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**LEWES
TOWN
COUNCIL**

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To: Cllrs Bird; Catlin; Lamb; Dr Maples and Milner

A Meeting of the **Audit & Governance Panel** will be held on **Wednesday 25th November 2020**, via Zoom video-link (*please see below*) at **6:00pm** which you are summoned to attend.

***VIRTUAL ATTENDANCE:** This meeting can be joined using computer video and audio using any suitably equipped digital device (*eg* laptop; tablet or smartphone) or, by audio only, using a telephone.

To join this meeting either follow this link: <https://zoom.us/j/98412088559>

Or telephone 0131 460 1196 or +44 (0)330 088 5830. Use **Meeting ID: 984 1208 8559**

***Please also see the note below regarding password-controlled access to this online meeting**

S Brigden, Town Clerk 16th November 2020

AGENDA

1. APOLOGIES FOR ABSENCE:

To receive apologies from members of the committee who are unable to attend.

2. MEMBER'S DECLARATIONS OF INTEREST:

To note declarations of any personal or prejudicial interests in matters on this agenda.

3. QUESTION TIME

To consider any questions received regarding items on the agenda for this meeting.

4. MINUTES

To agree Minutes of the meeting held on 11th March 2020.

(attached page 3)

5. BUSINESS of the MEETING

- Routine financial oversight – 2nd qtr 2020/21 *(documents to follow for Panel Members)*
- Review of Major Funding assessment protocol *(report AP001/2020 etc attached page 5)*

For further information about items on this agenda please contact the Town Clerk BYE-MAIL at the above address

PUBLIC ATTENDANCE – Covid-19 emergency arrangements:

Members of the public have the right, and are welcome, to attend* this meeting – questions regarding items on the agenda may be heard at the start of the meeting with the Chair's consent.

Questions or requests to address the Working Party must be submitted by email to the Town Clerk at least 3 days in advance.

This meeting will be held online via Zoom Pro video link. To join the meeting follow the instructions above.

***Members of the public wishing to join this meeting must request a password by email at least 24 hours before the published start time. Please submit your request to townclerk@lewes-tc.gov.uk**

For guidance on joining online meetings please see the notes overleaf

This agenda and supporting papers can be downloaded from www.lewes-tc.gov.uk

Guidance on attending ‘virtual meetings’



Joining a meeting:

1. Invitations to COUNCILLORS and officers to join a virtual meeting of the Council; a committee, or Working Party will be included in an email accompanying the agenda, and will look similar to this (*examples only*):

Lewes Town Council is inviting you to a meeting of ??????????????????

To join the meeting, use this **link**: zoom.us/j/nnnnnnnnnnnn

Meeting ID: 123 4567 8910 (*example only*)

Password: 123456 (*example only*)

OR dial by your location

+44 (0)131 460 1196 United Kingdom or +44 (0)330 088 5830 United Kingdom

The link (but not the password) will be also repeated at the head of the Agenda and can be accessed from either. The **password** should not be shared, as **PUBLIC** attendees are asked to request a password by email at least 24hrs before the scheduled start.

2. Using a digital device with camera and microphone (*eg* laptop; tablet, smartphone), access can be gained by following the link. If audio-only is preferred (or problems interfere with video connection), telephone connection can be made using either of the numbers and following the prompts. Meeting ID and Password may be required dependent upon your chosen method.
3. If using computer audio and video a screen will open, similar to this:

Launching...

Please click **Open Zoom Meetings** if you see the system dialog.

If nothing prompts from browser, [click here](#) to launch the meeting, or [download & run Zoom](#).

If you cannot download or run the application, [join from your browser](#).

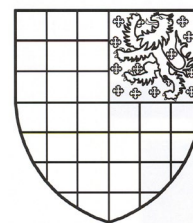
4. If you cannot download the application (or choose not to), or cannot run it, you may join from your internet browser by selecting that option.
5. On first connecting with the meeting you will be admitted to a virtual **Waiting Room**. Please follow any prompts, whether on-screen or audible. Attendees will be admitted once the meeting starts and what you see or hear after entry to the meeting may depend upon the equipment you are using.
6. To begin each meeting, the Chair will introduce some **meeting protocols** and all those attending will have live audio connections but will be asked to ‘mute’ their microphone when not speaking. Those wishing to speak will be asked to indicate by raising their hand or using the ‘hand up’ icon or sending a Chat message and they will be invited to do so by the Chair. The Chair can mute all attendees and selectively unmute individual speakers if there are interruptions or background noise issues.
7. While it is possible to use on-screen options to signify **voting** this will NOT be used. Should a vote be called during any meeting the Chair will ask Members to signify by raising their hand or, if there are any voting members attending by audio only, asking each in turn to voice their vote or abstention.
8. Attendees can send short **‘Chat’ messages** to one another privately and publicly during the meeting.
9. Meetings will be recorded, but records kept only until the Minutes have been subsequently validated.

PLEASE NOTE:

Before connecting, it is good practice to ensure that your equipment is adequately charged; that you will not be interrupted, and that your camera’s field of view or microphone do not capture anything you would prefer is not seen/heard publicly. Functions will be available once you have entered the meeting to alter the background, and your camera and microphone can be muted at will.

Please also ensure that other equipment nearby does not introduce audio ‘feedback’; that background noise is minimal, and that you select appropriate levels of microphone sensitivity and speaker volume on your device.

To learn more, a number of helpful FAQ’s and video tutorials are available at www.zoom.us



MINUTES

of the **Audit & Governance Panel** held on **Monday 27th July 2020**, online via Zoom Meetings at **6:30pm**.

PRESENT Cllrs Bird; Catlin; Lamb; Maples; Milner (*Chairman*). Also (*not appointed to Panel*) Cllr Earl and Cllr Wood

In attendance: S Brigden (*Town Clerk [TC]*)

AudPan2020/01 ELECTION of CHAIR Cllr Milner was elected as Chair of the Panel for the 2020-21 year.

AudPan2020/02 QUESTIONS: The remit of the Panel was discussed. Some Members had assumed that the remit had been extended to include non-financial/governance matters as this had been touched-upon at an earlier meeting. TC advised that no proposal had been made for Council to consider the matter, and the Panel could not assume responsibilities or authority unilaterally. There was a request that the remit be repeated on each Agenda, to assist panellists, and TC would oblige.

AudPan2020/03 APOLOGIES FOR ABSENCE: There were none

AudPan2020/04 DECLARATIONS OF INTEREST: There were none.

AudPan2020/05 MINUTES: The minutes of the meeting held on 11th March 2020 were received and signed as an accurate record.

AudPan2020/06 BUSINESS OF THE MEETING:

1. *Routine financial monitoring:* Members were furnished with detailed information (*copies in minute book*) following the end of the first quarter of the financial year.
2. *Budget monitoring update* – this showed actual expenditure and income values as posted to the Council's Sage accounting system for all transactions processed in the period. There was some discussion on salient points of detail, and TC responded with reference to the identified sources.
 - 2.1. There was a general discussion on the apparent reduction in income due to Covid-19. TC explained that the first quarter figures were slightly misleading in that regard, as income for the Town Hall (T/h) and All Saints Centre (ASC) was traditionally much lower in Qtr1 than at other times of year, due to the profile of regular hires. An analysis of the Covid effects would be discussed later in the evening
 - 2.2. It appeared that salary and overhead budgets were underspent, and TC explained that savings had been made principally as expected levels of overtime had not been worked due to Covid-19.
 - 2.3. A question arose regarding the budgeted amount shown at a/c 6412 for "Consultants"; TC explained that this covered a number of expenses including audit fees; data protection service; support service for SAGE accounts and a provision arising from the Visioning exercise. The labels of accounts were very general and arose from an old code system which had been used to structure the Council's accounting system when SAGE was adopted in 2002. Members expressed various opinions on this, and TC stated that the coding was a purely working tool and there was no reason to change. Changes would require significant work to restructure the SAGE system and recasting of accounts for previous years for consistency. The Council's

Responsible Finance Officer determines working practices and the day-to-day documents used.

