Fear, Seconded: Jessica Healey “that the Axe Brue Policy, Finance & Governance committee recommends the Axe Brue IDB accounts for year ending 31 March 2017 are taken to the full board meeting of 13 June 2017 for approval.” All in favour RESOLUTION 2</p>	Res 2
	<p>Proposed: Heather Case, Seconded: Martin Watts “that the Axe Brue Policy, Finance & Governance committee recommends the Somerset Drainage Board Consortium accounts for year ending 31 March 2017 are taken to the Axe Brue full board meeting of 13 June 2017 for approval and that the committee recommends the full board answers ‘Yes’ to the eight Annual Governance Statements.” All in favour RESOLUTION 3</p>	RES 3
	<p>Salaries Committee: NWS advised (for information) the Salaries Committee awarded cost of living increase of 0.5% to bring the Board in-line with Somerset County Council; approx. increase to budget £6,000.</p> <p>Requests to the Board for grade and incremental increases were awarded; approx. increase to budget of £13,000.</p>	
7	<p>Governance: NWS advised that legal advice had been received regarding proxy voting and the Axe Brue election of Chairman and this would be an agenda item at the Full Board meeting in June.</p>	

Parrett P,F&G has recommended to the Parrett Full Board to approve that proxy voting will not be used and all voting will be by show of hands of members in the room.
WW reiterated that proxy voting is confusing and felt that members who did not attend a meeting should not be allowed to vote.

Proposed: Jessica Healey, Seconded Wendy Welland “that the Axe Brue Policy, Finance & Governance committee recommends that the Axe Brue IDB at the full board meeting of 13 June 2017 does not permit proxy voting at future meetings.” Vote: 5 FOR, 0 AGAINST, 1 ABSTENTION. RESOLUTION 4

RES 4

Members feel that the Standing Orders may need to be amended. NWS advised that this decision would have to be put forward to Defra for discussion, he stated that Defra prefer model Standing Orders.

12.00 Heather Case left the meeting.

MW repeated his request for an Extraordinary meeting to discuss the term of office for the inaugural Chairman. NWS confirmed that the correct procedure had been followed. MW would like the matter to be discussed at the full board meeting. The Chairman asked that the matter is discussed at the full meeting and the recommendations from Ashfords noted.

National Audit Office Report: NWS advised that as a result of a presentation to the Regional Flood and Coast Committee, a meeting had been held on 10 March 2017 to discuss the NAO report and IDB governance issues. Draft minutes are available to members. Concerns were expressed at the governance meeting for Board practices i.e. members’ interests and size of Board membership. Parrett IDB has expressed an interest in amalgamation of the Boards. NWS was requested to write a review for the July WRFCC meeting. It is intended to provide a draft report for individual full Board meetings.

12.20 W Welland left the meeting

The report will focus principally on Board membership size, attendance, Defra concerns and Board practices as well as conflicts of interest and code of conduct. The Clerk reported that he has asked SWAP is undertake a review of Board practices in relation to the NAO report.

- 8 **Banking:** Ref 22 To consider alternative methods of collecting sums due to the Board: SMG advised that Direct Debit is now operational. All ratepayers received a Direct Debit mandate and prepaid return envelope with their rate demands. First receipt will be 1st June 2017. Members were requested to encourage rate payers to complete the Direct Debit mandates, as this is the most economical method of rate payments.
- 9 **Specific Delegated Authority:** Ref 23: the appointment of an internal auditor and arrangements for related fees and charges: South West Audit Partnership ae in year 1 of a 3 year term.
Appointment of External Auditor: Grant Thornton will conclude their current contract with the year ending March 2017 and the newly appointed external auditor for Somerset, PKF Littlejohn will commence from April 2017.
- 10 **Risk Management:** (appended) the report as submitted was duly noted.
- 11 **Minutes of the F&G meeting held on 31 January 2017 (enc 5):** having previously been circulated the minutes were signed by the Chairman as a true and correct record of the meeting held.
- 12 **Matters arising:** None
- 13 **Any Other Business:** None.
- 14 **Date of next meeting:** Full Board 13 June 2017, 10.30hrs and P,F&G 03 October 2017, 10.30hrs.

There being no other business the Chairman thanked members and officers for their time and contributions.
The meeting was closed at 13.00hrs

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CHAIRMAN

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DATE

**AXE BRUE INTERNAL DRAINAGE BOARD
POLICY, FINANCE & GOVERNANCE SUB COMMITTEE**

DATE : 23 May 2017, 10.30am

VENUE: Bradbury House, Market St, Highbridge

BOARD MEMBER	MILEAGE	PRESENT	APOLOGIES
✓ Ray Adlam <i>Deputy</i>			
Heather Case (SDC)	8	<i>H. Case</i>	
Jeff Fear		<i>Jeff Fear</i>	
Alan Franks			✓
Andrew Gilling Cllr (SDC)			
Philip Ham Cllr (MDC)			
Jessica Healey (SDC)		<i>J. A. Healey</i>	
Tom Killen Cllr (MDC)			✓
✓ Pamela Thorne		<i>Pam Thorne</i>	
✓ David Tratt	14	<i>DA</i>	
Martin Watts	30	<i>M. Watts</i>	
Wendy Welland	8	<i>W. L. Welland</i>	
STAFF			
Nick Stevens		✓	
Stephen Gee		✓	
Iain Sturdy		✓	
Carrie-Anne Porter		A	
Anthony Dowden		✓	
INTERNAL AUDITOR			
Chris Gunn			