

SEALAND COMMUNITY COUNCIL

**MINUTES OF THE ANNUAL GENERAL MEETING OF COUNCIL HELD ON 17th MAY 2021 ON LINE VIA
GO TO MEETING**

PRESENT: Councillors Barbara Hinds (Chair), Gwyneth Bullock, Jean Fairbrother, Ashley Griffiths, Mikael Khan, Bob James, Chris Jones (County Councillor), Norman Jones (Vice - Chair), Mary Southall, Mike Walker, Brian Ward and David Wisinger.

Peter Richmond: Clerk and Financial Officer
Two members of the public

21/20 SUMMARY OF ACCOUNTS – 2021/22 FINANCIAL YEAR

The Clerk outlined the expenditure and income for the 2021/22 financial year up to cheque number 003426. This information was circulated by email before the meeting.

2021/22 Financial Year	Actual	Anticipated	Difference
Income			
General Admin Inc. Precept	£19,000.00	£57,000.00	-£38,000.00
Bank Interest	£0.29	£5.00	-£4.71
VAT Refund	£799.60	£800.00	-£0.40
Milk Claims	£0.00	£200.00	-£200.00
Total	£19,799.89	£58,005.00	£38,205.11
Expenditure	Actual	Anticipated	Difference
Bank Charges	£11.25	£60.00	-£48.75
Chair's Fund	£0.00	£800.00	-£800.00
Staffing Costs	£1,859.82	£11,396.00	-£9,536.18
Admin Costs inc audit charges	£1,392.29	£2,640.00	-£1,247.71
Council Web Site	£576.00	£2,400.00	-£1,824.00
Insurances	£669.51	£770.00	£100.49
Defibrillator – LGA Act 2000(S2)	£0.00	£75.00	-£75.00
Play Schemes and New Equipment	£0.00	£10,500.00	-£10,500.00
Highways	£0.00	£1,600.00	-£1,600.00
Street Lighting	£723.75	£26,950.00	-£26,226.25
Grants – Section 137	£0.00	£2,200.00	-£2,200.00
School Milk – Section 137	£0.00	£2,000.00	-£2,000.00
Total	£5,232.62	£61,391.00	£56,158.38

Current Summary	Balance as at 1 st April 2021 including £25,000 contingency fund.	£45,903.78
	Total expenditure	£5,232.62
	Total income	£19,799.89
	Balance	£14,567.27
	Overall balance as 17 th May 2021	£60,471.05
	VAT Costs for 2021/22 financial year	£158.09
End of Year Prediction	Balance as at 1 st April 2021 including £25,000 contingency fund.	£45,903.78
	Total anticipated expenditure	£61,391.00
	Total anticipated income	£58,005.00
	Anticipated balance for the year	-£3,386.00
	Anticipated Overall Balance as at 31st March 2022	£ 42,517.78

The Clerk advised that the Internal Audit was completed by JDH Business Services Ltd following testing of the internal controls specified on the Annual Return for local councils in Wales. On the basis of the internal audit work carried out, in their view the council's system of internal controls is in place, adequate for the purpose intended and effective, subject to the issues reported in the action plan.

The Clerk reported on the internal auditor's internal controls and internal audit testing – a copy had been circulated to all members of Council.

Issue 1 – The Risk Assessment does not address the risks of supplier (procurement) fraud

Recommendation – The Risk Assessment should be updated to include supplier (procurement) fraud including the adequacy of supplier onboarding controls.

Follow up – To add the following to the Risk Assessment for 2022/23 which will be presented to Council for review and adoption at its meeting in November 2021

The issue raised about risk assessment – advised that there is evidence the risk of supplier fraud for organisations has increased substantially. The risks can be managed via appropriately robust policies and procedures. Prevention controls for this type of fraud include -

a) training for staff to alert them to the potential risks of providing sensitive company information, by phone or other means, especially contract and account information.

b) establish a rigorous change of supplier details procedure - where a supplier has purported to have changed their bank details always call the supplier to check the veracity of a request, using details in your system, rather than those on any associated letter or email. A person should be authorised to approve a supplier bank account change after having reviewed the process undertaken to verify the supplier details change

c) periodic review of supplier accounts should also be undertaken to remove any dormant accounts. This reduces the likelihood of any old supplier information being used to secure fraudulent payments.

d) checking address and financial health details with Companies House

e) checking samples of online payments to supplier invoices to ensure the payment has been made to the supplier bank account.

f) adequacy of insurance cover (NB most standard parish council policies do not cover supplier fraud)

The Clerk advised that Council do not carry out on line payments all payments being made by cheque.

