



Howden Town Council

Minutes of the Meeting of **Resources and Asset Management Committee** held on Tuesday 12 May 2020 at 7:15 pm via Zoom video call

Present: Councillors R Blee (Chair), H Chiswell, D Patrick, H Roberts, S Smythson, E Ward and H Pears. Cllrs A Morris and R Drury were also present

Apologies: No apologies

Acting Clerk: H Roberts

Min 20-01 Declaration of Interest

20-01.1 No interests were declared on any item on the agenda.

20-01.2 No dispensations were requested or granted.

Min 20-02 Minutes of previous Meeting

The minutes of the 14 January 2020 were approved as a true record.

Min 20-03 Under The Local Audit and Accountability Act 2014 Howden Town Council has to prepare Accounting Statements for the year ended 31 March 2018 and 2019 in the form required by proper practices (the AGAR); to approve and publish the AGAR including the Accounting Statements; to provide for the exercise of public rights of inspection; and to publish the AGAR, including the external auditor's signed report

20-03.1 Financial year 2018/19

20-03.1.1 The Acting Clerk presented a brief resume of why the external auditor had had to issue a Public Interest Report, under Schedule 7 of the Local Audit and Accountability Act 2014 due to the late submission of the 2018/19 AGAR (attachment 1), which was noted and **recommended to Council that both letters from PKF Littlejohn LLP be accepted**.

20-03.1.2 The Acting Clerk also informed members of the actions taken to prepare the 2018/19 AGAR.

20-03.1.3 The Acting Clerk presented the Internal Audit Report for the Year Ending 31 March 2019. The report was accepted and it was **recommended that Council accept the report and implement its recommendations at the earliest opportunity**. See attachment 2

20-03.1.4 The Acting Clerk pointed out that a number of the recommendations had already been implemented prior to the meeting and a number of recommendations would be implemented following Council accepting recommendations from this meeting. Some recommendations from the report would have to wait for the accounting system rialtas being used again and the appointment of a new Clerk. Cllr Patrick offered to draw up an action plan that would be submitted with future internal audits to show progress being made.

20-03.1.5 The Acting Clerk presented the AGAR for 2018/19 which had been completed by the accountant Brian Brooks and inter auditor Richard Dixon on behalf of the council. See attachment 3.

20-03.1.6 The committee completed Section 1 – Annual Governance Statement 2018/19. It was noted that an explanation was required for each 'No' response along with an explanation as to how the authority will address the weaknesses identified, see attachment 3. The content of the AGAR was noted and it was **recommended that Council accept the Annual Governance and Accountability Return 2018/19. It also recommended that the AGAR, Explanation of variances – pro forma, Internal Audit Report for the Year Ending 31 March 2019 and the response to the 'Nos' in Section 1 should be placed on the Council's website as required by The Local Audit and Accountability Act 2014 to provide for the exercise of public rights of inspection before being sent on the external auditor PKF Littlejohn LLP.**

- 20-03.1.7 The Acting Clerk informed members that the external auditor, on receipt of the AGAR for 2018/19, could not respond to it until the Police enquiry into the alleged theft of public finances by the former clerk had been completed.
- 20-03.2 The Acting Clerk informed members that the accountant was putting together the 2019/20 accounts ready for the AGAR 2019/20 and internal audit.
- Min 20-04**
20-04.1 **To review and accept Standing Orders**
The members discussed and made comment on the Standing Orders which had been drawn up from the NALC Model Standing Orders 2018 and our own Standing Orders dated November 2018. See attachment 4.
- 20-04.2 **It was recommended that Council adopt the Standing Orders dated May 2020.**
- Min 20-05**
20-05.1 **To review and accept Financial Regulations**
The members discussed and made comment on the Financial Regulations which had been drawn up from the NALC Model Financial Regulations 2019 and our Financial Regulations dated August 2017. See attachment 5.
- 20-05.2 **It was recommended that Council adopt the Financial Regulations dated May 2020**
- Min 20-06**
20-06.1 **To accept that until the AGAR for 2019/20 has been completed and approved and the formal accounting system, Rialtas, can be used again the financial control will be monthly bank reconciliation, schedule of invoices paid and detailed budget monitoring reports.**
It was recommended that this form of financial control be presented to Council each month due to the coronavirus restrictions and the lack of a formal accounting system. This approach should be reviewed each month.
- Min 20-07**
20-07.1 **To review the Risk Assessment and make recommendations to Council.**
The Acting Clerk present an example of a Financial Risk Assessment based on an ERNLLCA model. It was accepted that it needed developing and presenting at the next RAM meeting. See attachment 6.
- 20-07.2 **It was recommended to Council to accept the Financial Risk Assessment presented and that it should be reviewed on a regular basis.**
- Min 20-08**
20-08.1 **To review the annual budget and make recommendations to Council**
The Acting Clerk presented the budget with all income and expenditure entries, at the time of being sent out.
- 20-08.2 **It was recommended that the budget should be reviewed at the next meeting of RAM and any adjustment to budget heading required should be recommended to Council**
- Min 20-09**
20-09.1 **To review the Asset Register and accept**
The Acting Clerk informed members that the Asset Register needed working on as the former clerk had adopted two different entry systems, had failed to remove items that had been disposed of, had failed to enter items purchased and had entered figures incorrectly.
- 20-09.2 **It was recommended that the Acting Clerk and Acting RFO should update the Asset Register and present it the next meeting of RAM.**
- Min 20-10**
20-10.1 **To review the annual insurance cover**
The Acting Clerk informed members that the insurance brokers WPS, who we use to advise on insurance cover had recently sent out the Pre-Renewal Review, which they had pre populated based on last year's figures. A number of amendments were suggested. See attachment 7.
- 20-10.2 **It was recommended that Council accept the Pre-Renewal Review for insurance cover along with the amendments made.**
- Min 20-11**
20-11.1 **To approve the schedule of payment of the annual grants**
The schedule of grant payments, see attachment 8, was presented to members and the Acting Clerk pointed out that the internal auditor had highlighted that the offer of a grant under section 137 of the 1972 Local Government Act to the Howden Minster PCC for the lighting of the Minster tower could no longer happen as section 8 of the 1894 Local Government Act prohibits a Parish Council from incurring expenditure on "property relating to the affairs of the church or held for an ecclesiastical charity". It is NALC's view that this prohibition still applies and is not overridden by the general provisions of section 137 of the 1972 Local Government Act. Section 137 expressly provides that expenditure cannot be incurred for purposes which are subject to a statutory prohibition, restriction or limitation and cannot, therefore, be used for the maintenance or upkeep of property or land owned by the church.
- 20-11.2 The Acting Clerk took advice from ERNLLCA who said that the activity could be funded under the Parish Council Act 1957 s2.
- 20-11.3 **It was agreed to recommend to Council that it agrees to fund the flood lighting of Howden Minster Tower, to the value of £600 under the Parish Council Act 1957 s2.**

- 20-11.4 The lighting of the Minster Tower now becomes a heading under the Maintenance section of the budget
- 20-11.5 **It was agreed to recommend to Council that all of the grants offered for 2020/21 should be honored in full, subject to any conditions imposed at the time of offer.**

Min 20-12 **Date of next meeting**
The next meeting will be held on 9 June 2020.

The meeting closed at 9:10 pm.