

TREDEGAR TOWN COUNCIL

**Minutes of the Ordinary Meeting of Council held remotely via Microsoft Teams
on Thursday, 25th June, 2020 at 9.15 a.m.**

Present: Councillors E. Jones (Chair)
D. Jones
A.E. Tippings
K. Phillips
S. Rees
J. Thomas
H. Trollope
S. Trollope
M. Turner
G. Walters

In attendance: Clerk – Ms. C. Price
RFO – Ms. A. Edwards

By invitation: Internal Auditor, Mr. S. Bees

004) Apologies. Councillors T. Smith, G. James, A. Jones, P. Prosser,
D. Rowberry and B. Willis

005) Declarations of Interest

The Chair reminded Members to make their declarations as and when necessary.

006) To consider the exclusion of the Press and public by virtue of the matters to be discussed under the provisions of the LGA 1972, Schedule 12A

Moved, the meeting was closed to the public.

007) Accounts: to ratify Schedule of Payments – April to June 2020

The RFO spoke to the report and outlined the expenditure for each month, April to June 2020, circulated to all Members prior to the meeting and a response provided individually to any queries raised.

No refusal to approve any of the payments requested had been received and the RFO therefore asked that Council ratify the Payment schedules for April to June (inclusive).

Members of Council therefore ratified the payments and approved the expenditure accordingly.

There being no further queries regarding the Schedule of Accounts, all presented items were

approved for payment accordingly. Transfer of funds had been completed for the months April to June inclusive in the presence of the Town Clerk, adhering to social distancing rules, and the Leader via use of video calls.

008) To receive Bank Reconciliations to date (confirmation, sight on request, to RFO)

The RFO confirmed that bank reconciliations, completed since the last meeting in March to date, were available for Members to view upon request, which was noted accordingly.

009) To receive Budget against Actual 31st March, 2020

The RFO spoke to the report, highlighting budget underspends exceeding 50% and three overspends identified, which had been approved by the Senior Four for virements prior to 31st March, 2020. The RFO apologised for the omission of the third virement, as stated in the report.

- Members' Questions / Feedback:

Trees at Allotment sites - was Council responsible for the maintenance of trees on all allotment sites? Yes, within the boundary of each site.

If so, was there a works programme in place for other sites to allow for budgetary requirements? No, BGCBC advice was to carry out assessments on a five / seven-year cycle; one site had just been completed, the trees being pollarded.

Queried the format of the Aneurin Leisure grant for this year: the RFO confirmed 2020 / 2021 was available on a 'first come, first served' basis to any Tredegar-based Aneurin Leisure site, not solely Bedwellty House and Parc Bryn Bach.

Members of Council thereupon ratified the virements and approved the report in respect of the Budget against Actual 31st March, 2020 accordingly.

A Member congratulated Council and Officers for maintaining such a tight budget, as she was sure Council would certainly hear from the Internal Auditor of the serious work to be done over the next six months.

010) To consider Revised Reserves as at 31st March, 2020

The RFO spoke to the report, highlighting that options for amendments to the Revised Reserves were included within.

- Members' Questions / Feedback:

A Member agreed with the breakdown of the Actual reserve, due to the current situation, but would like to convene a meeting of the Working Group as soon as possible, after lockdown.

Accommodation Costs: Asked if any Borough Members were aware of an update relating to potential office space costs for Council at Bedwellty House. In respect of accommodation costs allocated within the Reserves, no update had been received in respect of Bedwellty House. A Member, undertaking a dual elected role, confirmed there was no feedback from the Local Authority as no meetings had been held.

Queried why sums were set aside for the Allotments and toilets: the RFO explained this was for emergency remedial works at the allotments and to enable toilet provision to continue (future planning).

Members of Council accepted to move forward at present as reported, but with a view to revisiting the current budget for savings, and seek potential grants (once Covid-19 changes were made by grant providers), as appropriate. Further work would be undertaken, following a meeting with the Internal Auditor, with a need to review budget reserves, spend and Revised Reserves.

Council accepted the amendments, as detailed within the Revised Reserves as at 31st March, 2020, and approved the report accordingly.

011) To receive / accept Asset Register as at 31st March, 2020

The RFO spoke to the report, highlighting that currently the format would not meet the criteria of Good Practice given in the Practitioner Guide 2019: it would prove difficult and time-consuming to meet all the requirements, but this was an ongoing matter that would be progressed.

- **Members' Questions / Feedback:**

Can I please ask why we do not have depreciation of assets or is this purely for insurance purposes for replacement – as, if the latter, how do we arrive at these figures? The RFO referred to Governance & Accountability 2019 page 100 19.10. Figures were longstanding, historical cost / proxy valuation and recent additions had been recorded at cost.

Also, would question why road signs would be classed as an asset? In accordance with Governance & Accountability 2019 page 98, Proper accounting practices point 1; also, page 99 point 19.1.

