

Minutes of the Finance & Governance Meeting
held on Thursday, 28th November 2019 at 7.15pm
at the Boardroom, 16 – 18 Mary Street, Porthcawl

Present: Cllrs M Clarke, N Clarke, T Hill, G Walter, B Lewis, R Smith and A Harris
Clerk: Mrs A Thomas

1. **Apologies for absence**

None.

2. **Declarations of Interest**

None.

3. **To approve item Monthly Accounts July, August, September 2019**

Members discussed the total cost of running John Street Toilets, including water rates and non-domestic rates and were disappointed to see the total was in excess of £40,000 for 12 months. Members expressed their disappointment and considered that this cost could have been reduced if quicker progress has been made in concluding that the Town Council were going to CAT the toilets over to the Town Council.

Members queried why the Fees budget had been over spent. The Clerk advised this was due to the unforeseen costs contracting with an accountant to carry out the RFO role in the interim period before recruitment of a new Clerk & RFO.

Following discussion

Resolved to recommend: To approve the Monthly Accounts for July, August, and September 2019

4. **To consider item Report of the External Auditor and determine any appropriate action**

The Clerk firstly informed Members that this item would usually have been dealt with in September/October however the external auditor had sent the original report and annual return to the wrong postal address so this delayed the Council receiving it.

Members thanked the Clerk for assisting the Town Council achieve another unqualified good auditors report.

Members noted that three items had been raised by the external auditor. These referred to an empty box in the annual return, terms of reference relating to one committee and also the Clerk had not countersigned the documents as true copies of the originals. The Clerk advised that there had been admin errors and had been remedied as appropriate. Terms of reference were now in place for all committees.

Resolved to recommend: To note the report for information and approve the action taken by the Clerk

5. To consider item annual approval of Standing Orders and Direct Debits on Town Council accounts

Members were provided with a list of current standing orders and direct debits on the Town Council accounts. The Clerk advised that these need to be approved every two years.

Resolved to recommend: To approve list of standing orders and direct debits on Town Council accounts

6. To review item Internal Auditor for the Year End 31st March 2020

Members were advised that if item 7 was approved, then the current Internal Auditor would have a conflict of interest and would not be able to undertake the internal audit for the y/e 31st March 2020.

Members acknowledged that item 7 was likely to be approved as the RFO element of the role would not be undertaken by the Interim Clerk. The Clerk suggested that contact was made with other Town and Community Council's within the Borough to determine who they use and seek appropriate quotations for the next F&G Meeting.

7. To approve item preparation of accounts and financial compliance in line with statutory requirements at a cost of £3894.00

Members were advised that this cost included setting up an electronic accounting system, the preparation of the monthly accounts, and the preparation of the annual accounts for the y/e 31st March 2019. It would also include the payment of invoices once electronic banking set up had been completed and monitoring of compliance with the financial procedures.

Resolved to recommend: To approve cost of accounting work at £3894.00

8. To note for information guidance on s.137 LGA 1972

The Clerk outlined the important aspect of s.137 and advised Members that it had a financial limit. Expenditure using s.137 needs to be recorded in the accounts separately so that the limit can clearly be monitored. Members noted that this power could only be used if there was no other power available and that it did not negate a prohibition.

Members thanked the Clerk for the information and clarification of its use.

9. **To consider item new Model Financial Regulations — Clerk to outline three changes made and effect on Porthcawl Town Council regulations**

The Clerk outlined the three changes to the model financial regulations and advised that at present none of the changes had any material impact on Council's financial transactions/considerations at this time.

Resolved to recommend: The Clerk to make the three changes to the Financial Regulations to ensure compliance

10. **To consider Item compliance with s.6 Environment (Wales) Act 2016**

Members noted that a report would need to be prepared before the end of the calendar year to show how the Town Council complies with s.6 of the Environment (Wales) Act 2016.

Cllrs R Smith and M Clarke agreed to prepare the appropriate report and present to Council once complete.

11. **To consider item VAT — Clerk to outline guidance obtained**

The Clerk advised that she had appointed a VAT consultant to offer some advice on this item, to ensure that the Town Council was currently compliant, given the number of items/recent decisions of Council that could affect the Town Council's VAT position.

Members were advised of the position relating to public conveniences, doggy bags, the sale of the van and grant funding.

Members thanked the Clerk for the advice and agreed that moving forward doggy bags would not be sold from the Town Council office but would be given away free of charge.

12. **Clerk's Report**

The Clerk advised that a recent spot check on the petty cash had outlined no problems.

There had also been a spot check carried out on the accounts and whilst once invoice had not been signed by the Mayor, given the nature of where it was located in the file this was likely a paper error and did not raise any issues of concern. All other items were compliant with the financial procedures.

The meeting concluded at 8.00pm.