

NANTYGLO & BLAINA TOWN COUNCIL CYNGOR TREF NANT-Y-GLO A BLAENAU

Mrs T Hughes Town Clerk/RFO
Council Offices, Blaina Institute, High Street, Blaina NP13 3BN
Swyddfa'r r Cyngor, Sefydliad Blaenau, Y Stryd Fawr, Blaenau, NP13 3BN
Tel: 01495 292817 e-mail: clerk@nantygloandblainatc.co.uk

Minutes of the Full Council Meeting held on Wednesday 24th June 2020 at 3pm via a remote meeting.

Members of the Council had been provided with instructions on how to join the meeting.

A meeting to which members of the public are NOT entitled to attend

The following items contain information that was of a confidential or personal nature and was therefore exclusive to Members of the Town Council only (Public Bodies to Meetings Act 1960).

Present: Councillor K Jones JP, Town Mayor, presiding
Councillors G Morvan; D Hillman; C Bridgeman; T James; K Jenkins;
R Abbas and C Hillman

In attendance: Mrs T Hughes, Town Clerk / RFO
Mr S Bees, Internal Auditor

Prior to the commencement of the meeting, the Town Mayor reminded all Members of the agreed protocol of the meeting. Each Member would be called upon individually to ask any questions or raise any issues by the Town Mayor at appropriate junctures during the meeting, to keep questions and responses succinct and to remain silent at other times. **Resolved** to accept the proposed procedures for the meeting.

Declaration of Interest

Members were invited to declare matters of interest either at the beginning or at any time during the proceedings. Please note that all declarations of interest must be recorded in the book provided. **Resolved** to note that no such declarations were received.

1. Apologies:

Members were invited to consider the apologies for absence received and to formally resolve to accept.

Resolved to note that apologies were received from Councillors R Pagett, L Harris; G Watkins and Mrs N Horner.

Further Resolved to accept the apologies received.

2. Report of the Internal Auditor for 2019/20:

Members were invited to consider the report submitted by Mr Stuart Bees, Internal Auditor to the Council following the internal audit of Nantyglo and Blaina Town Council for the year end 31st March 2020.

The following comments/queries were made:

- Page 2 – a Member commented that Chair of Finance should have been included after 'Councillor Morvan' for clarity.
- Page 3 (1.2) Mr Bees explained that the technical imbalances as details of one payment of £25 was mistakenly detailed in the following month's income and expenditure report. The Town Clerk / RFO explained that Monthly bank charges were not included in the monthly income and expenditure report as stated on each monthly report.
- Page 3 (2.3) – a Member queried the technical payment issues. Mr Bees informed that these issues included the insurance premium being invoiced for and the payment having been sent around the Whitsun bank holiday period which could have resulted in a short period whereby the cheque payment may have not been cashed by the insurance company until after that year's insurance had commenced. This could have technically resulted in no insurance cover being in place for a day or two although it was accepted this was very unlikely. Another technical issue was that a cheque payment was received by a cheque signatory (although this was due to no other cheque signatory being available at the time). Mr Bees confirmed that the technical payment issues were resolved and there were no outstanding issues.

Councillor K Jenkins joined the meeting at this juncture.

- In answer to a Member's query, it was explained that RFO (page 4) was the abbreviation for Responsible Finance Officer, which every Council must legally appoint.
- In answer to a query (page 5 point 4.1) it was explained that whilst it was not mandatory for different precept levels and the cost to the public to be included in the Budget and Precept Report it had been included in previous years and would be included from 2021/22 as continuing good practice.
- In answer to a Member's query (page 6 point 5.5) regarding a duplicate VAT claim being a 'red flag'. Mr Bees explained that this was not a 'red flag' but that the existing VAT refund forms issued by HMRC were a complicated manual system. This had been discussed with the Town Clerk / RFO and an alternative procedure had been agreed which would eliminate such oversights for the 2020/21 VAT refund claim. Mr Bees also informed that it was better for the Council to inadvertently claim twice for an individual payment (and subsequently correct this) than fail to claim an individual VAT refund.
- In answer to a Member's query in respect of online banking (page 7 point 7.5) it was explained that this procedure was almost complete for use.
- In answer to a Member's query in respect of the two outstanding cheques (page 7 point 7.3) it was explained that the bank would honour any cheques paid out for a

period of six months, then the bank would cancel such a cheque. The Town Clerk / RFO explained that she herself had also cancelled both cheques with the bank in the meantime.

The Town Clerk / RFO then informed all present of the questions received via e-mail from Councillors R Pagett and G Watkins:

- Information regarding the two un-cancelled cheques (as detailed above). Councillor Pagett was provided with the information as detailed above.
- Salem Chapel and the proposed action/decisions to be taken and the possibility of a public consultation. Both Councillors R Pagett & G Watkins were informed that the Internal Auditor had included Salem Chapel in his report as a reminder that this was still a priority for the Council to address. The Council has previously discussed and agreed that a public consultation would be undertaken at an appropriate time.
- The two outstanding applications for grant aid. Councillor Watkins was provided with the information as detailed above.
- Both Councillors R Pagett and G Watkins agreed with the Internal Auditor's report as a whole.

Unanimously Resolved that the report of the Internal Auditor for 2019/20 be accepted.

Mr S Bees left the meeting at this juncture.

3. **Statutory Review of Internal Audit for 2019/20:**

Members were invited to consider the report regarding the statutory review of the Internal Audit System of the Town Council. Members should also consider the overall performance of the Internal Auditor prior to 'signing off' the Annual Return (item 4 below).

Members commented that Mr Bees was an excellent internal auditor who provided a meticulous and thorough internal audit service to the Town Council. It was additionally commented that Mr Bees' service as internal auditor to the Town Council ensured the Council that all the required legislation and procedures were implemented and that good practice was adhered to whilst providing appropriate advice and information in respect of 'best practice'.

Unanimously Resolved that the statutory review of the Internal Audit system for 2019/20 be accepted. **Further Resolved** that a letter of thanks be sent to Mr Stuart Bees, Internal Auditor to the Council.

4. **BDO (External Auditors) Annual Return for 2019/20:**

Members were supplied with copies of other financial reports which were required by the external auditors for the purpose of the Annual Return and external audit, to consider and if appropriate to approve each report:

a) Cash Book Analysis 2019/20:

Queries were invited:

Q: What was PWLB and why was it payable each year rather than utilise council reserves to pay off the debt?

A: The Town Clerk / RFO explained that it was a payment made twice yearly (£1393 fixed total annual cost) to the Public Works Loan Board in respect of the purchase of Salem Chapel. The Council had been advised to keep paying this modest annual amount (which was always budgeted for) as per the Council's contract with PWLB rather than allocate some of the Council's reserves to clear the amount outstanding.

Unanimously Resolved that the cash book analysis for 2019/20 be accepted.

b) Balance Sheet as at 31st March 2020:

Queries were invited – none received:

Unanimously Resolved that the balance sheet for 2019/20 be accepted.

c) Bank Reconciliation 2019/20:

Queries were invited:

Q: What were the total receipts comprised of:

A: The Town Clerk / RFO explained that the total receipts were comprised of the precept; VAT refund, a small amount of grant donations and a small amount of money from Santa's Grotto at the Christmas Fun Night.

Unanimously Resolved that the bank reconciliation for 2019/20 be accepted.

d) Actual against Budget Expenditure 2019/20:

Queries were invited:

Q: Why were two grant applications outstanding when it could have been that the organisations required the income?

A: The Town Clerk / RFO explained that it was unlawful for the Council to determine making any grant payments via delegated powers.

Q: Did the actual expenditure for Culture and Events include any expenditure incurred in respect of events cancelled due to Covid 19?

A: The Town Clerk informed that there was no expenditure incurred due to cancelled events.

Unanimously Resolved that the Actual against Budget Expenditure for 2019/20 be accepted.

e) Members are invited to consider the Annual Return and if appropriate, complete parts 1 & 2 and approve the signature of the Town Mayor (Chair of the Council) in section 2:

At the invitation of the Town Mayor, the Town Clerk read out and explained each point in turn to Members present. All Members present agreed yes to the points 1 to 8 on page 3 of the Annual Governance Statement (part 1) and that point 9 on page 3 (trust funds) did

not apply to the Council. All Members present agreed yes to points 1 and 2 on page 4 of the Annual Governance Statement(part 2).

The following comments were made:

- Risks to the Council (page 5), public opinion could infer that the Council had not provided enough to the public during 2020 and there could be a risk of no public confidence in the Council.
- The Town Clerk / RFO stated that Risks to the Council on page 5 of the document was for the External Auditor to complete in respect of financial or governance risks on behalf of the Council, not for the Council to complete. Nevertheless, the comment in respect of public opinion would always be relevant and was always reported in detail in the annual Budget & Precept Report and the Council's annual Risk Management report.
- Point 6 on page 6 (Annual Internal Audit Report) – petty cash payments were queried.
- The Town Clerk / RFO explained that the Council does not operate a petty cash system.

Members were informed that page 5 was for the External Auditor to complete and that pages 6 & 7 related to the Internal Auditor's report.

Unanimously Resolved that parts 1 & 2 of the Annual Return Statement to be completed.
Further Resolved that the Town Mayor sign part 2 of the Annual Return on behalf of the Council.

A Member of the Council thanked and congratulated the Town Clerk / RFO and the Internal Auditor on their hard work in successfully completing the annual internal audit.

5 (20/21)


20/8/20