3. *Oversight as required by the Governance & Accountability Code of Practice:* Due to remote working, TC was unable to show the file of periodic bank reconciliations for review of the scrutiny already conducted. Ordinarily the Chairman would append his signature to verify this, but this could be done in arrears at any point during the year.
4. *Internal Auditor's report for year-ended March 2020:* Members considered the report of the Council's retained Internal Auditor. TC explained that the structure of this was designed to confirm that every element of the statutory audit framework was satisfied and, supported by the routine work of the Panel, was to give Council the confidence that it should affirm each statement on the statutory Annual Governance & Accountability Return (AGAR). Members raised various questions on topics such as frequency of monitoring; the statutory framework; principles of appropriation and other practical issues.
5. *Impact of Covid-19:* TC explained the lost income from Town Hall and All Saints Centre; the partial offset by savings in areas such as staff overtime and consumable stores, and the items of expenditure to facilitate eventual re-opening that were in excess of 'normal' expenses for the period. The nett effect was a cost of £36,000 compared with budgets. In terms of prospects for remobilization, TC had indicated, in a report submitted for the imminent meeting of Council, that the ASC booking diary showed many prospective bookings from September and was almost back to normal levels from the New Year. It was acknowledged that these were not yet confirmed, and the situation was fluid. The regular hirers at the Town Hall were more "institutional" in character and many had already decided to cancel all activity until at least January 2021.

AudPan2020/07 CONCLUSIONS:

1 Members considered information on the Council's financial status and management for the first quarter; and found no items of concern. It was acknowledged that routine bank reconciliations would be validated by physical signature later in the year.

2 Members noted the Internal Auditor's report and signified their understanding of the statements it contained.

AudPan2020/08 There being no further business, the Chairman thanked everyone for their attendance and declared the meeting closed.

The meeting closed at 8:25pm

Signed date

Agenda Item No:

Report No: AP001/2020

Report Title: Major funding requests assessment protocol refinement

Report To: Audit Panel

Date: 25th November 2020

Report By: S Brigden, Town Clerk

Purpose of Report: To propose refinement of principles for application to any requests for financial assistance from Council outside the scope of the general grants scheme

Recommendation(s):

- 1 That the recommended principles be considered.
-

Information:

1. The Audit Panel proposed, and Council adopted, a set of criteria and assessment protocol, along similar lines to that employed by the Grants Panel, by which all applications for 'major funding' will be assessed if falling outside the established miscellaneous grants scheme.
2. The system adopted is described in the attached Briefing Note.
3. The template can be used at any meeting of Council; Committee or Working party, where applicants will be asked to submit their request in whatever form is appropriate to them, as now, and Members attending the meeting will then apply a score, to allow a moderated aggregate to be evaluated to indicate the depth of support for the application.
4. It was suggested that the meeting at which this was conducted could set a minimum threshold score required before a request might be eligible for further consideration (say, 65%), and the matter then concluded following scoring and discussion.
5. The protocol was used for the first time in October 2020 and the Council meeting did not elect to set a threshold but, acknowledging that there was significant support evident in the value of scores awarded, the issue was decided on a final subjective discussion. This gave rise to a request for a refinement of the protocol by the Audit Panel.
6. It has been suggested that this might be achieved by the introduction of these steps:
 - a) Following a calculation of the overall percentage score for a major funding request, based on the criteria used on the application assessment sheet, any request with a score **lower than 40%** will not be further discussed and the applicant will be given feedback as to why the request was unsuccessful.
 - b) For requests that score **over 40%**, the percentage score will serve to determine the degree of support and an initial amount recommended, *eg* a request for £5,000 with a score of 60% will result in an automatic proposal that the applicant is awarded £3,000 (always subject to any financial considerations highlighted in accompanying report(s)). The meeting can then vote on this, or amendments may be proposed if individuals wish to propose a higher or lower amount.
 - c) If the Council agrees to fund an applicant who is looking for partial funding for a larger project, members may wish to agree the sum in principle on the understanding that funding from other sources to meet the total required can be evidenced before funds are released.
7. The establishment of a base threshold was fundamental to the original proposal, as a benchmark against which to determine the support for further, detailed, consideration. A potential drawback in linking the amount of any award in direct proportion to the support 'score' is that many applications of this nature may be unable to proceed without the full amount requested *eg* a score, and proportional grant, as high as 95% could nonetheless represent an unachievable shortfall to the applicant.

