



Minutes of Finance and Governance Committee Meeting of Morecambe Town Council held at Morecambe Town Hall at 6.30pm on the sixth day of February 2024

Present: Cllr B Cooper (Chairman), Cllr G Knight, Cllr J Goodrich, Cllr D Whitaker, Cllr J Livermore, Cllr J Pilling

In attendance: Mr Luke Trevaskis (Proper Officer), Mr Joel Beal (Finance Officer) and Peter Fisher (Communications Officer)

FG2324-11 - Apologies

Apologies for non attendance received from Cllr M Bottoms and Cllr J Ainscough.

FG2324-12 - Declarations of Interest

None.

FG2324-13 - Minutes

The minutes of the finance and governance committee meeting held on 9th January 2024 were unanimously approved and signed by the Chairman.

FG2324-14 - Public Participation

No members of the public were present and no requests to speak were received.

FG2324-15 - Asset Register

Some assets were proposed to be removed due to the Council no longer having jurisdiction of the items and them no longer existing in the public realm (e.g. Torrisholme Park equipment has since been removed and replaced by Lancaster City Council). It was noted that the asset register was last presented in June 2023. Items have been added since then in value of over £100.00 in accord with Council's approved threshold. Officers will be taking photos and reporting on the general condition of all remaining assets in the near future.

It was requested that the redundant Speed Indicator Device (SpID) be sold if possible.

The committee approved the updated asset register.

FG2324-16 - 2022-2023 Audit

- i) The Committee noted that the Internal Audit 2022-2023 was nearing its conclusion.
- ii) The Committee noted 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 FY2223 on 7 August 2023. The objections were submitted to the Chairperson of the Council via a downloadable link which expired after a period of seven days. The Chairperson was unable to download the documentation (which is understood to extend to approximately 1000 pages) and officers have so far 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) The Committee noted that a transcription error had 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.

Councillors noted all of the above. Councillors also raised the point that the yearly objections and complaints raised by one or two repeated individuals is costing the council a lot of money. Members requested that calculations are kept to detail the cost to the public purse of dealing with these circumstances (with any costs including officer time).

FG2324-17 - 2023-2024 Audit

The Committee noted and accepted the below key dates (subject to change).

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

FG2324-18 - Payment Testing

In order to comply with its Terms of Reference, members noted that 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 ensuring 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 were: 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.

Members praised the exercise and agreed for sample testing to continue to take place each quarter with two members of the Finance and Governance Committee.

FG2324-19 - 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 considered the list for Q3 of FY2324, which has been published on the authority's website. No objections were raised by members and the report was accepted.

FG2324-20 - Governance

In order to comply with its Terms of Reference, the Finance Committee must undertake an annual 'fit for purpose' review of governance. It was agreed that an individual member would take a lead on each of the topics below to work with officers and report back with any findings or recommendations.

Information Transparency - Cllr M Bottoms
Committee Structure and Terms of Reference - Cllr G Knight
Review of Overheads and Best Value Principles - Cllr J Ainscough
Finance and Governance Policies - Cllr J Pilling
Audits - Cllr B Cooper

Officers will produce a timetable outlining requirements by the end of February.

FG2324-21 - Budget 2025/2026

The draft budget timetable was approved. The item was agreed to be kept as a rolling agenda item and members agreed that if any surveys were to be produced for residents regarding the budget, then a draft questionnaire should be presented to the Finance and Governance Committee first.

Budget Timetable 2024-2025

June 2024

Preparation of draft online survey for Committee review, the purpose of which will be to provide an evidence base for services delivered by the authority, further understanding which outcomes residents would like to see improved, maintained at the same level, or reduced.

July 2024

11th - Proposed F&G meeting to consider survey and other items including Q1 finance.
19th - Promotion and publication of survey.

September 2024

Preparation of survey results to present to F&G Committee.

October 2024

10th - F&G Committee Meeting - Review Q2 finance and survey results.
31st - Deadline for budget bids from committees.

November 2024

TBC - Draft budget meeting with F&G Chairperson
28th - Finance and Governance Committee Meeting - Draft Budget Review

December 2025

Public presentation and Q&A of 2025/2026 budget including responses from survey.

January 2025

30th - Full Council Meeting - Budget approval and precept (PLEASE NOTE proposed date is later in the month to allow additional time to conclude Q3 finances)

February 2025

7th - Deadline for Lancaster City Council to receive precept request

FG2324-22 - Income and Debt Management Policy

The Committee unanimously approved to recommend the policy to Full Council.

FG2324-23 - Reserves

The committee requested quotes be obtained for treasury management advice in relation to investments. This item would be brought to the next suitable Finance and Governance Committee meeting with the quotes circulated beforehand and a decision will be made by the committee on which option to pursue.

FG2324-24 - Terms of Reference

All the below additions to the Committee's Terms of Reference were reviewed and the committee agreed to recommend to Full Council.

- 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).

The meeting closed at 7:35pm.