



Morecambe Town Council

Morecambe Town Hall,
Marine Road
Morecambe
Lancashire
LA4 5AF

www.morecambe.gov.uk

31 January 2024

To: **Members of Morecambe Town Council Finance and Governance Committee - Cllr B Cooper (Chairman), Cllr G Knight, Cllr C Kent, Cllr M Bottoms, Cllr J Goodrich, Cllr J Ainscough, Cllr D Whitaker, Cllr J Pilling, Cllr John Livermore.**

Dear Councillor,

Dated this thirty-first day of January 2024, you are hereby summoned to attend a meeting of Morecambe Town Council's Finance and Governance Committee to be held at 18:30 on the sixth day of February 2024.

The meeting will be held in Morecambe Town Hall, Marine Road East, Morecambe, LA4 5AF to transact business on the agenda.

Your sincerely,

Mr Luke Trevaskis
Proper Officer

Agenda

1. **Apologies** - to receive apologies for absence.
2. **Declarations of Interests** - to note declarations of members' interests.
3. **Minutes** - to consider the minutes of the last meeting.
4. **Public Participation** - to adjourn the meeting for a period of public discussion.
5. **Asset Register** - to review the proposed amends, removals, and additions to the asset register. To note that the Finance Officer will advise insurers of any updates to the policy schedule, which may require additional coverage. To note physical checks of each asset will be undertaken by officers this month.
6. **2022-2023 Audit** -
 - i) to note that the Internal Audit 2022-2023 is nearing its conclusion.

- ii) to note that officers have not yet been able to prepare a final response to the External Auditor in relation to challenges as full details have not yet been provided to officers by the elector. It is understood a representative of the elector submitted objections to the Council's accounts for 2022-2023 on 7 August 2023. The objections were submitted to the Chair via a link which expired after a period of seven days. The chair was unable to download the documentation (which is understood to extend to approximately 1000 pages) and officers have been unable to review the objections. Members should remind any electors that official correspondence to the Council regarding audit objections should be copied to officers.
 - iii) to note that a transcription error has been identified on the AGAR (Section 2) submitted by the Council for its 2022-2023 audit. Each annual AGAR requires that the prior year's figures be submitted alongside the current year, and rather than transcribing the 2021-2022 asset register figure, the 2020-2021 asset register figure was included in error. It should be noted that the correct asset register figure for 2021-2022 was submitted at the time of that audit, and the correct asset register figure for 2022-2023 was submitted at the time of that audit. The Council will need to note the transcription error and amend its AGAR to reflect the actual asset register figure for 2021-2022 of £111,956.
7. **2023-2024 Audit** - to note the below key dates and duties for the undertaking of the 2023-2024 end-of-year accounts closure and internal/external audit.

1. End of Year - 31 March 2024

During March-April, officers will conclude paperwork for End of Year accounts closure, and prepare documentation for Internal Audit.



2. Internal Audit - May 2024 (dates TBC)



3. AGAR Approval - 20 June 2024 (Full Council)

The full council must meet to consider the Internal Audit.

The full council must approve the Accounting Statements by resolution, and ensure the Accounting Statements are signed and dated by the person presiding at the meeting at which that approval is given. The AGAR must be retained by the Council and be publicly accessible for five years.

The latest date by which the AGAR must be approved is the end of June and the latest date for the period of public rights to commence is the beginning of July. The statutory common period for the exercise of public rights must be a 30-day period that commences after the final AGAR has been approved and includes the first 10 working days of July.



4. External Audit - July - September 2024



8. **Payment Testing** - in order to comply with its Terms of Reference, the Finance Committee must satisfy itself that it is monitoring the Council's overall compliance with its Finance Regulations to ensure the sound and open governance of financial matters and actions taken in the name of the Council. In line with this ongoing scrutiny, officers invited two members to undertake sample testing for Q1, Q2, and Q3 payments - checking bank details on invoices correspond to processed payments, and that all transactions have followed the correct authorisation process for approval by full council or a duly delegated officer or committee. All payments within the sample have been checked by two officers (Finance Officer + RFO), two signatories (Cllr J Pilling, and Cllr C Cozler), and two additional members of this committee (Cllr J Livermore, and Cllr M Bottoms). No concerns were raised. The payments in the tested sample are listed below.

Payments 10, 38, 44, 63, 68, 71, 73, 76, 77, 78, 80, 96, 102, 115, 126, 137, 143, 148, 151, 152, 190, 209, 232, 233, 244, 259, 263, 267, 286, 292, 296, 312.

9. **Payments Exceeding £500** - in order to comply with the Transparency Code, the Council is required to publish a list of payments exceeding £500, no less than quarterly. The Committee is asked to consider the list, which has been published on the authority's website.

10. **Governance** - in order to comply with its Terms of Reference, the Finance Committee must undertake an annual 'fit for purpose' review of governance. It is recommended that an individual member takes a lead on each of the topics below and work with officers to report back with any findings or recommendations.

- Finance and Governance Policies
- Audits
- Information Transparency
- Review of Overheads and Best Value Principles
- Committee Structure and Terms of Reference

11. **Budget 2025-2026** - to consider the 'Budget Timetable' for 2025-2026.

12. **Income and Debt Management Policy** - to note that as the Council has commenced increased service delivery, and is now issuing invoices for sums of money that exceed £1,000, it is prudent for the Council to adopt an 'Income and Debt Management Policy' to outline its expectations in regards to invoices, credit notes, write offs and debt recovery. The Committee is asked to consider the drafted policy.

13. **Reserves** - the Council has recently approved its level of reserves for 2024-2025. In order to optimise the interest generated on reserve accounts, it is recommended that the Committee considers the draft Investment Strategy and agrees to obtain quotes for treasury management advice.

14. **Terms of Reference** - the Committee must review its Terms of Reference periodically and recommend any changes to the Council for consideration. It is recommended that the Committee consider the below additions to its current areas of responsibility.

- 1) to review the Council's reserves no less than annually providing any recommendations for optimal interest.
- 2) to monitor and review any council investments, including receipt of quarterly treasury reports on treasury activity.
- 3) to consider any recommendations identified by the Council's internal and/or external auditor.
- 4) to receive quarterly reports demonstrating reconciliation of the Council's bank account(s).
- 5) to receive quarterly reports demonstrating reconciliation of the Council's petty cash account(s).
- 6) to receive quarterly reports demonstrating reconciliation of the Council's bank card(s).
- 7) to consider and review the Council's provision for bad debts, approving any write-offs if greater than a value of £500.00 and refer to full council if greater than a value of £5,000.00.

- 8) to review from time to time the adequacy of the Council's insurance cover, and receive at least once a year a report regarding claims settled and lodged since the last report.
- 9) to consider periodically reports regarding the Council's compliance with its regulatory requirements (e.g. health and safety, data protection etc).