Committee and Date
West Mercia Energy Joint Committee 27th March 2026

WEST MERCIA ENERGY JOINT COMMITTEE

Minutes of the meeting held on 26 September 2025
In The Council Chamber, The Guildhall, Frankwell Quay, Shrewsbury, SY3 8HQ
2.30 - 3.46 pm

Responsible Officer: Shelley Davies
Email: shelley.davies@shropshire.gov.uk Tel: 01743 257718

Present
Councillor Peter Stoddart (Chairman)
Councillors Paul Davis (substitute for Ollie Vickers), Roger Evans, Zona Hannington (Vice Chairman), Rob Wharton and Rob Wilson

17 **Apologies for Absence**

Apologies for absence were received from Councillors Graham Biggs, Ian Cresswell and Ollie Vickers (Substitute: Councillor Paul Davis).

18 **Minutes**

RESOLVED:

That the Minutes of the West Mercia Energy Joint Committee held on 14th March 2025 be approved as a correct record.

19 **Public Questions**

No public questions had been received.

20 **Disclosable Pecuniary Interests**

None declared.

21 **Supplier Contracts**

The Director confirmed that there were no entries to report.

22 **Statement of Accounts 2024/25 and Annual Governance Statement 2024/25**

James Walton, Treasurer (WME) presented the Statement of Accounts 2024/25 and the Annual Governance Statement 2024/25 highlighting that overall profitability was strong, and customer retention was good. It was added that the Annual Governance Statement showed robust governance and no significant control weaknesses.

In response to a question the Treasurer explained that the distribution to member authorities was higher than the net surplus due to timing differences - the net surplus was calculated at year-end, a retention was held, and the distribution payment was made in the following financial year, causing a mismatch between the distribution and the surplus shown in the accounts.

RESOLVED:

1. That the finalised Statement of Accounts 2024/25 to be signed by the Chairman and the Treasurer.

2. That the Annual Governance Statement 2024/25 be noted.

23 External Audit - Audit findings report 2024/25

Jo Pugh, Head of Finance and Billing, WME introduced the report which set out the External Audit Findings for 2024/25.

Alex Riley, External Auditor, W R Partners highlighted the key areas of the Audit Findings Memorandum confirming a timely and efficient audit process, with no changes to the planned approach. He explained that materiality was set at £1.1 million, consistent with prior communications and the audit was complete, with an expected unmodified (clean) opinion and no outstanding work.

RESOLVED:

That the contents of the audit findings report presented by WR Partners be considered and endorsed.

24 Internal Audit Annual Report 2024/25

Adam Williams, Principal Auditor presented the report which provided a summary of Internal Audit's work for 2024/25. He reported a 'good' opinion for 2024/25, the highest level offered which reflected effective governance, risk management, and internal controls at WME. It was added that none of the five audits completed had received an adverse opinion and that internal audit had received positive performance feedback from the three surveys during the year.

In response to a query from a member, the Principal Auditor confirmed that for all audits, action plans were agreed with management after review and testing. The recommendations had been accepted and would be followed up as part of the upcoming audit work for the current year.

RESOLVED:

1. That the performance against the Audit Plan for the year ended 31 March 2025 be considered and endorsed.

2. That it be noted that the system of governance, risk management and internal control operating effectively and can be relied upon when considering the Annual Governance Statement for 2024/25.

3. That the Chief Audit Executive's substantial year end opinion on West Mercia Energy's governance, risk management and internal control environment for 2024/25 based on the work undertaken and management responses received be endorsed.

25 Distribution of surplus

The Treasurer presented the report which recommended the level of distribution of surplus held on 31 March 2025 to the Member Authorities and explained that the distribution formula gives each owning authority a share based on their direct business, with remaining profits split equally.

Members expressed appreciation for the surplus distribution, noting it was a significant and well-received benefit.

RESOLVED:

1. That the retention of accumulated surplus of £1.703 million be approved.

2. That the distribution of accumulated surplus of £2.182 million, in accordance with the provisions of the Joint Agreement be approved.

26 Risk management update

Nigel Evans, Director WME, presented the report which provided an update on risk management. The report indicated that most risks had been mitigated, with two risks relating to trading and potential loss of business due to central government initiatives remaining classified as medium.

In response to a question from a member, Nigel Evans explained that the risk register was formally reviewed twice a year, but risk management was embedded in daily business operations.

RESOLVED:

That the medium risks presented be considered and endorsed.

27 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.

28 **Exempt Minutes**

RESOLVED:

That the exempt minutes of the meeting held on 14th March 2025 be approved as a correct record.

29 **Update on Business Plan and Trading Performance to Date 2025/26**

Nigel Evans, Director, WME presented an exempt report, providing an update on the Business Plan and Trading Performance to date 2025/26.

RESOLVED:

That the recommendations contained within the exempt report be approved.

30 **Date of Next Meeting**

It was noted that the next meeting of the West Mercia Energy Joint Committee will be held on Friday 27th March 2026 at 10.00 a.m. in the Council Chamber, The Guildhall, Frankwell Quay, Shrewsbury, SY3 8HQ.

Signed ..... (Chairman)

Date: .....