

BRADBURY HOUSE, 33-34 MARKET STREET HIGHBRIDGE, SOMERSET, TA9 3BW

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### MINUTES OF THE AXE BRUE FINANCE AND WORKS SUB COMMITTEE MEETING HELD AT BRADBURY HOUSE ON 10 JUN 19

| Attendance:  |   |   |         |
|--|---|---|---------|
| Elected Members: Mr J Fear (C) Mrs P Thorne Mr D Tratt Mr M E Wall | Appointed Members:<br>Cllr W Human<br>Mr R Keen | Officers:<br>Mr R Burge<br>Mrs M Hammond<br>Mrs C-A Morgan<br>Mr I Sturdy | Public: |
| Apologies:   |   |   |         |
|  | Cllr A Gilling<br>Cllr L Scott                  |   |         |

| Agenda Item:             | Detail:  | Action:                               |
|--------------------------|--|---------------------------------------|
| Attendance and Apologies | Apologies as per the above Attendance List.  |                                       |
| 2. Items Additional      | 2.1. Mr M E Wall requested consideration to  |                                       |
| to the Agenda            | Members Expenses – To be discussed at Item 6 Finance.  |                                       |
| Declarations of Interest | None at this time.   |                                       |
| 4. Approval of Minutes   | 4.1. The Minutes of the Finance & Works Sub-<br>Committee Meeting of 02 Apr 19 were accepted<br>unanimously and signed by the Chair as a true<br>and accurate reflection of the Meeting.   |                                       |
| 5. Matters Arising       | Solution AB/20181010-04 (to conduct a review of the Machinery & Plant across both Boards with a view to VfM and Risk); the Clerk reported that this Action remained 'ongoing' and would be reported in due course, forming part of the combined 'Strategic Review of Manpower' | Action<br>AB/20181010-04:<br>On-going |
| 6. Finance Report        | 6.1. The Responsible Finance Office (RFO) confirmed that the quarterly accounts  |                                       |

reconciliation was included within the accounts procedure.

#### **End of Year Report**

- 6.2. <u>SDBC Accounts</u> Mrs M Hammond, RFO, provided an overview of the End of Year Report with the following points of note:
  - Year-End SDBC Reserves were divided between Axe Brue and Parrett to enable a zero balance to be taken forward for commencement of the amended Consortium Agreement which now included North Somerset Levels (NSLIDB).
  - I&E Report and Notes to Accounts were accepted as read.
  - The RFO was asked to provide details of General Expenses – Contractors Costs. (See Item 9.1.)
- 6.3. <u>Axe Brue Accounts</u> The RFO provided an overview of the Balance Sheet with the following point of note:
  - Interest Rates: the Clerk & RFO had received a presentation by Flagstone Investment Management and would brief options for investment at the next meeting.
  - Board decision would be required for placement of any funds for investment.
  - I&E Report: the surplus £24k will increase the Boards' general reserves.
  - I&E Report and Notes to Accounts were accepted as read.

New Action: AB/20190610-01: The Clerk & RFO took an Action to convene a Flagstone IM presentation as an agenda item at the next F&W Committee.

New Action AB/20190610-01: Clerk & RFO

## 6.4. <u>Section 1 Annual Governance Statements</u> 2018/19

The Board acknowledged their responsibility for ensuring that there was a sound system of internal control, including arrangements for the preparation of the Accounting Statements and answered 'Yes' to the eight Accounting Statements.

6.5. Cllr W Human proposed, seconded by Mr D Tratt 'to recommend that the Axe Brue Full Board at its Meeting to be held on 14 Jun 19, endorse approval of the eight Accountability Statements within Section 1 of the Annual Governance Statement 2018/19."

**RESOLUTION 1** 

Vote: Unanimous

- 6.6. <u>Section 2 Accounting Statements</u>
  The RFO provided an overview of the Annual
  Governance and Accountability Return 2018/19
  to ensure Member understanding.
- 6.7. The RFO explained in detail the variances of the current and previous years' Section 2 figures.

