

STRATFORD-UPON-AVON TOWN COUNCIL

Finance and Audit Committee

4 June 2024

6:30pm to 8:00pm

Minutes

Present Councillors:

Smith (Chairman) Alcock
Vos

Clerk: Responsible Financial Officer
Press: None
Public: None

1. To Appoint a Chairman and Vice Chairman for the ensuing year 2024-25

- 1.1. Nominations were called for the appointment of Chairman, and Councillor Louisa Smith was nominated.

It was Proposed, Seconded and unanimously.

RESOLVED: That Councillor Louisa Smith be appointed as Chairman of the Finance & Audit Committee for the ensuing year 2024/25.

- 1.2. Nominations were then called for the appointment of Vice Chairman.

Councillor Alcock was nominated, and it was Proposed, Seconded and unanimously

RESOLVED: That Councillor Victoria Alcock be appointed as Vice Chairman of the Finance & Audit Committee for the ensuing year 2024/25.

2. Apologies for Absence

Apologies were received from Councillor Fojtik, Councillor J Fradgley and Councillor Lee and accepted for the reasons given. The Committee would like to pass their congratulations to Councillor Lee.

3. Declarations of Interest

There were no declarations of interest.

4. To receive written requests for dispensation for disclosable pecuniary interests

There were no written or verbal requests for dispensations.

5. Public Participation

There were no members of the public present.

6. To approve the draft open Minutes of the Finance & Audit Committee held on 5 March 2024

It was Proposed, Seconded and unanimously

RESOLVED:

That the draft Open Minutes of the Finance & Audit Committee Meeting held on 5 March 2024 be approved as a correct record.

7. To approve the draft open Minutes of the Asset Register Review Working Group held on 11 March 2024

In the absence of members of the Asset Register Review Group (ARRG) at the meeting, it was felt that this should be approved by the Chair of the Group. The Committee were happy to approve these on the understanding that the minutes had been seen by the previous chair, and were accepted unless the Committee hears otherwise.

It was Proposed, Seconded and unanimously

RESOLVED:

That the draft Open Minutes of the Asset Register Review Group Meeting held on

11 March 2024 be approved as a correct record, unless the Chair of the ARRG advises otherwise.

8. To appoint a Chairman and Vice Chairman to the Asset Register Review Working Group.

The Committee was of the view that this could be agreed at the next Asset Register Review Group meeting.

9. To appoint one member as liaison with the Climate Change Group (previously the ESP).

Councillor Jenny Fradgely was nominated as liaison but was not in attendance at the meeting.

It was Proposed, Seconded and unanimously

RESOLVED:

That Councillor Jenny Fradgely be appointed as liaison between the Finance and Audit Committee and the Climate Change Group, but to be confirmed on her return.

10. Town Clerk's Open Report
Open Report Pages 1-4 Appendices 'A-D'

10.1. To receive the Management Accounts for the period 1 April 2023 – 31 March 2024 (before final Year End adjustments)

Members were advised that due to the last minute changes in the Financial Statements there may be some amendments to the Management Accounts. As they were received just before the meeting the RFO had not had time to check this, but will do so and advise of any revisions.

Members noted the report.

10.2. To receive the Management Accounts for the period 1 April 2024 – 31 May 2024

Members were reminded that Management Accounts are not published for April due to the year-end process, and it was too early in June to be able to produce May's Management Accounts. Members discussed that as this was the case each year, perhaps a record could be made to avoid needing to put this item on the agenda.

Scheduling of Committee meeting dates ahead of the AGAR deadline were also discussed, with a view to considering making the Finance & Audit Committee meeting and Town Council meeting slightly later in June to allow more time to complete paperwork and the internal audit.

10.3. To review and approve adjustments to Designated Reserves

Members were advised that the Community Infrastructure Levy (CIL) Reserve Figure from the report that had been queried by the RFO with the accountants had been confirmed as incorrect. The accountants corrected this and a revised Financial Statement was released shortly before the meeting. Members were advised that the CIL designated reserve stands at £127,921. The others remain unchanged. This leaves a total balance of £292,151.

Discussion ensued on the general reserve which has risen by just over £26,000 to £166,301. While this has increased it remains below the level of 25% of NET budgeted expenditure and members discussed the transfer of funds from some of the non-protected designated reserves. It was proposed to discuss this further later in the year, once some investigation has been undertaken, particularly around Old Drayton.

