

THE CHARTER TRUSTEES OF BOURNEMOUTH

Minutes of the Meeting held on 25 August 2020 at 6.00 pm

Present:-

Cllr S Phillips – Mayor

Cllr D Borthwick – Deputy Mayor

Present: Cllr M Anderson, Cllr S C Anderson, Cllr S Bartlett, Cllr P Broadhead, Cllr D Brown, Cllr S Bull, Cllr R Burton, Cllr M Davies, Cllr B Dunlop, Cllr J Edwards, Cllr D Farr, Cllr L Fear, Cllr A Filer, Cllr M Haines, Cllr N Hedges, Cllr C Johnson, Cllr A Jones, Cllr J Kelly, Cllr D Kelsey, Cllr R Lawton, Cllr K Rampton, Cllr C Rigby, Cllr R Rocca, Cllr L Williams and Cllr K Wilson

34. Apologies

Apologies were received from Councillors H Allen, L Allison, M Andrews, M Greene, N Greene, M Iyengar, R Maidment, L Northover and T Trent.

Apologies were received from Councillors J Beesley, A Filer and J Kelly having joined later in the meeting.

Note – Apologies were received after the meeting from Councillors E Coope and L Lewis.

35. Declarations of Interests

There were no declarations received for this meeting.

36. Confirmation of minutes and matters arising

The Minutes of the meetings held on 30 January 2020 and 21 July 2020 were confirmed as a correct record.

There were no matters arising from the above meetings.

37. Charter Mayor's Report

The Mayor reported on her activities since the last meeting of the Charter Trustees meeting on 21 July 2020 which included her attendance at the 75th Commemoration of VJ day on 15 August 2020, sponsorship of Emma Heath from Faithworks for a national diversity award and promoting 5 people and their communities to be considered for an award as requested by the High Sherriff of Dorset.

The Mayor took the opportunity to thank the Civic Team, the Deputy Head of Democratic Services and Democratic Services for their professional support during the last year. She thanked the Charter Trustees for 2019/20 and looked forward to the same going forward for 2020/21.

38. Charter Trustees 2019-20 - Internal Audit Report

The Charter Trustees considered the Internal Audit Report, which had been circulated to each Trustee and a copy of which appears as Appendix 'A' to these Minutes in the Minute Book.

The Head of Democratic Services reported that BCP Council's internal audit team had undertaken an audit on behalf of the Charter Trustees for the period to 31 March 2020 to provide an assurance opinion on each of the internal control objectives as set out in the Annual Governance and Accountability Return which was included as a separate item on the agenda.

Charter Trustees noted that of the 10 applicable internal control objectives 1 was assessed with a minimal assurance, 4 with partial assurance and the remaining assessed with reasonable or substantial assurance. The Head of Democratic Services reported that each of the recommendations had a management response and target date for resolution. He highlighted that the control objective with minimal assurance and a high priority related to the establishment of a risk register which was the subject of a separate item on the agenda.

RESOLVED that the Charter Trustees receive the internal audit report, approve the management response and the target dates for resolution.

Voting – Unanimous

39. Development of Risk Register

The Charter Trustees considered a draft risk register, which had been circulated to each Trustee and a copy of which appears as Appendix 'B' to these Minutes in the Minute Book.

The Deputy Head of Democratic Service presented the draft risk register and reported on options for its development. She explained that the register was an initial draft that provided an opportunity for the Charter Trustees to consider and take ownership for the risks that may be facing them. She suggested that one option was to ask the Budget Signatories together with a small group of Trustees to look into the development of the register in more detail and present a draft final document to a future meeting of the Charter Trustees for approval.

RESOLVED That the draft risk register be received, and the Budget Signatories be asked to work on the development of the risk register together with a small working group for submission to the Charter Trustees for approval.

Voting – Unanimous

40. Annual Governance Statement 2019/20

The Charter Trustees considered the Annual Governance and Accountability Return, which had been circulated to each Trustee and a copy of which appears as Appendix 'C' to these Minutes in the Minute Book which included the Annual Governance Statement for 2019/20.

The Responsible Financial Officer (RFO) explained that the format was a prescribed format for a smaller authority determined by the Charter Trustees expenditure which was above £25k but below £6.5m. He reported that the document referred to various dates for public inspection which had been amended due to Covid-19 and therefore the Charter Trustees were not in breach of any dates. The RFO reported that the Charter Trustees were required to approve this document by end of August, on 1 September a period of public inspection would commence, and the audited accounts would be published by the end of November 2020.

The Charter Trustees were referred to the internal audit section of the document which set out the internal control objectives. The RFO explained that this was confirming where control objectives were or were not being achieved. The Charter Trustees were advised that the 'Nos' were covered in the action plan of the internal audit report referred to in agenda item 5 which mainly required producing bespoke financial regulations and a risk register for the Charter Trustees.

The RFO reported that the Annual Governance Statement overall indicated that there was a sound system of control – there was one 'No' which related to the development of a risk register and this had been referred to at agenda item 6. He reported that the main substance of this agenda item was section 2 the accounting statements and explained that the statements were in a prescribed format and the legal version that the Charter Trustees were required to produce. The RFO acknowledged that in order to provide further detail and taking account of the comment in the internal audit report that the Charter Trustees had not been involved in the detailed budget monitoring he proposed to bring forward to the Charter Trustees meeting in October an expanded Outturn report and in year quarterly budget monitoring report setting out the 2019/20 position and projection for 2020/21. He referred to a minor error in box 6 of the Statements of Accounts which had been amended and recirculated to all Charter Trustees prior to the meeting which should read £39,953.43. The RFO reported that Charter Trustees had expenditure of £126,000 and carried forward £7,993 in reserves which was close to the budgeted position. He explained that this varied from the position reported in January 2020 which was due to VAT costs of £22,000.

RESOLVED that:-

- (a) the Annual Governance Statement for 2019/20 be approved.**
- (b) an Outturn report and in year quarterly budget monitoring report setting out the position for 2019/20 and projection for 2020/21 be submitted to the Charter Trustees meeting on 26 October 2020.**

Voting – Unanimous

41. Statement of Accounts for 2019/20

The RFO reported on the Statement of Accounts for 2019/20 which were included in the Annual Governance and Accountability Return at page 5 of 6 which the Charter Trustees were asked to approve.

RESOLVED – that the Statement of Accounts for 2019/20 be approved.

Voting – Unanimous.

42. Charter Trustees - VAT Position

The RFO reported on the VAT position. He explained that the Charter Trustees as a body was not automatically treated as a section 33 body under the VAT Act. Officers had assumed that when setting up the BCP Council the Charter Trustee would dovetail under the BCP Council's VAT status but that was not the case. The RFO reported that Officers had made representations to HMRC and a statutory instrument would be laid before parliament on 14 October 2020 that would come into effect on 4 November 2020 and from that point onwards the Charter Trustees would be able to reclaim VAT under section 33 of the Act assuming that there was no delay with the Statutory instrument. The RFO reported that progress had been made and he acknowledged that it would have been better to have got to this position sooner. He explained that the financial effect was that the Charter Trustees had paid £22,000 in VAT which had been managed in budget.

RESOLVED – that the VAT position be received and noted.

Voting – Unanimous.

The meeting ended at 6.22 pm

MAYOR