

MINUTES OF THE AXE BRUE FINANCE AND WORKS SUB-COMMITTEE MEETING HELD VIA ZOOM ON 18 JAN 21

Attendance:			
Elected Members: Mr J Fear Mr D Tratt Mr M E Wall	Appointed Members: Cllr A Gilling Cllr W Human Cllr A Matthews Cllr L Scott Mr R Keen	Officers: Mr R Burge Mrs M Hammond Mrs C-A Morgan Mr P Brewin Mr M S Wall Mr P Struck	Public:
Apologies:			
Mrs P Thorne			

Agenda Item:	Detail:	Action:
1. Attendance and Apologies	Apologies as per the above Attendance List.	
2. Items Additional to the Agenda	2.1. Dir Fin: Lewis Drove funding – to be discussed with Agenda Item 6.	
3. Declarations of Interest	None at this time.	
4. Approval of Minutes	4.1. One amendment was tabled: The date of the Meeting was incorrect and amended from 08 Oct 20 to 05 Oct 20. 4.2. With this one amendment, the Minutes of the Finance & Works Sub-Committee Meeting of 05 Oct 20 were accepted unanimously and signed by the Chair as a true and accurate reflection of the Meeting.	
5. Matters Arising	5.1. Item 7.7 of the previous Minutes; With regards to the Project Scheme at Basonbridge, Mr Maurice Wall questioned whether anyone,	

	<p>other than Board Officers, had reviewed the drainage improvements being proposed.</p> <p>Director of Operations (Dir Ops) replied that the proposed Project Scheme was currently identified as provisional works in Year-3 of the Programme of Works and would allow sufficient time to fully appraise and endorse the implementation of the Scheme once more detail became available in due course.</p> <p><u>Review of Actions</u></p> <p>5.2. Action AB/20181010-04: (Clerk to conduct a review of the Machinery & Plant across both Boards with a view to VfM and Risk); The Clerk reported that the Strategic Review of Plant, Machinery & Manpower had now been endorsed by all Boards of the Consortium and therefore this Action was closed.</p>	<p>Action AB/20181010-04: Closed</p>
<p>6. Finance Report</p>	<p>6.1. Director of Finance (Dir Fin), as the Responsible Finance Office (RFO), confirmed the bank account balances as:</p> <ul style="list-style-type: none"> • Current account £15,800.89 • Deposit account £1,119,380.63 <p>She further reported that a full bank reconciliation by Officers had been completed and that Cllr W Human was due to complete the internal reconciliation in the very near future.</p> <p>6.2. Mr J Fear questioned the level of bank interest received this financial year. Dir Fin reported that, due to the effect of Covid-19 on the economy, bank interest had reduced greatly. She further reported that an Investment of Board Funds Task & Finish Group Meeting would be convened as soon as practicable for endorsement of a Board Investment Policy.</p>	

The Clerk reminded the Committee of Axe Brue T&F Membership:

- Cllr W Human
- Mr D Tratt
- Cllr M Murphy

Cllr W Human advised that longer fixed-term interest rates were available however many rates had reduced significantly.

End of Year Forecast 2020/2021

6.3. As of 31 Dec 20, Dir Fin reported a current balance of £330,543 which was a favourable variance of £37,001. The Year-end forecast was identifying a favourable variance of £48,599

6.4. Dir Fin presented the proposed Budget for FY2021/2022 line-by-line, highlighting that implementation of the Strategic Review would increase the SDBC Admin charge by 29% which should be expected.

6.5. Dir Ops circulated a 3-year Programme of Works for Board Schemes that were considered able to be delivered within the Financial Year.

6.6. The proposed Budget had resulted in an increase in the Penny Rate of 1.627%.

6.7. Dir Fin questioned the source of funding of agreed proposed works at Lewis Drove, which were additional to the Programme of Works projects and schemes budgeted for this Financial Year.

6.8. The Clerk reported that the predicted reserves at FY2020/2021 year-end were £257,000. Should £50,000 be taken he asked if the Board considered £207,000 to be acceptable for the level of risk being carried.