The use of CIL funds was also discussed, and it was confirmed that CIL monies can be used for street furniture such as dog bins. The guidance on CIL is "...the provision, improvement, replacement, operation or maintenance of infrastructure; or Anything else that is concerned with addressing the demands that development places on an area"

Lastly, it was confirmed that money has been allocated in the 2024-25 budget for Official Mourning, the balance of which will go into its own designated reserve at year end.

It was Proposed, Seconded and unanimously

RESOLVED: That the designated reserve adjustments identified during the 2023/24 year-end process are approved.

10.4. To review and recommend the Financial Statements (Annual Accounts) for 2023/24

As per the report, Members were advised that as part of the review meeting with the Town Council's Accountants, the RFO raised whether Community Infrastructure Levy (CIL) could be represented differently as the current method artificially impacts the Town Council's NET surplus / deficit at year end. The internal auditor agreed it would be more correct for these funds to go directly to/from the designated reserve, which was then agreed with the accountants. Due to this change, some comparative figures in the Financial Statements for 2022-23 had to be re-stated for accurate comparison. As mentioned above, there was then an error in the CIL designated reserve which as corrected by the accountants shortly before the meeting and members issued with a revised set of Financial Statements for the year 2023/24. This change also impacted other figures in the report published for this meeting. As this was so soon before the meeting the RFO had not been able to go through the report to hi-light the changes but will issue these to Councillors if required.

Members were advised that there is a small surplus for the year of £11,926 compared to £21,287 in the pre-adjustment management accounts and the annual budgeted net deficit of £79,945.

Members wanted to minute their thanks to the RFO for the amount of work put in to the Financial Accounts and AGAR. It was also **PROPOSED** that the contract for the Town Council's Accounts be put to tender every 4 years due to its value. Councillor Smith will draft a scope document, and this will be picked up as part of the wider approved supplier process.

It was Proposed, Seconded and unanimously

RECOMMENDED: That the Financial Statements for 2023/24 be recommended to Council for approval.

- 10.5. To review and recommend the Annual Governance and Accountability Return (AGAR) for 2023/24 and consider any points raised in the internal audit report

Members were talked through the AGAR submission and the Internal Auditor's report which had been received hours before the meeting and distributed.

The RFO was pleased to announce that the Town Council has successfully passed the internal audit, carried out by HL Barnes, and which is required as part of the AGAR submission. The report confirmed there are no issues or items that have been identified which require further information.

The letter accompanying their report acknowledged that much work has been undertaken on the Council's Asset Register, and while the Asset Register Review Group is actively working on updating the register it remains incomplete at this time. It also acknowledged the work completed on the Risk Register which still requires approval by the Finance & Audit Committee.

At the last Finance & Audit Committee meeting in March it was agreed to set up a Task and Finish Group to finalise the Risk Register. It was subsequently **AGREED** at this meeting (04/06/2024) that the Risk Register instead be recirculated to Councillors and reviewed at the next Finance & Audit Committee meeting in September.

It was Proposed, Seconded and unanimously

RECOMMENDED: That the Annual Governance and Accountability Return (AGAR), which includes the Annual Internal Audit Report, Annual Governance Statement and Accounting Statements for the year 2023/24, be approved by Council.

In line with official guidance, the documents should be formally and individually approved by Council in the following order:

- 1) Section 1 – Annual Governance Statement 2023/24
- 2) Section 2 – Accounting Statements 2023/24

11. Responsible Financial Officer’s Verbal Report

For information only

The RFO provided an update on the card payment machine. Two companies have not replied and so the RFO will provide a report to Councillors at the next meeting to agree between the companies who did supply information.

12. Town Clerk’s Verbal Report

For information only

There were no verbal updates from the Town Clerk.

13. Items For Information Only / Future Agendas

For information only

This is a new addition and requested by Councillors.

Councillors agreed that the funding provided for the free entertainment at the Stratford Pursuits festival was a success, and the event was well received by all. Future partnerships are being investigated.

There was some discussion around the use of Chairman / Vice Chairman in documents be changed to Chair / Vice Chair. It was suggested that this be put forward at the next Town Council Meeting.

14. Date of Next Meeting

The next meeting is on 3 September 2024 at 6:30pm at the Town Hall.

The Chairman declared the meeting closed at 8:00pm.

Chairman: