

**MINUTES of the Finance Committee of Melksham Without Parish Council held on Monday 23<sup>rd</sup> May 2022 at Melksham Rugby Club, Oakfields, Eastern Way, Melksham at 8.20 p.m.**

**Present:** Councillors. John Glover (Chairman), David Pafford (Vice Chair of Council), Alan Baines, Shona Holt, Richard Wood and John Doel.

**Officers:** Teresa Strange (Clerk) and Marianne Rossi (Finance & Amenities Officer).

**Housekeeping:** Councillor Glover as outgoing Chair of this committee welcomed everyone to the meeting.

Nominations were invited for the Chair of the Finance Committee for 2022/23

**36/22 To elect Chair of Finance Committee for 2022/23**

Councillor Baines proposed, seconded by Councillor Pafford that Councillor Glover be elected as Chair of the Finance Committee.

There were no other nominations.

**Resolved:** The Council resolved that Councillor Glover be Chair of the Finance Committee for 2022/23.

**37/22 To elect Vice-Chair of Finance Committee for 2022/23**

Councillor Glover invited nominations for the Vice- Chair of the Finance Committee for 2022/23. Councillor Holt proposed, seconded by Councillor Pafford that Councillor Baines be elected as Vice Chair of the Finance Committee.

There were no other nominations.

**Resolved:** The Council resolved that Councillor Baines be Vice-Chair of the Finance Committee for 2022/23.

**38/22 Apologies**

Apologies were received from Councillors Shea-Simonds, who had to attend to a family matter. This reason for absence was accepted.

**39/22 Declarations of Interest**

Councillor Glover declared an interest in agenda item 11, relating to the Chairman's Allowance.

**40/22 Dispensation Requests for this Meeting**

None.

## 41/22 Public Participation

There were no members of the public present

## 42/22 Finance Policies:

### a) To review Finance Regulations

The Clerk advised members that there were a few amendments that needed to be made to the financial regulations to reflect what the council actually did.

These amendments were as follows:

**Reg 2.2:** This regulation sets out that a non-finance committee member should be attending the office to verify the bank reconciliations at least once a quarter. The Clerk explained that this was currently not being done because the whole council reviewed the bank reconciliations along with the corresponding bank statements once a quarter at their Full Council Meeting. It was also noted that these were included in the public agenda packs for members of the public to have sight of, as well as detailed in the minutes of the meeting.

The Clerk advised that she was awaiting clarification from the internal auditor regarding this and would update the council once she had received this information.

**Reg 6.18:** The Clerk advised that under this regulation the maximum spend limit in a single transaction on the card was £500, however in the corporate multi pay card policy the limit was stated as £1,500. This would need to be updated to come in line with the policy and the previous resolution to lift the spend limit.

**Recommendation 1:** The Council amend the maximum corporate multi pay card limit for a single transaction from £500 to £1,500 to reflect the corporate card policy.

**Reg 6.19:** The Clerk explained that under this regulation it referenced the corporate multi pay card as being a pre-paid card which was inaccurate. It was advised that this needed to be amended to reflect what the card was as stated in the policy, members agreed that the wording of this needed to be changed from 'pre-paid card' to 'corporate multi pay card'.

**Recommendation 2:** To change the wording of the council card from pre-paid card to corporate multi pay card.

**Reg 6.20:** It was highlighted that this regulation stated that any corporate credit card or trade account card opened by the council would be specifically restricted to use by the Clerk and RFO (Responsible Finance Officer).

The Clerk advised members that the Caretaker had a Leekes card as well as a Trade UK (Screwfix) card which was contrary to this regulation. The Clerk advised that the Leekes card had not been used in a long time and suggested to members that the council cancel this card.

She wished for a steer from members as to whether they were still happy for the Caretaker to have a Screwfix card. She explained that when the Caretaker needed maintenance items he would use the card, the parish council would then receive the invoice and make payment on the next payment run.

Councillor Glover queried whether the Caretaker received prior approval before he used the card or if there was a spend limit in place. The Clerk advised that this was currently something that was not in place and if the council was happy for the Caretaker to continue using the trade card, they may wish to consider specifying a spend limit.

Members discussed what an appropriate spend limit would be for the card, taking into consideration what type of items he typically purchased. The Clerk advised that it was only normally used for items that cost a minimal amount such as repair items because much larger items such as replacement perspex was ordered by officers. It was felt that a limit of £50 per month should be enough to cover any maintenance items required. If there was anything that the Caretaker needed to purchase above this limit, it would need to have prior approval.

It was highlighted that the current regulation was contradictory to the above suggestion and if the committee were minded to recommend this to Full Council the wording of this regulation would need to be amended to clearly include the Caretaker's use of the card. Members felt that this should be deferred to a future meeting, so that officers could put together some suitable wording to incorporate the Caretaker's use of the Screwfix Card.

**Recommendation 3:** Officers to bring back some suitable wording to a future meeting to incorporate the Caretaker's use of the Screwfix Card.

**Reg 8.3:** This regulation states that the Chairman should receive a copy of the bank statements at the same time as the Clerk. It was suggested that there should be an addition to the financial regulation as this was not truly reflective of the council's current procedure. The Clerk explained that even though officers had contacted the banks to request this, they were unable to send out two separate bank statements. She explained that the current procedure was to show the Chairman the bank statements at the next possible opportunity for him to review and counter sign.

Members agreed that the wording for this regulation needed to be updated to state; *'The council will arrange, if possible, with the council's banks and investment providers for the sending of a copy of each statement of account to the Chairman of the council at the same time as one is issued to the Clerk or RFO. **If this is not possible, the Chairman will be shown the statement as soon as practical and countersign the statement.'***

**Recommendation 4:** The Council update financial regulation 8.3 to include the following addition: **'If this is not possible, the Chairman will be shown the statement as soon as practical and countersign the statement.'**

- b) To note Finance Risk Assessment has to be undertaken in each financial year, but as completed in Jan/Feb22 to consider undertaking after office relocation (Autumn) due to change in circumstances**

The Clerk advised the committee that the council had to review the risk register every financial year, however this had recently been done in January. She explained that it

would be more suitable for it to be looked at once the council office had moved in to the Campus as this would be a change in circumstances. Members agreed that this was a sensible way forward.

**Recommendation:** To review the financial risk register once the office had been relocated to the Campus.

**c) To note NALC Legal Topic Note for Procurement (updated March 2022)**

The Clerk highlighted to members that these were the legal requirements that the council must follow when the council went out to contract.

She explained that the council must go out to tender for any contract over £25,000, however, she had recently discovered that this was inclusive of VAT. She advised that this was a big change as the council claimed back their VAT, so when looking at quotes/contracts the net value was always taken into consideration, not the gross amount. It was acknowledged that this meant that the net value threshold of when the council must go out to tender was now much lower.

Members noted the NALC legal topic note for procurement.

**d) To review model/example Tender instruction document and scoring matrix and to consider adopting**

Members reviewed the tender instruction documents and scoring matrix from Trowbridge Town Council. The Clerk explained that she had recently attended an SLCC Wiltshire branch meeting where the facility manager from Trowbridge Town Council had given a talk about this document. She explained that time had been spent on this specification to clearly define it and it could easily be adapted to whatever the council needed to go out to tender for.

The Clerk explained that the Berryfield Village Hall construction tender specification was compiled by a project manager, however, this would be very useful for tenders that are for a much lower value where it wouldn't be financially viable to employ a consultant to compile one. It was noted that also included with this example was a scoring matrix detailing how tenders were assessed depending on pricing and quality of tender submission.

Members felt that this should be adopted as a guide for any future tenders.

**Recommendation:** The council adopt the tender instruction and scoring matrix document as a guide for future use.

**e) To consider draft Procurement Policy**

The Clerk explained that one of the actions from the Finance Working Party meeting on 10<sup>th</sup> January (min.378/21) was to produce a procurement policy and bring back to the council for adoption. She explained that as part of the Parish Officer's CiLCA qualification she had produced a draft policy for members to review.

Councillor Baines highlighted that the figures in clause 6h in this policy would need to be amended to reflect the updated figures which came into effect from 1<sup>st</sup> January 2022 and were published in the NALC legal note for procurement, reviewed under agenda item 6c. It was noted that under the complex requirements in the Public Contracts Regulations 2015 a public service contract over £213,477 or public works contract over £5,336,937 shall comply with all the relevant procurement procedures and requirements under this regulation. These figures would need to replace the outdated figures in the draft policy.

Councillor Baines highlighted that there was a small typo under section 8b which would need to be amended to read '*The register of approved contractors will be **reviewed** periodically.*'

**Recommendation:** The Council adopt the procurement policy with the amendments highlighted above.

#### **f) To review Payment Card Policy (Council receiving Card Payments)**

The Clerk explained that officers were having difficulties with taking card payments at this current time, this was due to the fact that the credit check was unable to be done on the parish council, therefore had to be done on the Clerk personally. This means that the contract has to be in the Clerk's name and not the parish council's. This was also the same with the out of hours mobile phone, therefore, this is in the Clerk's name and the council reimburse her every month. She advised that prior to lockdown this wasn't being used as officers were still trying to find solutions for this issue, this came to a halt when lockdown came as the office was closed so the card system was not needed. The Clerk explained that this payment method would need to be picked back up again, especially once the office moved to the Campus.

The Clerk advised that although officers have had training on the payment card there is a requirement for this to be done on an annual basis, therefore, this will be done again once the card system was in place.

**Recommendation:** The council adopt the payment card policy.

#### **g) To review Corporate Multi Pay Card Policy (Council making Card Payments)**

The Clerk explained that this policy was for the council's card to purchase items. She advised that she was the only officer who had access to the card to make payments as it was in her name. Members noted that on occasions, when the Clerk was not in the office, and officers needed to make a purchase, following her approval she would send the details to them via WhatsApp. Once the transaction was completed the details would be deleted, this was detailed under the council's risk assessment.

Councillor Baines highlighted that a slight amendment needed to be made to the following to read: '*Employees using the MultiPay card shall agree in writing to allow the Parish Council to withhold and deduct amounts owed by the employee **to** the parish council*'.

**Recommendation:** The council adopt the policy for use of Corporate MultiPay Card to include the amendment as detailed above.

## **h) To review Investment Policy**

The Clerk explained that the council looked at this policy in January and made no changes, but would look at it again once the Berryfield Village Hall project was completed. She explained that she had put this back onto the agenda as it's something that needed to be reviewed once every financial year.

**Recommendation:** The Council adopt this policy with no amendments.

## **43/22 Insurance:**

### **a) To review and approve Insurance Cover for year commencing 1st June 2022 (including Cyber Security separate policy)**

Members reviewed the insurance cover policy schedule for the commencing year, the Clerk explained that she had received a list of each insurance section and its description of what items were included in each category from the insurance broker. She explained that normally the parish council's categories and the ones listed on the insurance schedule slightly differed, this document gave officers some clarity on what the insurers included in each section so they could ensure that the council had adequate cover for each category.

The Clerk explained that officers conducted an exercise analysing the level of cover detailed on the insurance schedule and cover the council needed as per the asset register. Officers had re-categorised each item on the asset register under the insurance section, to fit in with the new descriptions to ensure the level required for each section was accurate. Once this was done, officers were able to send the amount required for each category, detailing any differences between the policy schedule and asset register to the insurance brokers, so that the schedule could be amended as necessary and re-quote.

The Clerk advised there was two other options with regards to the cover, fidelity and key person cover. She advised that with regards to the fidelity cover it was unable to be increased any further due to the fact that the current insurers had withdrawn from the council insurance sector and did not want to take on any additional risk of this type. The Clerk explained that this has come up because the level of cover was set at £1.5m and she felt that due to several different funding streams expected in the coming months, the cover needed to be increase to £1.75m. She wished to highlight to members that following the explanation from the insurance brokers the level of cover was unable to be increased. Members acknowledged that this was the case. It was noted that the council was currently in a long-term agreement with Pen Underwriting AXA Ltd until 2023.

The Clerk explained that within the policy schedule there was a standard key person cover which was only £250 per week and up to £2,500 per year. The Clerk advised that this type of cover would be used if the council needed a locum clerk to cover and felt that the £250 per week would only pay for a locum to cover for a day. Councillor Glover highlighted that for the short term the existing staff could cover in the Clerk's absence. The Clerk explained that the council would still need additional hours for the staff to

cover the Clerk's duties in this instance. Members noted that the council did also hold a staffing contingency reserve.

The Clerk had enquired with the insurance brokers whether this could be increased and it can be to £400 per week and up to £10,000 per year for an additional cost of £84. The Clerk queried with members whether they wished to increase this level of cover. Members felt that it was worth increasing the key person cover for the additional £84.

The Clerk wished to draw members attention to the fact that the council had recently instructed for the Bowerhill Sports Pavilion to be revalued and was yet to receive this valuation, therefore, it may be higher than what was stated in the policy schedule and would need to be indicated to the insurance company once received.

It was noted that the council have previously taken out a separate cyber security policy and Councillor Patacchiola with his security expertise had been asked a few weeks ago to have a look at the level of cover to ensure that it was adequate for the council's needs.

**Resolved:** The council accept the level of cover in place as per the insurance policy schedule, but increase the key person cover to £400 per week up to a maximum of £10,000 per year for an additional £84.

**b) To consider quotation received for Insurance Cover and appoint provider**

Members reviewed the quotation received from the insurance broker, Gallagher on behalf of Pen Underwriting Ltd of £8,750.50 for the council's general insurance. A separate quotation of £319.20 had been received for the council's cyber security insurance which comes under a separate insurance policy with Talbot Underwriting Ltd via Channing Lucas & Partners Ltd t/a Optimum Speciality Risks.

**Resolved 1:** The council approve the quotation of £8,750.50 received from Gallagher for the council's general insurance

**Resolved 2:** The council approve the quotation of £319.20 received from Gallagher for the council's cyber security.

**c) To authorise payment for Insurance Cover commencing 1st June 2022 (under delegated powers)**

As per Min.19/22c of the Annual Council meeting on 16<sup>th</sup> May the Finance Committee has delegated powers to approve and pay for Insurance Cover as this must be paid in time for the cover to start by 1st June 2022.

**Resolved 1:** The council pay Arthur J. Gallagher, £8,750.50 for insurance cover from Pen Underwriting Ltd for the period 1st June 2022 to 31st May 2023.

**Resolved 2:** The council pay Arthur J. Gallagher, £319.20 for cyber insurance cover from Talbot Underwriting Ltd via Channing Lucas & Partners Ltd t/a Optimum Speciality Risks for the period 1st June 2022 to 31st May 2023.

**d) To consider and approve Berryfield Village Hall insurance policy in preparation of the scenario of no management committee in place at time of handover (12th August)**

The Clerk advised members that a quotation for an insurance policy for the new Berryfield Village Hall had not yet been received. It was explained that if a management committee for the new Berryfield Village Hall was not in place at the time of hand over the parish council would need to take out an insurance policy. The Clerk explained that if there was a management committee in place by this time, it would be up to that committee to ensure that insurance was in place. It is up to the parish council, like with Shaw Village Hall, to undertake due diligence checks to ensure that the trust has taken out adequate insurance cover.

Councillor Glover highlighted that there will need to be insurance in place at the time of hand over of the building otherwise there will be a period of time where the building was not insured. It was queried whether an insurance policy can be transferred over to the management committee once one was in place. The Clerk explained that she had enquired whether this could happen, however once the lease is signed by the committee the policy has to be in the name of the trust who are managing the building and not the parish council. This means that any insurance policy the parish council take out for the building will have to be cancelled.

The Clerk advised that she can obtain a valuation of the Village Hall from the contract value minus a few aspects so will get a quote from the insurance. Members agreed in principle to put into place an insurance policy for the Berryfield Village Hall and for a quote to be brought back to the June Full Council for approval.

**Recommendation:** The council agree in principle to take out an insurance policy for the New Berryfield Village Hall in preparation for building handover if a management committee is not in place at the time. The quotation for the insurance policy to be brought back to the June Full Council for approval.

**44/22**

**To note JPAG (Joint Panel on Accountability and Governance) Practitioners' Guide March 21 for the year ending 31st March 22 and the review of the March 22 guide for the year ending 31st March 23 and to confirm which one following for 21/22 reporting as both can be followed**

The Clerk explained that the new JPAG is dated March 2022 for the financial year 1<sup>st</sup> April 2022 onwards, but can be adopted to be used for the 2021/22 financial year. The Clerk explained to members that the council have in the past used the guidance that came out in March each year for the previous financial year, however she cautioned members against applying the March 2022 guide to the 2021/22 financial year. This was due to the fact that the new JPAG guidance states that you should not include the cost to date on buildings under construction on the asset register and only do so once the building was open and able to be used by the public. There was no mention of this in the March 2021 Practitioners guide.

The Clerk also advised that it was the recommendation of the internal auditor to include the building construction value as of the 31st March on the asset register.

The Clerk advised that she had contacted WALC (Wiltshire Association of Local Council's) and queried this. She had received a response to say that their advice would be to include the cost to date as of 31<sup>st</sup> March on the asset register, therefore comply with the March 2021 JPAG.

Members noted this and agreed to follow the March 2021 JPAG guide for the 2021/22 financial year.

#### **45/22 Statement of Accounts & Accompanying Report 2021/22**

##### **a) To note Finance Working party minutes 10th January 2022 (Budget setting) annotated with actual figures for 2021/22**

The Clerk explained that she had annotated this document to show the actual year end figures against the anticipated figures at budget setting in January. This was so that members could see any difference between anticipated and actual figures.

Members noted this.

##### **b) To review Statement of Accounts and Accompanying Report for 2021/22**

Members reviewed the statement of accounts along with the accompanying reports. The Clerk advised that the land for the new Berryfield Village Hall had been added under the land section in the document.

Under the borrowing section of this document details of of the public works loan taken out for the construction of the new Berryfield Village Hall, to ease cash flow, had been provided. The Clerk wished to highlight this section to members as this was the first time the parish council had to detail any borrowings.

It was noted that as the parish council now have the General Power of Competence there was no restricted maximum level of expenditure under the Local Government Act 1972, s137.

The committee confirmed that they were happy with the figures detailed in the statement of accounts.

##### **c) To review the Bank Reconciliation as at 31st March 2022**

Members reviewed the bank reconciliations for each account as of 31st March 2022 and agreed that the bank reconciliations agreed with the bank statements.

The balance of each bank reconciliation as at 31<sup>st</sup> March 2022 are as follows:

Lloyd's Current Account	£1,027,356.91
Unity Trust Bank	£ 359,517.43
Fixed Term Deposit	<u>£ 0.00</u>
<b>Total</b>	<b>£1,386,874.34</b>

**Recommendation:** The Council accept the bank reconciliation as of 31st March 2022 as a true record with a closing balance of £1,386,874.34.

**d) To review Reserves breakdown as at 31st March 2022**

The Clerk advised that herself and the Finance & Amenities Officer had been through the list of reserves and split them between contingency, short term, medium term and whether they were ring fenced for a particular project. The Clerk explained that the council were currently holding circa £1.3m in reserves and felt that the council needed to be transparent in why they were holding this amount. She explained that contingency meant that the funds would be required in this financial year, short term was up to 3 years and medium term was for capital replacement over 3 years. It was noted that there were some reserves that were ring fenced for a particular project such as the Shurnhold Fields Open Space Maintenance s106 funding and £5,000 in the Shurnhold Fields Capital reserve which was an area board grant for the car park improvement project.

Councillor Baines highlighted that the General Reserve of £34,008.00 was lower than the amount councils should hold for their running costs. The Clerk clarified that this was the General Contingency Reserve and not the General Reserve. The General Reserve is the funds that are left at the end of the financial year which was £20,663.00 for the 2021/22 financial year. She explained that the guidance states that councils should have at least 3 months operating running costs. The Clerk advised that in the parish council's Reserve Policy it stated that the council should have one month's running costs and the justification for this was because the amount the council held in earmarked reserves. She explained that if the council stopped today there was money in reserves which could be transferred across to enable the council to use these funds for paying off suppliers etc.

The following reserves had been split between contingency, short term, medium term and ringfenced.

<b>ACTUAL AS AT 31 MARCH 2022</b>	<b>COUNCIL RESERVES</b>	<b>CONTINGENCY/ COMMITTED 2022/23</b>	<b>SHORT TERM Up to 3 years</b>	<b>MEDIUM TERM CAPITAL REPLACEMENT Over 3 years</b>	<b>RINGFENCED for specific use due to legal agreement from funding source</b>
£587,857.80	New Hall, Berryfield	£587,857.80			
£5,000.00	NEW RESERVE - To dispose and make good temporary existing portacabin	£5,000.00			

	village hall (Berryfield)				
£4,400.00	Shaw Hall	£4,400.00			
£315,029.94	New Community Centre, East of Melksham	£315,029.94			
£2,856.53	Office accommodation/ relocation	£2,856.53			
£1,200.00	Photocopier replacement	£1,200.00			
£42,615.36	B'hillSports Field & Pavilion maintenance. LONG TERM REPLACEMEN T OF CAPITAL ITEMS	£5,000.00	£5,000.00	£32,615.36	
£22,213.00	B'hillSports Field & Pavilion maintenance. ANNUAL SUM MOVED INTO ACCOUNT TO MAKE UP SHORTFALL	£18,000.00	£4,213.00		
£0.00	Shaw Playing Field - Improvement Project				
£40,000.00	Replacement Play Area Safety Surfacing & Equipment LONG TERM CAPITAL REPLACEMEN T		£20,000.00	£20,000.00	
£10,000.00	Shurnhold Fields (ex George Ward Playing Field)	£10,000.00			<b>£5000 RINGFENCED</b>

	project CAPITAL				
£6,000.00	Recreation & Sports Facility Enhancement	£6,000.00			
£10,850.00	Defibrillator replacement every 6 years		£10,850.00		
£4,000.00	General Highway & Footpath / Lighting		£4,000.00		
£5,450.00	Legal fees	£5,450.00			
£765.67	Community Projects/Match Funding	£765.67			
£14,000.00	Elections	£14,000.00			
£9,850.00	Contingency - staffing	£9,850.00			
£29,116.00	Contingency - replacement / renewal of council assets (including Wiltshire Council assets) and instead of insuring low value street furniture items	£29,116.00			
£34,008.00	General Contingency	£34,008.00			
£5,000.00	Contribution to Wiltshire Council /Env Agency bid to DEFRA for flood protection in Whitley/Shurnho ld		£5,000.00		

£45,302.08	CIL (Community Infrastructure Levy) ringfenced funding	£24,500.00	£20,802.08		
£317.82	NEW RESERVE- 10% CIL Sharing pot with MTC		£317.82		
£29,068.47	NEW RESERVE - Sandridge Solar Farm	£17,379.00	£11,689.47		
£81,988.60	Shurnhold Fields Open Space Maintenance Contribution	£1,700.00	£5,100.00	£75,188.60	<b>RING FENCED</b>
£2,148.21	NEW RESERVE - COVID GRANTS FROM WILTSHIRE COUNCIL (2ND)		£2,148.21		
<b>£1,309,037.48</b>		<b>£1,092,112.94</b>	<b>£89,120.58</b>	<b>£127,803.96</b>	
			<b>£1,309,037.48</b>		

**Recommendation:** The Council approve the reserve breakdown.

**e) To review receipts and spend of CIL (Community Infrastructure Levy) for 2021/22**

Members reviewed the receipts and spend on CIL for 2021/22. It was noted that the Neighbourhood Plan was adopted on 8<sup>th</sup> July 2021 which meant that there was an additional 10% of CIL payable to the parish council for any future new developments. As the Melksham Neighbourhood Plan was a joint project with Melksham Town Council it has been agreed that any additional CIL payments received by both councils would go into a sharing pot for future projects. To benefit from the additional CIL, the Neighbourhood Plan has to have been adopted before Wiltshire Council receive any CIL receipts from a new development. In the 2021/22 financial year there was only one development that this applied to which was the Oakley Farm erection of Farm Shop) 18/05266/Ful, with £317.82 of the £794.54 received going into the CIL sharing pot.

**Recommendation:** The parish council report the following CIL income and expenditure for 2021/22.

**CIL income received in 2021/22**

Land adjacent to 489a Semington Road 18/07286/FUL	£ 4,222.48
Oakley Farm (erection of Farm Shop) 18/05266/FUL	£ 794.54
Blenheim Park 20/04037/FUL	£ 519.31
Shaw Country House 21/01601/FUL	£ 676.24
Land adjacent to 490 Semington Road 19/10143/REM	£ 201.81
	<b>£ 6,414.38</b>

**CIL spent in 2021/22**

Shurnhold Field project - Capital expense	£ 952.15
Top up art contribution (Pathfinder Place Information Board)	£ 50.00
Drinking water fountain (Bowerhill Sports Field)	£ 3,088.24
Street furniture/play area benches	£ 1,711.00
Replacing Wiltshire Council bins	£ 1,172.10
	<b>£ 6,973.49</b>

**Transfers to Earmarked Reserve:**

10% CIL Sharing pot with Melksham Town Council	£ 317.82
Bowerhill Sports Field Reserve	£ 5,000.00
	<b>£ 5,317.82</b>

**CIL Reserve as at 1<sup>st</sup> April 2021**

	<b>£ 51,179.14</b>
CIL income received in 2021/22	£ 6,414.38
CIL spent in 2021/22	- £ 6,973.49
CIL transferred to Earmarked Reserves	- £ 5,317.82
<b>CIL Reserve as at 31<sup>st</sup> March 2022</b>	<b>£45,302.21</b>

**f) To review spend of Sandridge Solar Farm funding for 2021/22**

Members reviewed the spend from the Sandridge Solar Farm for 2021/22. It was noted that the council had to provide details each year of what the Solar Farm funds had been spent on and report this back to the Solar Farm owners.

It was anticipated that the council would use some of this fund for testing the drinking water fountain once installed, however the fountain was not installed in this financial year. Although the council intend to use the solar farm funding for the running cost of items, it had previously been felt that this could be used for the purchase of a new bus shelter on Falcon Way, Bowerhill as this was in the radius of the solar farm, however this was yet to be purchased.

**Recommendation:** The parish council report the following Sandridge Solar Farm income and expenditure for 2021/22:

The Sandridge solar farm funding received in 2021/22 was a one-off payment of £14,850.31. This fund was spent on the following in 2021/22:

Tree Works and bat survey- Bowerhill Sports Field	£ 2,188.50
Erection of SID on fortnightly basis	£ 685.00
Weedspraying	£ 2,744.00
Play Area/ MUGA Safety Surfacing clean	£ 2,930.00
Play Area replacement safety surfacing, equipment & benches	<u>£14,787.34</u>
<b>Total spend 2021/22</b>	<b>£23,334.84</b>

**g) To note advice of NALC re work under construction and approve Asset Value figure for year ending 31st March 2022**

The Clerk explained to members that on one of the internal auditors visits he advised that the council would need to include the work in progress figure for the new Berryfield Village Hall on the asset register. As already discussed under agenda item 8, officers had reviewed the new JPAG document which came out in March 2022 and found that it contradicted the internal auditor's advice.

It was noted that although the JPAG dated March 2022 was for the 2022/23 financial year it could also be applied to the 2021/22 financial year.

The Clerk subsequently raised a query with NALC (National Association of Local Councils) and included their response as part of the agenda papers. It was noted that the advice from NALC was to not apply the 2022 guide to the 2021/22 financial year and the value up to 31<sup>st</sup> March should be included in the asset register.

Therefore, the asset register value as at 31<sup>st</sup> March 2022 was £591,426.

**h) To recommend for approval by Full Council the Statement of Accounts & Annual Report for the year ending 31st March 2022**

**Recommendation:** The Council approve the Statement of Accounts and Annual Report for the year ending 31st March 2022.

**i) To recommend for approval Local Government Transparency Code Compliance Report for 2021/22**

The Clerk explained that this was a document that the council produced each year as a transparent way of publishing how the council met the requirements of the Transparency Code. She explained that the only thing that had a gap was the ratio of the Clerk's remuneration to the median of the rest of the staff. She highlighted that this was calculated on everyone's earning and not their full-time equivalent, which seemed unreasonable as some members of staff worked part time, whereas others worked full time, so was not an accurate reflection. This has been worked out as 7.2:4.5 ratio and would be subsequently added to this document.

The Clerk advised under the land section; the new Berryfield Village Hall had been included. As per the recommendation of the internal auditor to publish the Chairman's allowance on the website, this information has also been included in this document.

**Recommendation:** The Council approve the Local Governance Transparency Code Compliance Report for 2021/22 with the inclusion of the ratio as confirmed above.

**46/22 Audit:**

**a) To note no action to be taken as result of External Audit report for 2020/21**

The Committee noted that there had been no recommendations from the External Auditors for 2020/21.

**b) Internal Auditor's reports for 2021/22 (To note review of visit 20/10/21 and consider report following 2nd visit 24/02/22 and submission of year end figures 06/05/22)**

Members noted the reports from the internal auditor, it was acknowledged that the council had already reviewed the report from October. The Clerk explained that although the council have already seen the internal audit report for the first visit it was a requirement for them to see it again and this would also need to go to the full council for review.

The Clerk explained that following the second visit there were only two observations on the year end internal auditor report. The first being that the council must publish details of members allowance paid on the website, which has been done. Secondly, the council must consider whether they include the working value of the new Berryfield Village Hall on the asset register. Members noted that this had been discussed at this meeting and have recommended to full council that this figure should be included.

**c) To note feedback from Internal Control councillor visit (w/c 16th May)**

The Clerk explained that the council had to be satisfied that it had effective internal control. It was explained that Councillors Baines and Holt both separately undertook this exercise in the office. Both Councillors were shown the income spreadsheet for the allotments, football income and any other income for things such as ad-hoc photocopying or payments made by Melksham Town Council for their share of the cost of Shurnhold Fields or the Neighbourhood Plan. The staff payroll spreadsheet was also presented to both Councillors on this visit for them to confirm that it matched what was being reported as paid to HMRC.

Councillor Baines reported that he had undertaken a spot check on the Allotment income and all was in order. Councillor Holt confirmed that she had undertaken the same procedure and was satisfied with the evidence of controls in place.

**d) To consider effectiveness of internal control**

Following the confirmation above from both Councillor Baines and Holt, members were satisfied that the internal controls in place were effective.

**e) To note guidance from External Auditors**

Members noted the guidance from the External Auditors. The Clerk confirmed that the council would need to submit documents that were required in list 4, intermediate level, as income and expenditure was over £200,000.

**f) To consider answers to Section 1 (Annual Governance Statement) of External Audit documentation (Full Council will also need to consider separately when they meet on 20th June)**

It was noted that as a corporate body the Council had to understand and acknowledge this statement and be able to answer yes to all the questions. The Clerk advised that she would prefer these statements to be read out one by one at full council so that everyone fully understood what they were answering to.

**Recommendation:** The questions in Section 1 of the Annual Governance Statement 2021/22 to be answered “yes” by the Full Council on 20<sup>th</sup> June, 2022

**g) To recommend for approval by Full Council the External Audit Annual Return and additional information requested**

The Clerk also explained that anything that is a variation of 15% more or less than last year’s figures needed an explanation. A full breakdown of the variances was explained in a separate document and provided to members in their agenda packs.

It was noted that Box 3 Total Other Receipts were much higher this year due to the fact that the council received the public works loan for the new Berryfield Village Hall and also 25% of £500,000 (index linked) as specified in the S106 for the hall. These receipts were not received in the previous financial year.

Box 6 All Other Payments was much higher this year largely due to costs associated with the construction of the new village hall.

Box 9 Fixed Assets was also much higher in this financial year than last year due to including the valuation figure for the village hall as of 31<sup>st</sup> March 2022 onto the asset register. Officers had also identified that the footpath installed at Hornchurch Road public open space had been omitted previously, so this was added to the asset register.

**Recommendation:** The figures in Section 2 of the Annual Governance & Accountability Statement and accompanying documents be approved by the Full Council on 20<sup>th</sup> June, 2022.

**h) To note key dates for Exercise of Public Rights**

It was noted that the public had a right to view the published accounts. The dates set for the period for the exercise of public rights commence on Monday 27<sup>th</sup> June 2022 and end on Friday 5<sup>th</sup> August 2022.

**47/22 To note Chairman’s Allowance for 2021/22 and consider Chairman’s Allowance for 2022/23 bearing in mind PAYE implications**

Councillor Glover as chairman wished to explain to members that due to receiving this allowance it has subsequently taken him into the next tax band bracket, therefore, increasing the amount of tax he has to pay. He suggested not paying him the

allowance directly and using it for things such as the remembrance wreath and he would make a claim for reimbursing expenditure. The Clerk explained that the chairman's allowance had to go through PAYE and the idea of this allowance was to ease the burden on the chairman having to claim back expenses. She also advised that when the statutory guidance changed to state that the chairs allowance had to go through PAYE the council had increased the allowance to cushion the tax implications. It was advised that the allowance was normally increased to reflect the members percentage increase at Wiltshire Council.

The Clerk advised members that although the council could pay for things such as the remembrance wreath on the Chairman's behalf, the allowance was also a recognition that the chairman was making phone calls and taking time out to represent the council at events which were less tangible amounts to claim back.

Councillor Glover explained that the full chairman's allowance as a whole didn't take him over the tax bracket, but it seemed to be how the allowance was paid as it was a much larger sum paid on a quarterly basis.

This item was discussed in detail and it was felt that the chairman's allowance should be paid monthly for this financial year to see if it resolves this issue.

The Clerk wished to draw members attention to the fact that in 2021/22 the allowance was uplifted by 1.75% in line with the staff increase and the Wiltshire Council's members allowance.

**Recommendation:** To pay the Chairmans allowance every month for the 2022/23 financial year to see if it resolves the issues as discussed above.

#### **48/22 To review Council's and Staff subscriptions for 2022/23**

Members reviewed the list of staff subscriptions for 2022/23, it was noted that there was £1,750.00 in the budget, with all of the subscriptions included it was estimated that the total cost would be £1,751.17.

**Recommendation:** The Council and Staff Subscriptions for 2022/23 are approved as follows:

Subscription	Amount budgeted
<b>WALC &amp; NALC</b>	<b>£1,114.17</b>
SLCC (ILCM included)	£300.00
LCR	£40.00
<b>Open Spaces</b>	<b>£45.00</b>
CPRE	£40.00
Community First	£45.00
Fields In Trust	£45.00
Wilts & Berks Canal Trust	£40.00
<b>Clerks &amp; Councils Direct</b>	<b>£12.00</b>

TransWilts	£20.00
<b>Wiltshire Village Hall Association</b>	<b>£50.00</b>
TOTAL	<b>£1,751.17</b>

**49/22 To review and approve list of regular payments for authorisation for 2022/23 (as per Fin Reg 5.6)**

As per financial regulation 5.6 the council must review the list of regular payments each year. Member confirmed that they were happy with the list presented to them.

**Recommendation:** The council to approve the list of regular payments

**50/22 To review and approve Direct Debits & Standing Orders for 2022/23**

Members reviewed the list of direct debits and standing orders for 2022/23. For transparency the committee was also provided with a print out from the banks detailing what direct debits and standing orders were set up.

**Recommendation:** The council approve the list of direct debits and standing orders for 2022/23.

**51/22 Financial Services Compensation Scheme (FSCS): Updated advice**

The Clerk explained that she had previously advised the council that money held in the bank was covered up to a maximum of £85,000 under the small local authority section. She had since seen subsequent guidance which categorised the criteria that makes a council eligible as a small local authority. Unfortunately, the parish council do not meet the criteria as councils are required to have an annual budget of under 500,000 euros to be covered which currently precludes the parish council.

Meeting closed at 21.49pm

Signed.....  
Chairman, Monday 20<sup>th</sup> June 2022