#### 6.8. Review of Procurement Threshold

- Board's Procurement Procedures currently require all Procurements above £251 to obtain written quotations from at least 2 Suppliers
- Recommendation of SWAP Audit 2018/2019 Review (Section 4.B) to increase this threshold (considered low for practicability)
- New 'Business Case' processes now inplace to control spend

6.9. Mr M E Wall proposed, seconded by Cllr W Human "to recommend that the Axe Brue Full Board endorse an increase to the Procurement threshold for purchases

**RESOLUTION 2** 

|                                    | requiring three written quotes from £250 to £1000."   |   |
|------------------------------------|---|---|
|                                    | Vote: Unanimous   |   |
|                                    | Additional Item: 6.10. Members Expenses: Mr M E Wall expressed concern for the amount of paperwork received via email expected to be printed at- home and requested that costs be reimbursed.   |   |
|                                    | 6.11. The Clerk advised that documents were for information only and did not need to be printed.  |   |
|                                    | 6.12. It was agreed that Members could request a Meeting Pack for their arrival at a Meeting when submitting confirmation of attendance.  |   |
| 7. Engineering & Maintenance Works | 7.1. Dir Ops provided an overview of channel cleaning maintenance, advising the maintenance schedules were available on the Boards' website.  |   |
|                                    | 7.2. Church Road, East Brent has provided £55k surplus due to grant income having now been received from the Environment Agency.  |   |
|                                    | 7.3. A 3-year Programme of Works Schedule had been developed to include prioritisation of identified unfunded projects.   |   |
|                                    | New Action: AB/20190610-02: The Dir Ops took an Action to prepare a report for the next Meeting of the 3-year Programme of Works to include on-going repairs & renewals, invasive species and other unfunded projects, detailing their importance and estimated cost. | New Action:<br>AB/20190610-02:<br>Dir Ops |
| 8. Risk Review                     | 8.1. The Clerk provided an overview of the Risk Register, presenting the 'Top 5' Financial Risks facing the Board.  |   |

|                 | 4 11-4   |  |
|-----------------|--|--|
|                 | Unforeseen overspend.  |  |
|                 | 2. Cuts in machinery budgets.  |  |
|                 | Cut-backs in Budget restrict critical     Capital/Maintenance works  |  |
|                 | Failure to keep costs within agreed budgets.   |  |
|                 | 5. Brexit.   |  |
|                 | 8.2. The full Risk Register would be reported at the Full Meeting of 14 Jun 19.  |  |
|                 | 8.3. The populated Risk Register was a live document and was reviewed on a monthly basis at Officer Management Meetings.   |  |
| 9. Any Other    | 9.1. The RFO reported that Braunton Marsh IDB  |  |
| Business        | was listed within 'expenses' on the Finance  |  |
|                 | Report for settlement of re-charged project  |  |
|                 | works.   |  |
|                 | 9.2. Staff Update: The Clerk reported that the Board was operating with 2 x vacancies – Senior Engineer and Project Engineer. However, the Strategic Staff Review of Manpower was being undertaken to review skills and future employment needs before these posts were to be advertised externally. |  |
|                 | 9.3. Recent appointments filled since the last   |  |
|                 | meeting were the Parrett Area Manager and  |  |
|                 | Health & Safety Manger (Part Time). Both   |  |
|                 | positions commenced employment on 28 May 19.   |  |
| 10.Date of Next | 10.1. The date of the next Finance & Works   |  |
| Meeting         | meeting was reported as 07 Oct 19.   |  |
|                 | 10.2. Future key dates in the short-term were highlighted as:  |  |

|  | Axe Brue Full Board: 14 Jun 19  |  |
|--|---|--|
|  | SDBC Management: 29 Jul 19  |  |
|  | 10.3. There being no other business, Members and Officers were thanked for their attendance, and the meeting was closed at 12.10. |  |
| Annex:   |   |  |
| A. Axe Brue Board – Table of Outstanding Actions |   |  |
|  |   |  |

CHAIRMAN......DATE

# ANNEX A TO AXE BRUE F&W COMMITTEE MINUTES DATED 10 JUN 19

#### **AXE BRUE BOARD - TABLE OF OUTSTANDING ACTIONS**

| Action Number:  | Action:  | Actionee:   |
|-----------------|--|-------------|
| AB/20181010-04: | To conduct a review of the Machinery & Plant across both Boards with a view to VfM and Risk.   | Clerk       |
| AB/20190610-01  | To convene a Flagstone IM presentation as an agenda item at the next F&W Committee.  | Clerk & RFO |
| AB/20190610-02  | To prepare a report for the 3-year Programme of Works to include on-going repairs & renewals, invasive species and other unfunded projects, detailing their importance and estimated cost. | Dir Ops     |