



Committee and Date

West Mercia Energy Joint
Committee

21st March 2023

WEST MERCIA ENERGY JOINT COMMITTEE

Minutes of the meeting held on 27 September 2022

**In the Shrewsbury/Oswestry Room, Shirehall, Abbey Foregate, Shrewsbury,
Shropshire, SY2 6ND**

11.00 am - 12.15 pm

Responsible Officer: Emily Marshall

Email: emily.marshall@shropshire.gov.uk Tel: 01743 257717

Present

Councillors Evans (Vice Chairman), Hardman, Davies and Gwilym Butler (remote attendee)

In the absence of the Chairman, Councillor Rae Evans as Vice-Chairman chaired the meeting.

18 Apologies for Absence

Apologies for absence have been received from Councillors Carter, Harvey, Kent and Potter.

Councillors Butler and Davies joined the meeting remotely, taking no part in the voting on any of the items for consideration.

19 Minutes

RESOLVED:

That the Minutes of the meeting held on 15th March 2022 be approved.

20 Public Questions

No public questions had been received.

21 Disclosable Interests

None declared.

22 Supplier Contracts

The Director confirmed that there were no entries to report.

23 Statement of Accounts 2021/22 and Annual Governance Statement 2021/22

Mr J. Walton, Treasurer (WME) presented the Statement of Accounts 2021/21 and the Annual Governance Statement 2021/22 for the West Mercia Energy Joint Committee (copy attached to the signed minutes).

RESOLVED:

1. That the Letter of Representation to be signed by the Chairman and submitted by the Treasurer be noted.
2. That the finalised Statement of Accounts 2021/22 be considered and signed by the Chairman and the Treasurer.
3. That the Annual Governance Statement 2021/22 be considered.

24 External Audit - Audit findings report 2021/22

The Chairman welcomed External Auditor, John Fletcher, W R Partners to the meeting. John Fletcher, introduced the Audit Findings Report 2021/22 and highlighted the key areas. John Fletcher, thanked Nigel Evans, Jo Pugh and the finance team at West Mercia Energy for their cooperation and assistance during the audit.

There were no matters outstanding and the report could be signed off in accordance with the agreed plan.

Two risks were highlighted, Fraud Management – Override of Controls and Fraud – Revenue Recognition. John Fletcher explained that both of these were required to be significant risks as dictated by the National Standards of Auditing. WME had a thorough suite of internal controls in place, however in any organisations these could be overridden. All of the work in this area had been completed with no findings to report.

RESOLVED:

That the contents of the audit findings report presented by WR Partners be considered and endorsed, with appropriate comment

25 Internal Audit Annual Report 2021/22

Pete Chadderton, Internal Audit presented the report which provided a summary of Internal Audit's work for 2021/22. It was confirmed that based on the controls evidenced across all areas examined, the Head of Audit's year end opinion on the Company's internal control environment was substantial.

RESOLVED:

1. That the performance against the Audit Plan for the year ended 31 March 2022 be endorsed.
2. That the system of governance, risk management and internal control is operating effectively and can be relied upon when considering the Annual Governance Statement for 2021/22.

3. That the Head of Audit's substantial year end opinion on West Mercia Energy's governance, risk management and internal control environment for 2021/22 based on the work undertaken and management responses received be endorsed.

26 Distribution of surplus

The Treasurer presented the report which recommended the level of distribution of surplus held on 31 March 2022 to the Member Authorities. (copy attached to the signed minutes).

RESOLVED:

1. That the retention of accumulated surplus of £0.890 million be approved.
2. That the distribution of accumulated surplus of £0.396 million, in accordance with the provisions of the Joint Agreement be approved.

27 Risk management update

Nigel Evans, Director WME, presented the report (copy attached to the signed exempt minutes), which provided an update on risk management.

In response to a question, the Director explained that risks were greater in March, and commented that as WME progress through the financial year the risks reduce but then raise at the start of each financial year.

RESOLVED:

That the medium and high risks presented be considered and endorsed.

28 Standing Orders

Nigel Evans, Director WME, presented the report (copy attached to the signed exempt minutes), which presented the updated WME Standing Orders for approval. The WME Standing Orders had been reviewed with support from Legal and Procurement teams, Shropshire Council. The key changes were highlighted.

RESOLVED:

That the updated WME Standing Orders be approved.

29 Exclusion of Press and Public

RESOLVED:

That under Section 100(A)(A4) of the Local Government Act 1972, the public be excluded during the consideration of the following items of business on the grounds that they might involve the likely disclosure of exempt information as defined in Schedule 12(A) of the Act.

30 Exempt Minutes

RESOLVED:

That the exempt minutes of the meeting held on 15th March 2022 be approved.

31 Update on Business Plan and Trading to Date 2022/23

Nigel Evans, Director, WME presented an exempt report, providing an update on the Business Plan and Trading Performance to date 2022/23.

RESOLVED:

That the recommendations contained within the exempt report be approved.

32 Use Cleaner Use Less update

Nigel Evans, Director, WME presented an exempt report, providing an update on the progress of WME in developing suitable support products and services for customers as they looked to achieve their net zero targets.

RESOLVED:

That the recommendations contained within the exempt report be approved.

33 Date of Next Meeting

It was noted that the next meeting would take place on Tuesday, 21st March 2023.

Signed (Chairman)

Date: