

Minutes of the Axe Brue Policy, Finance and Governance Sub Committee held on Tuesday 03 October 2017 at 10:30hrs at Bradbury House, 33-34 Market Street, Highbridge.
Chairman: Cllr A Gilling

- 1 **Attendance & Apologies for Absence:** as per register appended.
 - 2 **Items Additional to the Agenda:** N Stevens (NWS) – ADA guidance regarding liability of Board members.
 - 3 **Declarations of Interest:** Cllr A Gilling – all matters relating to planning
 - 4 **Policy & Strategy**

Ref 1: To receive and keep under review, on behalf of the Board, the financial and governance mater arising from the Board’s Strategic Planning, Development and Operational Plans. No comments.

Ref 2: To receive and consider, annually, a 5-year estimate of income, expenditure and capital commitments for recommendation to the Board. No comments.

Ref 3: To determine, and keep under review, financial policy matters with regard to investment and financing, and to grant-aided activity and other possible sources of funding for the IDB – S Gee (SMG) advised that he is awaiting investigation of banking arrangements. No comments.

Ref 4: To consider and report on, where appropriate, the financial implications of matters referred to the sub-committee by the Board. No comments.
 - 5 **Budgets**

Ref 5a: To receive and consider the proposed SDBC annual budget for recommendation to the Board: (appended) SMG advised the approved budget additional staff costs are mainly due to staff for SRA commissioned work who are recharged.

Revised SDBC budget – drawn up as a consequence of the decisions made at the last SDBC Management Committee meeting on staffing matters, however, it has not been reviewed by that Committee.
- 10.40am** R Adlam joined the meeting with apologies for a late arrival
- CEO is due to retire at the end of March 2018. A recruitment process has commenced via ADA Gazette, newspaper and on-line advertising.
- R Adlam expressed concern for increase in staff costs; the Clerk explained that the budget includes for the provision of SRA staff with additional on-costs and overheads, all of which will be recharged. A further revision to the budget will be made for the next scheduled Board PFG meetings; once a new CEO appointment has been made, a more accurate budget can be produced at that stage. The Finance Officer commented that individual Boards could ask the SDBC Management Committee to reconsider the budget, if necessary.
- Proposed Cllr R Keen, Seconded J Healey ‘that the Axe Brue Policy, Finance & Governance Committee recommends the Axe Brue Board approves the revised SDBC 2018/19 budget subject to SDBC approval.’**
- Proposed amendment M Watts ‘that the Axe Brue Policy, Finance & Governance Committee recommends the Axe Brue Board approves the original approved SDBC 2018/19 budget.’ This motion was not seconded.
- Substantive proposal – Vote: For 9; Against 1; Abstain 2 motion carried RESOLUTION 1**
- Ref 7: **To monitor and report the performance against budget and to report significant variances to the Board:** (appended) SMG advised that there are no issues of concern at this stage of the financial year. The report was accepted as submitted.
 - Ref 8: To consider, on behalf of the Board, any requests for significant variations to the planned operating budget and to make recommendations accordingly. No comments.
 - Ref 10: To consider and make recommendations on an ongoing basis to the Board concerning the financial viability of the IDB in the short and long term. No comments.
- 6 **Audit**

Ref. 11: To agree and recommend to the Board an annual audit plan

Ref. 12: To receive and review reports from the internal auditors: (appended)

The Finance Officer responded to the comments in the audit report made by the Auditor to say that on Section 4 Return B: invoices are, at times, received addressed to the incorrect Board, these tend to be reissued accordingly, or processed under the correct Board with no further action.

Section I: periodic and year-end bank account reconciliations were properly carried out. A review identified an uncashed cheque for £295.70; SMG was instructed to investigate recipient and re-issue if necessary.

Action

RES 1

SMG

External Audit: no comments received. Notice of close of audit has been advertised as necessary.

Ref. 13: To monitor internal control procedures and to review same in the light of audit reports No comment.

Ref. 14: To receive and monitor the Action Plan to ensure all issues raised by internal or external auditors are addressed: no action plan required

Ref. 15: To review the effectiveness of the auditing procedures: The Clerk asked for any comments from members on the service and reports provided by SWAP. No comments received from members, therefore members are considered to be satisfied with the work undertaken.

7 Governance

Ref. 16: To monitor compliance with legal requirements of the IDB. No comments.

Ref 18: To ensure compliance with relevant Financial and Accounting Regulations and that electors have been given opportunity to review and query the accounts: notices have been published for public to inspect accounts as required.

Member's liability: NWS advised that ADA guidance was written by Ian Smith, a solicitor and former Clerk to Middle Level Commissioners, which highlights the duties of Board members and their liabilities under the regulations and case law. The document will be provided for insertion in the Members' Pack.

NWS/
CAP

8 Specific Delegated Authority

Ref 24 – For the Chairman and Clerk to sign Section 106 planning and other similar agreements. No agreements at this time.

9 Risk Management

Ref 28 - To keep under review the risks associated with the business of the IDB and make recommendations to the Board with a view to minimising the impact of the identified risks.

(appended) the report as submitted was duly noted with the following points of note:

No 16: Major pollution incident resulting in death of fish:

- Bio-degradable oil is the preferred method of pollution control.
- Spill kits have been supplied to all in-house operators.
- A review of arrangements to be undertaken.
- Consideration of future arrangement with contractors to identify when bio-degradable oil will be required on Board contracts. .
- In-house machines – consideration to replacement/upgrade of machines.
- Use of bio-degradable oil weighting to be considered for future tender assessment.
- All contractors working for the Environment Agency will use bio-degradable oil.

No 36: National Audit Office review of IDBs results in damaging local criticisms if governance procedures not followed and conflicts of interest occur:

- Member training to be held during the year

10 Minutes of the P, F&G meeting held on 13 June 2017: (appended) having previously been circulated the minutes were signed by the Chairman as a true and correct record of the meeting held.

11 Matters arising: Item 13 Any Other Business: Following the January Full Board meeting Mr J Lukins and Cllrs L Scott and R Keen have joined the P, F&G committee.

12 Date of next meeting: Full Board 17 October 2017, 10.30hrs and P, F&G 16 January 2018, 10.30hrs.

There being no other business the Chairman thanked members and officers for their time and contributions.

The meeting was closed at 11.55hrs

.....
CHAIRMAN

.....
DATE

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

DATE : 03 October 2017, 10.30am

VENUE: Bradbury House, Market St, Highbridge

BOARD MEMBER	MILEAGE	PRESENT	APOLOGIES
Ray Adlam	20	R.G. Adlam	
Heather Case (SDC)	8	H. Case	
Jeff Fear		Jeff Fear	
Alan Franks	20	A. Franks	
Andrew Gilling Cllr (SDC)	10	A. Gilling	
Philip Ham Cllr (MDC)			
Jessica Healey (SDC)		J. Healey	
Roger Keen (Cllr)		R. Keen	
Tom Killen Cllr (MDC)			
Jim Lukins	16	J. Lukins	
Liz Scott (Cllr)			✓
Pamela Thorne		P. Thorne	
David Tratt	14	D. Tratt	
Martin Watts	30	M. Watts	
Wendy Welland	8 miles	W.C. Welland	