

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

Attendance:			
Elected Members: Mr T Bradford Mr C Passmore (Chair)	Appointed Members: Cllr M Caswell Cllr D Hill Cllr S Kingham	Officers: Mr R Burge Mr S Gee Miss C-A Porter Mr I Sturdy	Public:
Apologies:			
Mr J Winslade	Cllr N Weeks		
Did Not Attend:			

Agenda Item:	Detail:	Action:
Call for Nominations of Chair	The Clerk requested nominations for the position of Chair. Cllr S Kingham proposed, seconded by Cllr D Hill, 'that Mr Colin Passmore be elected as Chair of the Parrett Finance & Works Sub-Committee' . No other nominations were received. Being uncontested, all agreed. Motion carried. Mr Passmore took the Chair, thanking members for their support.	RESOLUTION 1
Nominations of Vice-Chair	The Clerk requested nominations for the position of Vice-Chair. Cllr M Caswell proposed, seconded by Mr T Bradford, 'that Cllr S Kingham be elected as Vice-Chair of the Parrett Finance & Works Sub Committee' . No other nominations were received. Being uncontested, all agreed. Motion carried.	RESOLUTION 2
1. Attendance and Apologies	Apologies as per the above Attendance List.	
2. Items Additional to the Agenda	2.1 Fuel allowance for contractors – to be discussed at Agenda Item 9.	

3. Declarations of Interest	3.1. None at this time.	
4. Approval of Minutes	4.1. The Minutes of the Policy, Finance & Governance Meeting of 19 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. Cllr D Hill declared an interest – Chair of SWAP Directors</p> <p>5.2. Action P/20180619-01 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>5.3. The result of Action P/20180619-02, 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>5.4. 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 & Safety Policy and Procedures between Jan 19 and April 19. All agreed. Action closed.</p> <p>5.5. Action P/20180619-03, (<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</p>	<p>Action P/20180619-01: CLOSED</p> <p>Action P/20180619-02: CLOSED</p>

	<p>endorsement by the Policy & Governance Committee at the next Meeting.</p> <p>5.6. 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>	
6. Review of Finance Committee Terms of Reference	6.1. Members unanimously approved the Finance & Works Terms of Reference and agreed the document is to be signed out of Committee by the Chair.	New Action: P/20181010-01: Clerk & Chair
7. Finance Report	<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 Parrett Income & Expenditure was as expected.</p> <p>7.5. To provide greater transparency, it was agreed that SRA accounts should be separate from IDB accounts where possible.</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. Cllr M Caswell proposed, seconded by Mr T Bradford, ‘that Cllr S Kingham be appointed to undertake Quarterly Reconciliation of Bank Statements on behalf of the Parrett IDB’. All agreed. Motion carried.</p>	RESOLUTION 3

	<p>7.7. Mr Bradford reported that the Environment Agency Precept 2019/20 will remain at 2% - this was the second year of a 3-year fixed term.</p> <p>7.8. A 5-year financial Budget forecast for 2019 onwards was 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 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>
<p>8. Engineering Works</p>	<p>8.1. Mr I Sturdy (IDS) advised that preparatory works on SRA schemes was being undertaken, including design, tendering, survey and modelling. Works not completed within the current financial year would carry forward.</p> <p>8.2 Schemes and projects were dependent upon resources available. The Board continued 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 Board works was 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>
<p>9. Maintenance Works</p>	<p>9.1. Works were progressing as expected with no detriment to the budget.</p> <p>9.2. The Hitachi Slew was currently receiving a full service and necessary repairs.</p> <p>9.3. Through the tendering process, new contactors had been appointed. Specifications of contract had been amended and the Area Managers were</p>	

<p>Additional Item</p>	<p>assisting contractors with understanding those requirements.</p> <p>9.4. Education and training with contractors remained on-going in order to raise expectation and standards of service.</p> <p>9.5. To ensure compliance with Public Contract Regulations 2015, an Approved Supplier Framework (ASL) was being created. Contractors may only bid for maintenance works tenders if they were on the ASL. Officers were available to assist contractors where necessary to complete the questionnaire.</p> <p>9.6. Tractor & Plant. The Committee were requested to consider the Boards' tractor and plant for future operations. It was agreed that the 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. Members believed that, historically, maintenance contracts included an additional fuel escalator, where current Contracts included only CPI. Members are not aware of when the change to the Contract principles was introduced.</p> <p>9.8. In order to provide clarity and consistency in messaging from the Board and Staff to external Contractors, the Clerk tool and Action to investigate and provide a Report on the background of the CPI and Fuel cost escalator.</p>	<p>New Action: P/20181010-04: Clerk</p> <p>New Action: P/20181010-05: Clerk</p>
<p>10. Risk Management</p>	<p>10.1. Following a complete review of all Risks and revision of the Risk Strategy, the Clerk provided an overview of the Top 5 Finance Risks facing the Board. This 'Risk Dashboard' format would be produced for all Finance & Works Meetings and Full Board Meetings.</p> <p>10.2. The full Risk Register would be reviewed on a monthly basis as Normal Working Business at SDBC Management Meetings.</p>	

	Members expressed appreciation for the abridged report.	
11.Date of Next Meeting	<p>11.1. The date of the next Finance & Works meeting was set as 17 Jan 19.</p> <p>11.2. A Calendar of meeting dates to Oct 19 had been provided to all Members. Key dates in the short-term were highlighted as:</p> <ul style="list-style-type: none"> • Parrett 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 M Hammond, was joining on 29 Oct 18, and Mr Gee would retire later that week on 2 Nov 18.</p> <p>12.2. There being no other business, the Meeting was closed at 16.00.</p>	

Annex:

A. Parrett Board – Table of Outstanding Actions

CHAIRMAN.....DATE

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

PARRETT BOARD – TABLE OF OUTSTANDING ACTIONS

Action Number:	Action:	Actionee:
P/20181010-01	To remove watermark from the Finance & Works Sub-Coimmittee Terms of Reference and Chair to approve 'Out-of-Committee'.	Clerk & Chair
P/20181010-02:	To provide an explanation of SDBC accounts and complexities of the Consortium arrangements as a future Training opportunity.	Clerk & RFO
P/20181010-03:	A 3-year programme of works for FY2019 onwards is to be reintroduced to reflect identified schemes.	Dir Ops
P/20181010-04:	To conduct a review of the Machinery & Plant across both Boards with a view to VfM and Risk.	Clerk
P/20181010-05:	To investigate and provide a Report on the background of the CPI and Fuel cost escalator.	Clerk