

MINUTES OF THE AXE BRUE FINANCE AND WORKS SUB COMMITTEE MEETING HELD AT BRADBURY HOUSE ON 10 OCT 2018

Attendance:			
Elected Members: Mr J Fear (Chairman) Mrs P Thorne Mr D Tratt Mr M E Wall	Appointed Members: Cllr W Human Cllr R Keen Cllr L Scott	Officers: Mr R Burge Mr S Gee Miss C-A Porter Mr I Sturdy	Public:
Apologies:			
	Cllr A Gilling		
Did Not Attend:			
	Cllr D Hill		

Agenda Item:	Detail:	Action:
Call for Nominations of Chair	<p>The Clerk requested nominations for the position of Chair.</p> <p>Cllr L Scott proposed, seconded by Mrs P Thorne 'that Mr Jeff Fear be elected as Chair of the Axe Brue Finance & Works Sub Committee'. No other nominations were received. Being uncontested, all agreed. Motion carried.</p> <p>Mr Fear took the Chair, thanking members for their continued support.</p>	RESOLUTION 1
Nominations of Vice- Chair	<p>The Chair requested nominations for the position of Vice-Chair.</p> <p>Mrs P Thorne proposed, seconded by Cllr R Keen 'that Cllr L Scott be elected as Vice Chair of the Axe Brue Finance & Works Sub Committee'. No other nominations were</p>	RESOLUTION 2

	received. Being uncontested, all agreed. Motion carried.	
1. Attendance and Apologies	Apologies as per the above Attendance List.	
2. Items Additional to the Agenda	No additional items were tabled.	
3. Declarations of Interest	None at this time.	
4. Approval of Minutes	4.1 The Minutes of the Policy, Finance & Governance Meeting of 12 Jun 18 were accepted unanimously and signed by the Chair as a true and accurate reflection of the Meeting.	
5. Matters Arising	<p><u>Review of Actions</u></p> <p>5.1. Action AB/20180612-01 from the previous P,F&G Meeting for the <i>Clerk to produce a report for the next Policy, Finance & Governance (PFG) meeting of actions taken to address the SWAP Annual Audit findings,</i> was reported as complete with the Report forwarded to all Finance Committee Members with the Calling notice. The Report was noted and accepted by all Members present.</p> <p>5.2. The result of Action AB/20180612-02, for the <i>Clerk to develop and Audit Plan for consideration at the next PFG meeting to focus on Internal Audit activities for the coming financial Year,</i> was presented by the Clerk.</p> <p>5.3. Following discussions with South West Audit Partnership (SWAP), the Clerk proposed that an independent Audit Review should be conducted of the Drainage Rating System (DRS) between Oct 18 and Jan 19 and Health &</p>	<p>Action AB/20180612-01: CLOSED</p> <p>Action AB/20180612-02: CLOSED</p>

	<p>Safety Policy and Procedures between Jan 19 and April 19. All agreed. Action closed.</p> <p>5.4. Action AB/20180612-03, (<i>the Clerk to ensure that the Risk Register was coherent with the Risk Strategy and ensure that all Risks captured the clear mitigating Actions and timescales required to allow Risks to be actively managed at a working level and provide update at the next PFG meeting</i>), the Clerk reported that the Risk Strategy had been uplifted and was awaiting endorsement by the Policy & Governance Committee at the next Meeting.</p> <p>5.5. He further reported that Risk Management was now a standing Agenda item for all Meetings and he would provide a full update on this action at Agenda Item 10.</p>	
<p>6. Review of Finance Committee Terms of Reference</p>	<p>6.1. It was agreed to amend the Membership to read 4 x Elected and 5 x Appointed Members, thereby removing Chairman and Vice-Chairman as Ex Officio Members due to potential conflict in ratio of Members.</p> <p>6.2 Members agreed that the Finance & Works Terms of Reference are to be updated by the Clerk to reflect amended Membership and signed out of Meeting by the Chair.</p>	<p>New Action: AB/20181010-01: Clerk.</p>
<p>7. Finance Report</p>	<p>7.1. The Responsible Finance Office (RFO) provided an overview of the SDBC Accounts.</p> <p>7.2. He reported that Professional Fees had exceeded Budget due to additional work involved with schemes such as providing Approved Suppliers Lists to the Boards and engineering support to Braunton Marsh IDB (not yet recharged).</p>	

	<p>7.3. He further reported that the overall deficit was partly due to the inability to recruit to projected Engineering vacancies within the Organisation and as a consequence, an inability to generate the expected recharge costs to outside organisations.</p> <p>7.4. He reported that the Axe Brue Income & Expenditure was as expected.</p> <p>7.5. To provide clarification, he commented that the 'Debtors and Prepayments' line included expenses and invoices paid in advance i.e. ADA subscription.</p> <p>7.6. With regards to Quarterly Reconciliation of Bank Statements, SWAP had identified in their Annual Audit Report that periodical reconciliations had not been completed in a timely manner. Mr M E Wall proposed, seconded by Mr D Tratt, 'that Cllr W Human be appointed to undertake Quarterly Reconciliation of Bank Statements on behalf of the Axe Brue IDB'. All agreed. Motion carried.</p> <p>7.7. The RFO reported that Rates were approx. £7,000 remaining outstanding. The Liability Order Court Hearing was due to take place on 17 Oct 18, for which Summons Notices had been issued.</p> <p>7.8. A 5 year financial Budget forecast for 2019 onwards is to be created with monthly budget reviews conducted by the Management Team.</p> <p>7.9. Members advised that they found the accounts as presented difficult to understand. It</p>	<p>RESOLUTION 3</p>
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	<p>was agreed that an explanation of SDBC accounts and complexities of the Consortium arrangements would be provided as a future Training opportunity.</p> <p>7.10. The reports were taken as read.</p>	<p>New Action: AB/20181010-02: Clerk & RFO</p>
8. Engineering Works	<p>8.1. Dir Ops advised that preparatory works on approximately 12 schemes was being undertaken for completion within the current financial year.</p> <p>8.2. The ability to deliver Schemes and projects was dependent upon resources available. The Board continues to actively recruit appropriate staff, however, additional technical availability and support may be required from external sources as an interim measure.</p> <p>8.3. A 3-year Programme of Works Schedule is to be re-introduced for FY2019 onwards to reflect identified schemes. The programme would include a breakdown of engineering costs for Members' understanding of Projects and Schemes.</p>	<p>New Action: AB/20181010-03: Dir Ops</p>
9. Maintenance Works	<p>9.1. Dir Ops reported that Works were progressing as expected with no detriment to the budget.</p> <p>9.2. Expressions of interest are to be requested for a new 3-year Coastal Catchment maintenance contract.</p> <p>9.3. To ensure compliance with Public Contract Regulations 2015, through the new Procurement and Tendering processes, new contactors had been identified. Area Managers were assisting Contractors with understanding the requirements being placed upon them in</p>	

	<p>order to be part of the Approved Supplier List (ASL). It was emphasised that only those Contractors on the ASL Framework would be eligible to tender for Contracts.</p> <p>9.4. Education and training with contractors remained on-going to raise expectation and standards of service.</p> <p>9.6. The Risks associated with running Machinery and Plant was highlighted and there was need to review current processes across both Boards in order to evaluate best Value for Money and minimise Risk. The Clerk took an Action to conduct a review of the Machinery & Plant across both Boards with a view to VfM and Risk.</p> <p>9.7. Making Tax Digital. An action was taken to research 'Making Tax Digital' and review its potential implications to the Board.</p>	<p>New Action: AB/20181010-04: Clerk</p> <p>New Action: AB/20181010-05: Clerk</p>
10. Risk Management	<p>10.1. The Clerk provided an overview of the Risk Strategy and Risk Register, presenting the 'Top 5' Financial Risks facing the Board. This format of report was able to be reproduced for all Meetings and was filterable across all Risk areas.</p> <p>10.2 The populated Risk Register would be reviewed on a monthly basis at Officer Management Meetings.</p> <p>10.3. Members expressed appreciation for the abridged report.</p>	
11. Date of Next Meeting	11.1. The date of the next Finance & Works meeting was reported as 17 Jan 19.	

	<p>11.2. A Calendar of meeting dates to Oct 19 has been provided to all Members. Key dates in the short-term were highlighted as:</p> <ul style="list-style-type: none"> • Axe Brue Full Board: 2 Nov 18 • Policy & Governance C'tee: 11 Dec 18. • Chair's Training: 23 Oct 18. • Appointed Member Tng Day: 30 Oct 18. 	
AOB	<p>12.1. The Clerk advised that the new Finance Officer, Mrs Margaret Hammond, was planned to join on 29 Oct 18 with the current RFO, Mr Gee, retiring on 2 Nov 18.</p> <p>12.2 There being no other business, the meeting was closed at 12.06.</p>	

Annex:

A. Axe Brue Board – Table of Outstanding Actions

CHAIRMAN.....DATE

**ANNEX A TO
AXE BRUE F&W COMMITTEE MINUTES
DATED 10 OCT 18**

AXE BRUE BOARD – TABLE OF OUTSTANDING ACTIONS

Action Number:	Action:	Actionee:
AB/20181010-01	Finance & Works Terms of Reference are to be updated by the Clerk to reflect amended Membership and signed out of Meeting by the Chair.	Clerk
AB/20181010-02:	An explanation of SDBC accounts and complexities of the Consortium arrangements would be provided as a future Training opportunity.	Clerk & RFO
AB/20181010-03:	A 3 year Programme of Works Schedule from FY2019 onwards is to be re-introduced to reflect identified schemes.	Dir Ops
AB/20181010-04:	To review cost effective processes for recommendation to the Board.	Clerk
AB/20181010-05:	Research 'Making Tax Digital' and review its potential implications to the Board.	Clerk