

## MINUTES OF THE AXE BRUE FINANCE AND WORKS SUB-COMMITTEE MEETING HELD VIA ZOOM ON 14 JUN 21

<b>Attendance:</b>			
<b>Elected Members:</b> Mr J Fear Mrs P Thorne Mr D Tratt Mr M E Wall Mr M Watts	<b>Appointed Members:</b> Cllr A Gilling Cllr W Human Mr R Keen Cllr A Matthews Cllr L Scott	<b>Officers:</b> Mr R Burge Mrs M Hammond Mrs C-A Morgan Mr I Sturdy Mr M S Wall Mr R King	<b>Public:</b> Mr A Dowden
<b>Apologies:</b>			

<b>Agenda Item:</b>	<b>Detail:</b>	<b>Action:</b>
1. Attendance and Apologies	<p>1.1. Apologies as per the above Attendance List.</p> <p>1.2. The Clerk opened this item commenting that there was a requirement to elect a Chairman for the Meeting. With no offers forthcoming, the Clerk sought confirmation from Members that they were content for Cllr Gilling to lead proceedings in this matter.</p> <p>1.3. Nominations were presented as:</p> <ul style="list-style-type: none"> <li>• Cllr Gilling, Proposed by Jeff Fear</li> </ul> <p>1.4. With no other nomination received, Cllr Gilling was elected as the Chairman of the Axe Brue Board Finance &amp; Works Committee for this Meeting.</p>	
2. Items Additional to the Agenda	2.1. No additional items requested.	

<p>3. Declarations of Interest</p>	<p>3.1. Mr Watts specifically commented that he currently supplied a number of Contractors with building materials.</p> <p>3.2. Mr Tratt commented that he had a local connection to Bleadon Sluice.</p> <p>3.3. Cllr A Gilling declared a personal interest in all matters pertaining to Ashford Solicitors.</p>	
<p>4. Approval of Minutes</p>	<p>4.1. The Minutes of the Finance &amp; Works Sub-Committee Meeting of 22 Mar 21 were accepted unanimously as a true and accurate reflection of the Meeting.</p>	
<p>5. Matters Arising</p>	<p>5.1. Item 8.4. of the previous Minutes; Mr Tratt commented that the request for the Board to undertake Land Registry searches for land owners either side of Bleadon Sluice was to ascertain if any easements were in place.</p> <p><b>New Action: 20210614-01: The Clerk to undertake a Land Registry search for Landowners either side of Bleadon Sluice to ascertain if there were any easements in place.</b></p> <p>5.2. Mr Watts questioned if the Investment T&amp;F Group had been amended following the last Meeting. The Clerk reported that Membership had been updated as shown below and a pen-amendment included in the original Minutes for records purposes:</p> <ul style="list-style-type: none"> <li>• Cllr W Human</li> <li>• Mr M Watts</li> <li>• Cllr M Murphy</li> </ul> <p><u>Review of Actions</u></p> <p><b>5.3. Action AB/20210118/01: (Deputy Clerk to investigate County Court Small Claims with ADA Policy &amp; Finance Committee and report back to the Boards.);</b> The Clerk reported that</p>	<p><b>New Action 20210614-01: Clerk</b></p>

	<p>the ADA Policy &amp; Finance Group would be held 15 Jun 21, therefore this Action was on-going.</p> <p>5.4. Mr Watts questioned the outstanding Rate Balance at the previous Minutes and those of the submitted Accounts with the Calling Notice had differing amounts. Director of Finance (Dir Fin) advised that the Financial Accounts include Rate accounts in debt and credit as separate figures where the Minutes report the net outstanding accounts i.e. not including court costs.</p>	<p><b>Action</b> <b>AB/20210118/01:</b> <b>On-going</b></p>
<p>6. Finance</p>	<p><u>Quarterly Reconciliation of Bank Statements</u></p> <p>6.1. Dir Fin, as the Responsible Finance Officer (RFO), reported that a full bank reconciliation by Officers had been completed. However, due to the ongoing Covid-19 situation, the internal reconciliation by Cllr Human had been delayed.</p> <p><u>End of Year 2020/2021</u></p> <p>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:</p> <ul style="list-style-type: none"> <li>• Year-End SDBC surplus had been divided between Axe Brue, Parrett and North Somerset Levels in accordance with the Consortium Agreement share to enable a zero balance; Axe Brue £29k.</li> <li>• Expenditure variance was primarily due to vacancies in SDBC Staffing.</li> <li>• I&amp;E Report and Notes to Accounts were accepted 'as read'.</li> </ul> <p>6.3. <u>Axe Brue IDB Accounts:</u> The RFO provided an overview of the Balance Sheet with the following points of note:</p> <ul style="list-style-type: none"> <li>• I&amp;E Report: surplus £176k.</li> <li>• Income variance due to rechargeable works, legal fees recovered, land</li> </ul>	

