



Lewes  
Town  
Council

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Minutes of a meeting of the Audit and Governance Panel held on Wednesday 28 September 2022 in the Council Chamber, Town Hall at 6.00pm

**Present:**

Councillor M Bird

Councillor S Catlin

Councillor R Handy

Councillor M Milner

Councillor W Maples

**In attendance:**

Town Clerk

Responsible Finance Officer

Committee Administrator

1. **Election of chair:** Councillor Wendy Maples was elected as chair of the Panel for the year 2022 to 2023
2. **Apologies for absence:** were noted from Councillor Vernon
3. **Members' declarations of interest:** There were none.
4. **Question time:** There were none.
5. **Minutes:** The minutes of the meeting held on Monday 7 March 2022 were agreed as an accurate record.
6. **Chairs report and urgent items:** The Chair informed the meeting that her objectives as Chair of the panel would be to focus on both Audit and Governance and to ensure that the panel's work is in keeping with standard audit and governance practices.
7. **Officers' reports**
8. **Internal Audit Report 2021 to 2022**
  - 8.1 The panel considered report AGP001 the final internal audit report for Lewes Town Council for the financial year 2021 to 2022. The audit was conducted by the Town Council's Internal Auditor, Mulberry and Co.

8.2 One of the functions of the Internal Audit is to assure Members of the Council that the systems, financial and otherwise, are following best practice, operating correctly, compliant with all laws and regulations and can be relied upon.

8.3 Members noted the ongoing issue with the general fund. The Town Clerk explained that this would need to be considered during the budget process.

8.4 A question was raised regarding trusteeship and the need for Council to complete charity accounts, which the auditor recommends the council review. It was queried whether full council need to agree this or would the Town Clerk have the authority to implement this. The Town Clerk confirmed that she would not have the authority but had sought initial legal advice, and the contracted Responsible Finance Officer (RFO) would be working on this.

8.5 The Town Clerk explained to the panel that there is currently £80,000 of CIL (Community Infrastructure Levy) money in earmarked reserves. Each payment of CIL money received by council is listed separately in the accounts with a use by date so that the money can be tracked. £25,000 had already been committed for a pedestrian crossing.

8.6 The Town Clerk and RFO informed the panel that the Council is required by law to follow the 2015 Transparency Code. The Town Clerk will be working with the RFO, Finance and Administration Officer and Communications Officer to implement information to meet the requirements of the code, this will then be easier for officers to manage and keep updated. It is anticipated that this work will be completed by the end of the financial year.

8.7 The council does not currently have an Asset Policy. There are multiple asset registers across various documents. A policy will be developed for the Audit and Governance Panel to consider and recommended to Council for adoption.

8.8 The Chair raised the question of ethical investment. The Town Clerk and RFO were looking to research this soon. However, the RFO informed the panel of a financial platform called 'Flagstone' that several town and parish councils were moving towards using. Flagstone is an investment platform where a council can invest money. The investor can specify what criteria to invest in and one completed application form will enable the investor to open multiple bank accounts.

**8.9 It was resolved that:**

The Internal Auditor report from the 2021 to 2022 accounts and the action to implement the Internal Auditor's recommendations are noted.

**9. Review of grant funding procedure**

9.1 The Panel considered report AGP002 following a review of the grant assessment process by both the Audit and Governance Panel and the Grants Panel as requested by Council. The Grants Panel reviewed the proposals at their meeting on 21 September 2022 and made recommendations to this Panel, which were contained within the report. The Audit and Governance Panel considered the content of the report with a view to making final recommendations to Council for a revised procedure.

9.2 The Panel discussed how the grants link to the council vision and noted that when a new vision was developed this would be integrated into the grant criteria. **It was resolved that:**

1. Agree the wording in table 4.5, criteria 1 be amended, replacing the word 'cover' with 'includes', to read 'Support of the Council's vision, which includes:'

9.3 The Panel discussed the need to develop a simple guide to differentiating scores that would be applied to both smaller and major grants. The Grants Panel had proposed that each criterion is scored out of 5 rather than 20. **It was resolved that:**

1. Agree the differentiating scoring criteria for smaller and major grants and that each criterion to be scored out of 5 rather than 20.

9.4 The Panel then discussed how to address scores of those councillors absent or not scoring due to a declared interest. Currently a median score is added if no score has been sent in by a councillor. **It was resolved that:**

1. If scores have been submitted by a councillor they should be included, but if no scores have been submitted then a median should not be used.

9.5 The Panel considered a recommendation from the Grants Panel that major funding applications should follow the same procedure as the smaller grants process. An extraordinary Grants Panel would be convened on receipt of an application to assess and score with a recommendation being made to Full Council. **It was resolved that:**

1. The revised procedure whereby major funding applications will be assessed by an extraordinary Grants Panel who will then make a recommendation to Full Council be recommended to Full Council. No further scoring will be undertaken at Full Council.

9.6 The Panel then considered the matter of applicants being present in the public gallery while Council considers their application and attention was drawn to appropriate use of Section 100 of the Local Government Act 1972. The RFO informed the panel that other authorities had different processes as how to award grant money but the public are entitled to see how their money is being used. **It was resolved that:**

- 1 Agree that grant applicants may be present in the public gallery while their grant application is considered at Full Council.

9.7 The Grants Panel had formulated some FAQ's (frequently asked questions) to assist the officer receiving grant applications in their initial review of the application. These were considered by the Panel. **It was resolved that:**

1. Agree the FAQ's formulated by the Grants Panel.
2. Agree that the application form be amended to include a question about previous funding from the Town Council and whether feedback has been submitted.

**10. Update on transition to new accounting software**

10.1 The RFO updated the Panel on transition to the Rialtas Business Solutions accounting software. The RFO and FAO had successfully back processed from 1 April 2022 to date, and everything had balanced and reconciled.

1. The update on transition to the new accounting software was noted.

Signed.....

Dated.....