A copy of the internal audit report 2020/21 has been added to the Council's web site

RESOLVED: - that the report be noted.

The Clerk advised on email communications received from Audit Wales on 30th March 2021 and copies sent to all members of Council on the same day. The new Audit arrangements have been deferred for one year.

The Clerk had detailed the accounts for Council in the Local Council for Wales Annual Return for the year ended 31 March 2021 at the previous meeting of Council.

The Clerk had detailed the annual governance statement at the previous meeting of Council. The Clerk advised that as RFO/Clerk he had signed the Certification of the Annual Return on 5th May 2021 to certify that the accounting statements contained in the Annual Return presents fairly the financial position of the Council its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended 31 March 2021

The Clerk referred again to the letter dated 30th March 2021 received from Audit Wales that had been emailed to members of Council on 30th March 2021 that advised -

1. Following completion of the internal audit as reported in Minute 21/21 the annual return must be certified by the RFO and approved by Council, by 30th June 2020. The RFO certified the Annual Return on 5th May 2021.
2. Council must send the completed annual return and all requested information by 1st September 2021. Requested information consists of -

Accounting statements

1. Bank reconciliation as at 31 March 2021.
2. Explanation of variances between the 2019-20 and 2020-21 accounts in the 2020-21 annual return.
3. If applicable, an explanation of any differences between the 2019-20 accounts included on the 2019-20 annual return and the 2019-20 accounts reported on the 2020-21 annual return.

Annual Governance Statement

1. For those councils subject to the requirements of the Well-being of Future Generations Act 2015, a copy of the Council's report on how it is contributing to the wellbeing of its area. This is not required for Sealand.
2. A copy of the Clerk and RFO contract of employment.
3. Where the Clerk/RFO salary is not specified in the contract or is set annually, minutes of the meeting at which the salary was agreed by the Council.
4. Payslip and tax record for Clerk/RFO for October 2020.

RESOLVED – that

- i) the report be noted.

- ii) it be noted that an interim copy of the Annual Return should be added to the Council's web site with a final version being added on completion of the audit.
- iii) the Chair be authorised to sign the Annual Return under resolution 21/22 iii) confirming that these accounting statements and Annual Governance Statement are approved by the Council.

21/23 NOTICE OF AUDIT- 2020/21 FINANCIAL YEAR

The Clerk referenced the Notice of Appointment of Date for the Exercise of Electors' Rights, Annual Return for the Year Ended 31 March 2021.

The Clerk advised that each year the Council's annual return is audited and any person interested has the opportunity to inspect and make copies of the annual return and all books, deeds, contracts, bills, vouchers and receipts relating to them.

The Clerk outlined the public notice and details of the public inspection arrangements. Inspection runs from 20th August 2021 to 17th September 2021

The notice is required to be displayed on the Sealand notice boards and the Council's web site no later than 6th August 2021.

RESOLVED: - that the report be noted

21/25 SCHEME OF DELEGATION

RESOLVED – that the Scheme of Delegation as circulated by the Clerk be noted.

21/27 COUNCIL'S PHYSICAL ASSET REGISTER MAY 20210

The Clerk referred to the following documents that were recently emailed to members of Council Asset Register – May 2021 and Asset Register Summary May 2016 to May 2021

Assets	Value – Purchase Price	Insurance Cover
Chains of Office	£6,059.90	£8,037.24
Notice Boards	£2,451.52	£6,442.08
Office Equipment	£855.00	£1,087.40
Public Seats	£2,085.00	£7,917.85
Street Lighting-	£86,250– proxy value refer to Asset Register	£86,250.00
Dummy Digital Recorder Cameras	£1,070	£2,060.00
Defibrillator and Cage	£1,184.00	£1,293.79
Total	£99,955.42	£113,088.36

RESOLVED – that –

- i) the report be noted.
- ii) copies of the Council Asset Register – May 2021 and Asset Register Summary May 2016 to May 2021 be added to the Council’s web site replacing the existing documents.

The meeting opened at 6pm and closed at 8pm