	<p>drainage contributions and SDBC income.</p> <ul style="list-style-type: none"> <li>• Positive Expenditure variance due to out-sourced maintenance, reduced plant &amp; machinery costs, reduced overheads and Board schemes with funds raised in previous years.</li> <li>• I&amp;E Report and Notes to Accounts were accepted 'as read'.</li> </ul> <p>6.4. <u>Section 1 Annual Governance Statements 2020/21</u>: The Committee acknowledged their responsibility for ensuring that there was a sound system of internal controls in-place, including arrangements for the preparation of the Accounting Statements and answered 'Yes' to the eight Accounting Statements at Section 1 of the AGAR.</p> <p>6.5. It was recommended that the Axe Brue Full Board at its Meeting to be held on 21 Jun 21, endorse approval of the eight Accountability Statements within Section 1 of the Annual Governance Statement 2020/21.</p> <p>6.6. <u>Section 2 Accounting Statements</u>: The RFO provided an overview of the Annual Governance and Accountability Return 2020/21 to ensure Member understanding.</p> <p>6.7. The RFO explained in detail the variances of the current and previous years' Section 2 figures.</p> <p>6.8. It was recommended that the Axe Brue Full Board at its Meeting to be held on 21 Jun 21, endorse approval of Section 2 of the Annual Governance Statement 2020/21.</p> <p>6.9. <u>Board Reserves</u>: The RFO provided an overview of Board Reserves in each section:</p>	
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	<ul style="list-style-type: none"> <li>• Specific Reserves</li> <li>• Commuted Sums</li> <li>• Bradbury House</li> <li>• Works Reserve</li> <li>• Non ring-fenced Reserves</li> </ul> <p>6.10. The Deputy Clerk provided an overview of outstanding Rates to-date:</p> <ul style="list-style-type: none"> <li>• £58,563.73 outstanding, being 25.8% of total Drainage Rate demands.</li> <li>• £1,282.35 from 2020/2021 still being enforced by Bailiffs (included in total outstanding Drainage Rates).</li> </ul>	
<p>7. Operations &amp; Engineering</p>	<p><u>Annual In-Year Maintenance &amp; Engineering Project update</u></p> <p>7.1. Mr M Wall, Contracts Manager, provided an overview of Maintenance with the following points of note:</p> <ul style="list-style-type: none"> <li>• Minor amendments had been made to Maintenance contracts to enable works in single areas to be competed together.</li> <li>• SSSi areas had an earlier contracted end date to ensure the Board did not breach their environmental duties.</li> <li>• Pre-Commencement Meetings had taken place and all Contractors were satisfied with the Contract details.</li> </ul> <p>7.2. Following a question from Mr Watts regarding the end-of-year Maintenance underspend, Mr Wall reported that some works had not been necessary, such as 3<sup>rd</sup> cuts and funds covering unexpected non-routine maintenance had not been required. He also stated that there had been a reduction in Culvert Pipe contributions to Land Drainage Consent applications.</p>	

	<p>7.3. The Clerk reported that Ring-fenced Reserves (such as Commuted Sums) should not be used to fund emergent in-year works, reminding Members that these sums were for specific identified and agreed works and that Free Reserves should be sufficient to cover all Risks on the Risk Register should they materialise, including unforeseen overspends.</p> <p>7.4. Mr I Sturdy, Director of Operations (Dir Ops) provided an overview of Engineering with the following points of note:</p> <ul style="list-style-type: none"> <li>• 3-Year Works Programme was demanding but achievable.</li> <li>• Some Projects with funds raised in previous years but not yet delivered were still awaiting EA approval. He further reported a Meeting with the EA was due to be held in the near future.</li> </ul> <p>7.5. Following a question from Cllr Scott, Dir Ops believed that there was no concern for the capability or capacity of Contractors to undertake works. He reported that the majority of Contract work had been awarded, and other works tenders were being developed.</p> <p>7.6. The Operations &amp; Engineering Report was accepted 'as read'.</p>	
<p>8. Strategic Review Update</p>	<p>8.1. The Clerk re-iterated that the Maintenance contracts had now been awarded for all Axe Brue areas.</p> <p><u>Disposal of Axe Brue Plant &amp; Machinery</u></p> <p>8.2. The Clerk reported that, as of Apr 21, the Massey Ferguson tractor now remained surplus to requirements, and that the Committee be requested to review options for sale or disposal as agreed at the Strategic Review of Plant, Machinery &amp; Manpower.</p>	

	<p>Mr M Wall (Contracts Manager) reported that some Contractors had expressed an interest in the machinery and equipment.</p> <p>8.3. Mr Fear proposed, seconded by Mr Watts <b>“to defer the disposal of the Axe Brue Plant &amp; Machinery for 6 months to enable confidence in Contractor capability.”</b></p> <p>Vote: unanimous</p> <p><u>Storage Yard Capability</u></p> <p>8.4. The Clerk reported that he and the Deputy Clerk were working on a Board Paper with Options to inform Board discussion in due course on the consolidation and rationalisation of Storage Yard capability moving forward based on no Plant &amp; Machinery holding across all Boards and a common-shared workforce under the SDBC.</p>	<b>RESOLUTION 1</b>
<p>9. Any Other Business</p>	<p>9.1. No 'Any Other Business; items were raised.</p>	
<p>10. Date of Next Meeting</p>	<p>10.1. The Date of the next Finance &amp; Works meeting was reported as being 04 Oct 21.</p> <p>10.2. Future key dates in the short-term were highlighted as:</p> <ul style="list-style-type: none"> <li>• Axe Brue Full Board: 21 Jun 21</li> </ul> <p>10.3. Members and Officers were thanked for their attendance, and the meeting was closed at 1135.</p>	

Annex:

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

CHAIRMAN.....DATE .....

**ANNEX A TO  
AXE BRUE F&W COMMITTEE MINUTES  
DATED 14 JUN 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
AB/20210614/01	To undertake a Land Registry search for Landowners either side of Bleadon Sluice to ascertain if there were any easements in-place.	Clerk