S Brigden 14th November 2020

Assessment of requests for ‘Major funding’

Background:

1. The system employed when assessing smaller grants (<£2,000) within the established Community Grants Scheme is that the Grants Panel evaluates applications in four ‘rounds’ each year, with members individually awarding scores on perceived merits in five categories; then collectively analyzing aggregate results, and reaching consensus having assessed comparative ‘ranking’ of applications and other factors. Recommendations for awards are made in a report to Council.
2. Requests arise from time to time for financial support in larger sums – “Major funding” - usually related to projects within the community that appear to the applicant body to have some resonance with the aims of a parish council, and these may be brought direct to Council or to a Committee or Working Party according to context.
3. Such requests are usually received individually, and a system of comparative ranking as used by the Grants Panel is not appropriate. Council has agreed a system (*Resolution FC2020/07.2 refers*), devised by the Audit & Governance Panel, giving a simple, structured, assessment that can be understood by both applicant and assessors. This follows the same principle of five equally-weighted elements and similar criteria. These are:
 - i) Closeness of match to the council’s objectives and underlying values*
 - ii) Overall “robustness” of the proposal – *ie* general likelihood of success/sustainability
 - iii) Financial planning exhibited – *ie* adequacy/prudence/appropriateness *etc.*
 - iv) Scope and sustainability of the proposal – *ie* beneficiaries; scale; thoroughness
 - v) A personal (subjective) assessment; based on any special insight or considerations.

Also considered are factors such as the balance or proportion of Council funding being sought, compared with other sources and the applicant’s own funds, and other detail elements of a proposal.

*These are inherent in the establishment of a parish Council and enhanced by published policies in specific areas of activity or aspiration.

Assessment:

4. When a relevant application is received, to be considered at any meeting of Council; Committee or Working party, a report on the agenda or presentation *etc* will be accompanied by this briefing note and a blank scoresheet for Councillors to complete individually. An example is attached to this note.
5. Councillors should individually record a score for each of the five elements (maximum score 20 for each = total max 100) according to their own judgement. The resulting totals will be entered into a spreadsheet which, on behalf of any absent Members, applies a median average of the scores recorded by those present and aggregates the individual totals. This process is a first-stage to moderate any inherent ‘high’ or ‘low’ scoring tendencies among individuals. The final decision is reached following a discussion – informed by the ‘scoring’ of the application in terms of total score and proportion of the theoretical maximum.
6. Council may set a minimum threshold score required before a request might be eligible for further consideration (*eg* 65%), and the matter then concluded following discussion.

FUNDING APPLICATION ASSESSMENT SHEET

Larger sums or requests falling outside the Financial Grants Scheme (*Resolution FC2020/07.2 refers*)



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Ref: *report FCnnnn/20nn*

APPLICANT *name* Requested **£n,nnn**

Councillor _____

Date: **meeting date**

	AREA	COMMENTS	SCORE (Max 20)
1	Closeness of match to the Council’s objectives and underlying values		
2	“Robustness” of proposal – general likelihood of success/sustainability		
3	Financial planning – adequacy/prudence/appropriateness		
4	Scope & Sustainability – beneficiaries; scale; thoroughness		
5	Personal (subjective) assessment – any special insight or consideration		
			TOTAL (max 100)

Signature _____