Other memorabilia and gifts - do we have a list and how are they valued? There was an inventory list and valuations of these items had been stated prior to the RFO commencing employment with Town Council; therefore the Officer assumed that, for some items, it would have been possible to obtain a proper valuation at the time but others may be proxy, as there were items held with their historical value being irreplaceable and, therefore, difficult to set a monetary value on.

Members thereupon raised the following matters in respect of the Town Council's assets:

- Street furniture: the wooden bench sited by St. George's Court was in need of remedial works, would Council investigate and undertake necessary improvements.
- Lock-up storage – people had been using the lock-up as a shelter to sleep, all items had been contaminated and needed to be removed and salvageable items cleaned, i.e. portable speakers, steps, etc.
- A Member said that Council should be mindful of risks, in respect of historic assets and those with no further value, expressing concern regarding the amount.
- RFO clarified that commemorative plates were not classed as an asset, as purchased to present as gifts; and, items were written off and replaced, as appropriate, and the Asset Register updated accordingly, i.e. items brought in at cost and items replaced / removed.
- This could be an ideal time for Council to review the Asset Register, however the RFO highlighted this would be a lengthy process should an external party come in to value items. The Officer also advised that a sudden decrease in an Asset Register would be identified by WAO for scrutiny and town councils should do their best to come in line with Governance and Accountability.

Council thereupon approved the Asset Register provided.

012) To receive: report of the Internal Auditor

The Chair extended a welcome to the Internal Auditor, who was in attendance to present his report for the Internal Audit for the year.

The Internal Auditor thereupon spoke to the report, explaining the purpose of the audit was to review the financial propriety and governance arrangements of the Town Council in accordance with proper practices, as set out in the latest version of the One Voice Wales / SLCC "Governance and accountability for local councils in Wales – A Practitioner's Guide 2019". The Internal Audit had been deemed satisfactory in all significant respects, which was positive.

He thereupon highlighted the following, outlined in the report and the Appendix 'Control Objectives and audit findings', confirming he would be pleased to respond to questions at any stage.

- Council had to approve its Annual Return for 2019 / 2020 in a manner that complied with relevant legislation. Current required practical arrangements due to Covid could present significant difficulties and had yet to be concluded. However Members would still be required to provide assurances to address any risks identified in the report.
A Member totally agreed that Council had to support this approach, in principle, and remain flexible during these difficult times. Council had to show willing to undertake the process to develop a more sustainable medium-term financial plan and evidence a plan of action to be taken over the next few years. It was recognised that town councils could only rely on General Reserves for a limited period.
The Internal Auditor had provided a comprehensive report to Tredegar Town Council some months ago and this could help initiate the process.
- It was important that the Council should remain cautious in determining decisions under delegated powers.
- Referring to the 1894 Local Government Act (grant application for churches and chapels); it was acknowledged that the Council had a duty to ascertain how the community would benefit from use of the building.
- The full recommendations of the Internal Auditor were outlined within section 3 of the report.

The Internal Auditor thereupon outlined his conclusions in respect of the statutory Internal Audit Report and the requirements thereof. The Internal Auditor expressed his grateful thanks to the Clerk and RFO in promptly providing information requested, which had been most helpful to him in undertaking his role, and invited the observations of Members.

- Open for supplementary questions / clarification of points from the Internal Auditor; and Members' Questions/Feedback:

Payments to churches & Chapels - How can we clarify this, it comes up every year ? Local Authorities are still making Payments to churches via the special levy grant... – The RFO had initially clarified that the Welsh Church Act Fund was a Charitable fund, of a set amount given to each borough to appropriately allocate within their community, it was not money from BGCBC and was administered under separate arrangements.

The Internal Auditor said that other town and community councils he was engaged by did not give grants to churches / chapels, because of the uncertainties around this issue. It was important that Tredegar Town Council should exhibit, as robustly as possible, the benefit to the community in respect of the use of the building designated and seeking such information

on the grant application form to evidence the presence of non-religious activities and lawfulness of the approved application payment.

A Member queried whether cheques could be awarded to each of the sub-groups utilising the premises and was advised that each of those sub-groups had the right to submit an application for their own individual use, which would not then have to directly relate to the building, i.e. the church / chapel. However, separate applications were also being made that related to specific buildings used to accommodate community groups.

Council expenditure in excess of 200k

I have noted comments, this would be discussed with the staffing committee / the RFO at the appropriate time and a recommendation would come before full Council to review staffing arrangements –

Is there anything we need to do at this stage? The Internal Auditor needed to make this point, as an early notification, as part of his responsibility to Council and in its support of public services. He had wanted to highlight that, should Council reach that point; this would inevitably result in additional workload in budget monitoring and completion of the Annual Accounts. Should Council establish a regular spend in excess of £200,000, this would also then be subject to additional requirements in respect of 'well-being' and how the Council would collaborate with the community and other public bodies, which may well result in further additional work for the Council as a public body.

