

**MINUTES OF A MEETING OF THE AUDIT COMMITTEE  
MALVERN TOWN COUNCIL**

**held on Monday 18 November 2019**

**in the Council Chamber, Belle Vue Terrace, Malvern, at 6.30 pm**

**Councillors**

Present

C Palmer (Chairman)

L Lambeth

D Watkins (substitute for Cllr Mewton)

**In attendance**

Linda Blake – Town Clerk

Louise Wall – Minute Clerk

Absent

C Bovey (apologies)

P Mewton (apologies)

S Taylor (apologies)

**9. APOLOGIES FOR ABSENCE**

Apologies for absence were received and accepted from Cllrs C Bovey, P Mewton and S Taylor. Cllr Mewton had substituted Cllr David Watkins.

**10. DECLARATIONS OF INTEREST**

None.

**11. MINUTES OF PREVIOUS MEETING**

It was **RESOLVED** that the minutes of the following meeting be approved and adopted as a correct record of the proceedings and they were signed by the Chairman:

- Audit Committee meeting held on 4 June 2019.

**PUBLIC PARTICIPATION**

None.

**12. EXTERNAL AUDIT REPORT AND CERTIFICATE 2018/19**

Members of the committee **NOTED** the External Audit Report and Certificate 2018/19 and were advised by the Town Clerk that a clean audit had been received.

**13. INTERNAL AUDIT CONTRACT 2019/20 TO 2021/22**

Report AC01/19 was received and accepted.

The first two years of the current internal audit contract have now been completed and committee was advised that the internal auditor had confirmed he would be happy to extend the contract for a further three years at a maximum cost of £1,800 per year, as per the original tender. It was noted that there was a good working relationship with the internal auditor but that the internal audit contract has to be reviewed every five years in accordance with Town Council policy.

It was **RECOMMENDED** that the current internal audit contract is extended by a further three years to include the financial years 2019/20, 2020/21 and 2021/22.

**14. REVIEW OF HOW TOWN COUNCIL INCOME IS INVOICED, COLLECTED AND REVIEWED**

Report AC02/19 was received and accepted.

The Town Clerk explained that there are several procedures in place for invoicing and collection of income, depending on the service and facilities provided. These work well and ensure that income is collected on time.

Members noted the current charges for allotments, Great Malvern cemetery and sports pitches and the Town Clerk explained the current invoicing procedures for all services.

Allotment fees can only be charged for three months in advance and therefore the invoices sent out are for nine months in arrears and three months in advance. There is currently a 10% discount for invoices settled by 28 January and invoices are issued to include this discount. Anyone who has not paid by 28 January has until 1 February to settle the full amount excluding the discount. Any invoices outstanding after this date then also attract a late payment charge of £25 with their tenancy being terminated if still unpaid at 4 February.

It was **AGREED** that this process was unnecessarily complicated and costly with too much paperwork and stages of invoicing required and committee felt that the invoicing process should be changed for the following year.

It was **RECOMMENDED** that allotment fees should be held for the year 2021/22 but the 10% discount should be scrapped to simplify the invoicing and administration process. Allotment holders would be given 15 days to pay their invoices, after which a £25 late payment fee would be incurred.

Members felt that the current procedures in place for invoicing, collection and review of Town Council income were otherwise adequate.

**15. REVIEW OF TOWN COUNCIL BUDGET APPROVAL PROCESS**

The Town Clerk explained that the current process for budget approval was for the Operations and Planning committee to put forward operational projects for the forthcoming financial year as well as review expenditure on machinery and vehicles, whilst the Policy and Resources committee reviewed the remaining, larger part of the budget. Councillors are asked for any ideas for projects they would like to see in the town and these are included, where appropriate, in the budget.

The Town Clerk and the Operations Manager then review the expenditure for the first six months of the year to create a re-forecast. This is then used to build the budget for the following year, looking at expenditure requirements for individual cost headings and including the recommendations put forward by the budget working party and the Operations and Planning Committee.

The budget is finalised before the end of the year by Full Council at its meeting in December.

Committee **AGREED** that this was a robust and satisfactory budgetary process and that there was no need for any changes to be made at present.

**16. DATE OF NEXT MEETING**

It was **AGREED** that the next meeting of the Audit Committee would be held on Wednesday 19 February 2020.

The meeting ended at 7.10 pm.

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(Chairman)