

MINUTES OF THE AXE BRUE FINANCE AND WORKS SUB-COMMITTEE MEETING HELD AT BRADBURY HOUSE ON 3 JUNE 2024

Attendance:			
Elected Members: Mr A Gilling (C) Mr D Tratt	Appointed Members: Mr C Riches Cllr Jon Cousins	Officers: Mr I Sturdy Mrs M Hammond Miss N Cornish	Public:
Apologies:			
Mr J Fear Mr M Watts	Cllr R Keen		
Non-Attendance:			
Nick Cottle Mrs L Scott			

Agenda Item:	Detail:	Action:
1. Attendance and Apologies	1.1. Apologies as per the above Attendance List.	
2. Items Additional to the Agenda	2.1. No additional items requested.	
3. Declarations of Interest	3.1. None made.	
4. Approval of Minutes and Review of Actions	<p>4.1 Mr C Riches (CR) mentioned that his name was spelt incorrectly under Resolution 4 in the minutes. The Chair noted this and they will be amended accordingly.</p> <p>4.2. As the meeting was not quorate members voted <i>'To recommend the approval of the minutes as true and accurate at the next F&W Committee meeting'</i> Prop : Mr C Riches Sec: Cllr Jon Cousins All in Favour</p>	RESOLUTION 1

	<p>4.3 The Committee reviewed the outstanding actions from the previous meeting.</p> <p>AB/20230116-01 – Maggie Hammond (MH) updated the members and said that after holding a meeting she had made some amendments to the policy which she sent to IDS. She is waiting for this to be reviewed and then she will reconvene the investment committee with a view to the proposing that to Full Board.</p> <p>AB/20210614-01 – MH said it is hard to get to speak with anyone directly from the Courts. MH is proposing instead she speaks with someone in Somerset Council Council Tax Dept to find out how they do this.</p> <p>David Tratt (DT) asked has there been no positive feedback from ADA? MH said that ADA referred this back to us contacting our Court for information.</p> <p>AB/20230612-01 – MH checked and has made the correction.</p> <p>AB/20230612-02 – MH said she hasn't yet investigated this, but if the Board wanted to increase the chairman's allowance, this would need DEFRA's approval. IDS suggested we do a comparison of Chairmen and women across the country.</p> <p>Cllr Jon Cousins (JC) asked if this is money like County Councillors would receive or is it amount of money for being in their role. MH confirmed the latter.</p>	<p>AB/20230116-01 – Ongoing</p> <p>AB/20210614-01 - Ongoing</p> <p>AB/20230612-01 – Closed</p> <p>AB/20230612-02 - Ongoing</p>
5. Matters Arising	None.	
6. Finance Report	<p>6.1 MH referred members to the Finance Report and included enclosures.</p> <p>6.2 MH confirmed that all bank accounts have been reconciled at the end of April and are all ok.</p>	

	<p>6.3 MH stated the Axe Brue Board have a Surplus of £264k. Appendix B shows how the surplus has been made. Income overachieved of £38k , largely down to interest rates. Expenditure underspend of £237k this included maintenance underspend and a share of the SDBC surplus and other items listed within the document.</p> <p>CR asked if the vehicles were an underspend or overspend, MH confirmed they were an overspend and said she would amend the error on the report that didn't show this accurately, in time for the FB meeting.</p> <p>DT asked about the bank interest. MH said the deposit account is giving 1.7% and that it will fluctuate. MH said the main amount of money will be in the deposit account to earn interest and she tries to keep a minimum amount in the current account.</p> <p>C Riches asked about the staff vacancies. Have the vacancies been replaced with Calm Engineering? This will show as an overspend on professional fees and will remain an underspend on staff vacancies so it balances out. Vacancies are still active. IDS confirmed Calm were doing well work wise but have been stretched.</p> <p>6.4 MH talked about the reserves position; the surplus increases the reserves. The reserve policy is to have £750k free reserves and the reserve position is just over £1 million, therefore MH recommended that the board use the amount in excess of £750k for one off spend/projects. MH suggested that this was discussed further in October 2024 ahead of budget setting. In January, there were discussions in the Full Board meeting of setting up new reserves, 1 for a new boiler and for Matthew Wall works – these can be seen on the report. Overall, MH said that the reserve position is healthy.</p> <p>6.5 MH drew the members attention to the outstanding rate payment section of the report. The figures show that some of the outstanding rates from previous years have been recovered. MH thanked Nicky Cornish and the wider team</p>	
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	<p>for their hard work in making this happen. The Chair also thanked Nicky Cornish for all her hard work.</p> <p>6.6 MH spoke about the Audit report. External Auditors have looked at our finance information and processes. MH was pleased to report the Auditors have given the highest assurance they can give. They had only three action points and those were:</p> <ul style="list-style-type: none">• Some policies and procedures are out of date.• The Auditor didn't like our Debtor report system, however there will be a new ratings system in April 2025 so hopefully we will have better reports in place by then.• The final action point was regarding our debt recovery process. We have good processes in place for Drainage rates but not for items such as other invoices. MH will write a policy and process for this. <p>That report then helps the Board to answer the questions on the AGAR form with regards to governance. The Full Board will need to agree to this, the committee can make the FB aware they that have looked at the reports and are happy it is signed.</p> <p>CR said that he felt that this is a very good report and the fact that the Auditors only noted 3 small action points highlights this and shows that the board can be confident in answering the AGAR questions.</p> <p>DT asked about the new rating system and asked how this would be brought in. MH replied that the current system's platform will no longer be supported which is why we need to look at a new version. ADA will look at the new system and handing it out to drainage boards. MH said she felt the new system needs to be in place before 1st April 2025. It may be initially two systems will run side by side until fully migrated. MH will update further in the next F&W meeting.</p>	
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	<p>6.7 MH discussed the figures in section 2 of the report and clarified what these figures are made up of. MH said the staff costs are a proportion of staff costs from SDBC.</p> <p>JC asked for clarification on the figure in both boxes 2 and 3. MH clarified how both of these figures had been calculated from the I&E account and that box 3 is made up from the total income, less the rates, less the levy, take away the commuted sums, add in the SRA income. JC thanked MH for clarifying this.</p> <p>The return was shared with the Internal Auditor and they have signed this off on their part of the AGAR form.</p> <p>The Chairman thanked MH for her reports.</p> <p>As the Committee was not quorate, they could only tell the FB that they have scrutinised the reports and are happy for them to go to the FB for approval and AGAR sign off.</p> <p>IDS checked the TOR and clarified that the committee couldn't make a resolution and vote but could ensure that the FB were aware the reports had been scrutinised by the Committee who were happy with them.</p> <p>CR asked when the reports are published on the website for the general public. MH said these won't go public until they have been approved by the full board. Members of the public are able to request to view and scrutinise the accounts – however MH said in her time here there have never been any such requests. She added that we also need to ensure that sensitive information is not shared.</p> <p>IDS added that in dealing with Wilkins Chapman LLP recently regarding legal advice he has been told that every organisation will have people that will probe and scrutinise policies and information, this is a fact of life working in public service but we can be confident in our information and financial accounts.</p> <p>JC asked if there would be any merit in reviewing the quorate numbers for this subcommittee?</p>	
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	<p>IDS checked the TOR and said the committee should be made up of 4 to 5 members with the balance in favour of appointed rather than elected. In terms of being quorate, it doesn't state this. IDS said we've chosen this committee structure – however if we feel this isn't working then we could consider changing things. IDS suggested perhaps there needs to be a refresh in the membership of this committee.</p> <p>MH said the issue is members not letting us know in advance of attendance. If we know ahead that we won't be quorate, we can look to change meeting times.</p> <p>CR said that this committee is very important and is beneficial to take time to question and look into figures.</p> <p>JC we must be careful not to re-run this meeting in the FB meeting. If anyone is particularly interested in the details perhaps, they can join the F & W committee.</p> <p>IDS to look into a refresh of membership of this committee</p>	<p>Action: AB/20240603 - IDS</p>
<p>7. Any Other Business</p>	<p>There was no other business.</p>	
<p>8. Date of Next Meeting</p>	<p>10.1. The Date of the next Finance & Works meeting is 21 October 2024.</p> <p>10.2. The meeting was closed at 11.50.</p>	

Annex:

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

CHAIRMAN.....DATE

**ANNEX A TO
AXE BRUE F&W COMMITTEE MINUTES
DATED 3 JUNE 2024**

AXE BRUE F&W MEETING – TABLE OF OUTSTANDING ACTIONS

Action Number:	Action:	Actionee:
AB/20230116-01	Arrange a committee to discuss investments	MH - Ongoing
AB/20210614-01	To investigate County Court Small Claims with ADA Policy & Finance Committee and report back to the Boards.	MH - Ongoing
AB/20230612-02	To investigate Chairman's allowance and look at this in comparison to other Chairmen and women across the other Boards in the country.	MH
AB/20240603-01	To look into refreshing the membership of this Committee.	IDS