Page 6 item 7

Would like to understand the necessity of the first bullet point, as this is not as such a financial matter, and bullet points 2 and 3 are covered by item 7 headline. In terms of Governance and Accountability, the role of an internal auditor clearly included such matters and they were also highlighted in 'bold'; as within the extract of the Annual Return provided to Members. Therefore, this was not a duplication but in accordance with the actual form of declaration.

Please could you confirm who the two manual employees are and who has agreed to look at a proportionate contract? Gardener and Clock retainer – these were long-standing arrangements, prior to the RFO taking up her post in 2002; such matters could be taken to a Staffing Meeting to review the current set up and move progress on how Council wished to address these roles.

Page 7 Item 10 (Bullet point two)

Again, makes reference to RFO and workload - this is not part of a financial audit but an issue for Employee / employer to discuss at the relevant time and place. As responded earlier, this was not a consideration at this early stage and the Internal Auditor totally accepted it was a matter for Council to discuss the management of any additional workload arising.

The RFO said that the Leader had extended his thanks to the Internal Auditor for the work he had done on behalf of Council.

013) To confirm the Annual Accounts and agree the Annual Governance Statements on the Return for 2019 / 2020, prior to External Audit

The RFO asked that each Member utilise the 'raise your hand' feature to formally agree each statement. The Officer thereupon highlighted the following in respect of confirming the accounts and audit process:

- Councillor Gaynor James had stated in a telephone call on 24th June, 2020 she was happy to agree all statements.
- Governance Statement (Part 1) – point 6; this would be taken after the review of the Internal Audit process.
- *Part 2 point 2* – Minutes of Sub-Committees historically had not been made available publicly, unless specifically requested i.e. by a group in attendance. The recommendations recorded in the Minutes of these Sub-Committee meetings were reported to the next available meeting of full Council with any salient points presented by the Sub-Committee Chair.

The RFO thereupon read parts 1 – 9 of the Annual Governance Statement; Parts 1 – 8 were agreed as ‘Yes’ and Statement No. 9 (Trust Funds) as ‘not applicable’. The Officer thereupon read statements 1 and 2 on Annual Governance Part 2 and these also were agreed as ‘Yes’.

Members of the Council therefore agreed, to approve by resolution, to submit the Annual Return to the External Auditor, subsequent to the decision on point 6 of the Statement.

The RFO extended thanks and appreciation to the Internal Auditor for his hard work on behalf of Council.

The Internal Auditor was asked to leave the meeting at this juncture; he thanked Council and Officers for all their help, wishing everyone and their families’ good health.

014) Internal Audit 2019/2020: to undertake a review of the Internal Audit Process for the year ended 2019/2020

The RFO referred Members’ attention to salient points within the report and confirmed the Internal Auditor had undertaken his assessment on being appointed (as agendaed); he had been very thorough in this process. The Officer thereupon presented her report of the Internal Audit Service 2019 / 2020, which was a thematic approach to be reviewed every year, as follows:

- Apologised that year was wrong on the agenda.
- Apologised that date should be June 2020 on the report.
- Members have had the Officer’s report but also a checklist from the Governance and Accountability Practitioners Guide 2019, which could be used to supplement this review process. Members were to agree / disagree with the statements within the Officer’s report and the checklist.
- The RFO asked that Members please use the ‘raise your hand’ button to agree with each statement.
- Governance Statement (Part 1) – Agree / disagree point 6: Upon a vote being undertaken, a ‘Majority’ vote was cast to approve the Annual Internal Audit Review; however, two Members stated they could not vote in favour, as they had been unable to clearly hear all statements outlined by the Internal Auditor when speaking to his report through the Microsoft Teams software.

Council thereupon confirmed approval of the re-appointment of Mr. S. Bees, as Internal Auditor to Tredegar Town Council, following his review - RFO to send appropriate letter of confirmation.

In respect of the performance of the Internal Auditor therefore, there being no queries or further comments; the statements outlined within the report were formally accepted and approved accordingly.

Members thereupon expressed their thanks to the RFO for her work, and expressed appreciation also to the Internal Auditor, Mr. S. Bees.

015) Council approval and certification of Annual Return to be signed by Mayor

The Annual Return was approved and certified, to be duly signed by the Mayor, as the Chair of this meeting of Council.

- The Chair had confirmed she would be happy to meet with the RFO, recognising social distancing, to sign the Annual Return and necessary documents.
- The RFO would advertise the required notice on the TTC website to evidence the status of accounts had been approved by the statutory deadline and that the Exercise of Electors Rights would take place in September (due to Covid-19 restrictions).

016) Matters of Local Interest or Concern (by prior notice)

The Mayor had received a request, in writing, for an Item of 'any other business', which was allowed accordingly.

A Member provided a brief statement, which he briefly outlined for Members' information and would present to the appropriate forum for discussion; however, he would welcome any Member to contact him, in the interim, if wishing to discuss the matter.

There being no other business, the meeting closed at 10.43 a.m.

_____ Chair