	<p>The Clerk commented that if the Board wished to retain the forecast Reserve of £257,000, the Penny Rate for FY2021/20222 would need to be increased to fund the proposed works.</p> <p>Detailed discussion was held with two main considerations:</p> <ol style="list-style-type: none"> 1. Increase penny rate by 2% and take remainder of costs from Free Reserves. 2. Take total £50,000 from Free Reserves. <p>The Clerk commented that, providing the Board commits to sell its Plant & Machinery and recoup the money in the next FY, the proceeds would bolster the Reserves position therefore he recommended the funds be taken from Reserves.</p> <p>6.9. Mr M E Wall proposed, seconded by Mr J Fear ‘to fund Lewis Drove works to the value of £50,000 from Axe Brue Free Reserves.’</p> <p>All in favour – None against</p> <p>6.10. Mr R Keen proposed, seconded by Mr D Tratt ‘that the recommendation for the Penny Rate for the year 2021/2022 be increased by 1.627% to 8.736 to be taken to the Board Meeting of 01 Feb 2021 for endorsement.’</p> <p>All in favour – none against</p> <p><u>Outstanding Rates</u></p> <p>6.11. The Deputy Clerk provided an overview of Drainage Rate payments with the following points of note:</p> <ul style="list-style-type: none"> • 01 Apr 20: 2,759 accounts at a total of £224,418 owed. 	<p>RESOLUTION 1</p> <p>RESOLUTION 2</p>
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	<ul style="list-style-type: none"> • 15 Jan 21: 116 accounts at a total of £10,170 (4.5%) outstanding, consisting of 55 x accounts summonsed for non-payment (£10,089) and 24 x accounts, £6,292 currently being enforced by Bailiffs. <p>6.12. The Deputy Clerk further reported that recovery of persistent non-compliant debts could be applied for through the County Court as Small Claims. This process does have a cost element, however the Court may award costs to the Board.</p> <p>New Action: AB/20210118/01 on the Deputy Clerk to investigate County Court Small Claims with ADA Policy & Finance Committee and report back to the Boards.</p>	<p>New Action: AB/20210118/01: Deputy Clerk</p>
<p>7. Engineering & Maintenance Works</p>	<p>7.1. Dir Ops provided an overview of Engineering & Maintenance with the following points of note:</p> <ul style="list-style-type: none"> • Routine maintenance was 98% complete. • Positive feedback had been received from Contractors for the larger catchments and this promoted confidence to go to tender. • New contracts had been prepared for the new Upper Brue maintenance Areas. • There was a strong aspiration to complete all contracts in good time and within the ecological constraints, cognisant of Environmental Land Management Schemes (ELMS) and planting timetables. <p>7.2. <u>Lewis Drove</u>: Dir Ops reported that a further Officer site meeting had been held with Godwin's at which a commitment was given by</p>	

	<p>Godwin's to provide information and a briefing note of their longer-term proposals. Dir Ops was confident the Briefing Note would be received in the very near future.</p> <p><u>3-Year Programme of Works</u></p> <p>7.3. Dir Ops provided an overview of the 3-Year Programme reporting that restrictions (i.e. bird nesting season and ground conditions) would determine commencement dates of projects.</p>	
8. Risk Review	<p>8.1. The Clerk reported that the full Risk Register would be reported at the Full Meeting of 01 Feb 21, however he expected a significant change to the Risk Register following implementation of the Strategic Review and mitigations being put-in place.</p>	
9. Any Other Business	<p>9.1. High Phosphate Levels: Cllr Scott questioned high phosphate levels that had been detected on RAMSAR sites.</p> <p>Mr P Brewin, Ecologist, explained that nutrients can have an ecological effect as well as detriment to drainage due to increase in weed growth and plants, and can change oxygen levels causing fish kills. He advised that watercourse margins helped prevent nutrients directly affecting watercourses.</p>	
10.Date of Next Meeting	<p>10.1. The date of the next Finance & Works meeting was reported as being 22 Mar 21.</p> <p>10.2. Future key dates in the short-term were highlighted as:</p> <ul style="list-style-type: none"> • Axe Brue Full Board: 01 Feb 21 • Apologies were provided in advance by Mr J Fear and Cllr L Scott. 	

	10.3. There being no other business, Members and Officers were thanked for their attendance, and the meeting was closed at 1230.	
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Annex:

A. Axe Brue F&W Meeting – Table of Outstanding Actions

CHAIRMAN.....DATE

**ANNEX A TO
AXE BRUE F&W COMMITTEE MINUTES
DATED 18 JAN 21**

AXE BRUE F&W MEETING – TABLE OF OUTSTANDING ACTIONS

Action Number:	Action:	Actionee:
AB/20210118/01	To investigate County Court Small Claims with ADA Policy & Finance Committee and report back to the Boards.	Deputy Clerk