

MINUTES of the Finance Committee of Melksham Without Parish Council held on Monday 20th May 2019 at 1 Swift Way, Bowerhill, Melksham at 7.45p.m.

Present: Cllrs. Richard Wood (Chairman), Alan Baines, Paul Taylor, Paul Carter & Stuart Wood.

Officers: Teresa Strange (Clerk) & Marianne Rossi (Assistant Parish Officer)

Apologies: Cllr. John Glover (Vice Chair) who was on holiday and Cllr. Nick Holder who was attending a funeral. These apologies were accepted.

Housekeeping: The Council Chairman welcomed all to the meeting and explained the evacuation procedures in the event of a fire.

037/19 **Election of Chair of Finance Committee:** Nominations were invited for the Chair of the Finance Committee for 2019/20. Cllr. Glover had stated prior to going on holiday that he was happy to stand again as Chair of the Finance Committee and no other nominations were proposed. **Resolved:** *Cllr. Glover be Chair of the Finance Committee for 2019/20.*

038/19 **Election of Vice Chair of Finance Committee:** Nominations were invited for the Vice Chair of the Finance Committee for 2019/20. **Resolved:** *Cllr. Baines be Vice Chair of the Finance Committee for 2019/20.*

In the absence of Cllr. Glover, Cllr. Baines took the Chair.

039/19 **Terms of Reference:** The Committee noted the Terms of Reference for the Finance Committee following its adoption at the Annual Council meeting on 13th May.

040/19 **Declaration of interest:** Cllr Richard Wood declared an interest and left the room when the Chairman's Allowance was discussed.

041/19 **Dispensation Requests:** None

042/19 **Public Participation:** There were no public present.

043/19 **Insurance 2019/20:**

- a) **Insurance cover for year commencing 1st June 2019:** The members reviewed the policy schedule; Cllr Baines explain that the Council were about to commence the 3rd year of a 3-year agreement with AXA insurance through the parish council specialist insurance broker Came & Company. Cllr Baines explained that the members needed to review the current policy schedule to make sure that the Council have adequate cover for all of its assets. The Clerk reported that the insurance schedule listed property insured at a value of £1,432,031.46, however this was slightly more cover than what the asset register listed, as the value currently stood at £1,429,372.90. The Clerk provided a copy of the Council's Asset Register and explained that she had looked at it line by line to ensure that insurance cover

was in place as appropriate, and that the insurance value as at 31st March 2019 had been uplifted to reflect the 4% index linked uplift that the new insurance schedule advised. She had contacted the brokers to advise that although the cover was adequate, in fact a little over what the assets dictated, that the split of cover between different sections needed amending just to ensure that all records reflected the actual figures, so for example the splits between street furniture, office contents etc. needed adjusting. The brokers would come back with an amended schedule and perhaps a slightly lower premium but were extremely busy as all parish council insurance cover commenced from 1st June.

The Clerk explained that on the policy schedule the standard cover for the defibrillators was £5,000, which the Clerk felt was not high enough as she had spoken to Community Heartbeat who provided the defibrillators and they would need £6,500 to replace all 6 of the defibrillators and around £11,000 to replace both defibrillators and cabinets if they were damaged or stolen. The Clerk had received a quote of £26.21 to increase the cover for defibrillators to £11,000 this would ensure that there is adequate cover for all of the defibrillators and cabinets.

The Parish Council's cover for fidelity (employee dishonesty) was £500,000. In April the Council had circa £540,000 in the bank. It had previously been queried that if the money had been stolen would the Council lose all of the money or would they be able to claim back the £500,000. The Clerk had asked the insurance brokers and they have confirmed that the Council would be able to claim up to the limit which is currently £500,000 but would lose out on any money above the limit. The Clerk had received a quote of £71.10 to increase the cover to £550,000 and a quote of £142.21 to increase the cover to £600,000. The Clerk stated that the Council were likely to have spent £40,000 in April and May of this year already.

The Clerk advised that the quoted policy did not include cyber insurance but could be added in as an extra premium and had received a quote of £319.20. Cllr Baines queried if the Parish Council already had virus protection as it was a requirement of the policy that it was in place. The Clerk explained that the Parish Council did have security on all of its office computers but it was only the basic cover and the cyber insurance that was quoted included a more robust anti-virus software. It was queried if there was a legal requirement for the Council to have this extra cover, the Clerk explained that there was no legal requirement for the council to have this cover and this was only an optional add on item. Members queries whether the Council were at risk of a cyber-attack, the Clerk advised that although there is a risk of this the Council already have procedures in place. The Councillors no longer use their personal accounts as they now have a Melksham Without email address, the office computers are always turned off at the end of the day which enables the necessary updates to take place and all office staff will be undertaking cyber security training on the 15th August 2019. This reduces the risk and impact of a cyber-attack. The Clerk advised that this cover does not stop a cyber-attack from happening

but would protect the Council in an event of a cyber-attack and provide compensation.

The Clerk highlighted that in the policy schedule it states that 'any flat portions of the roof of the buildings are to be inspected once every two years by a competent roofing contractor and any recommendations implemented', the members had a discussion on whether the Pavilion was a flat roof and felt that the roof has a slight ridge to it and does not have standing water, therefore the members did not consider the Pavilion roof to be flat.

Resolved 1: *The Parish Council instruct Came & Co to proceed with the insurance cover from AXA Inspire at £5,309.73 with a slight adjustment further to the amended schedule provided by the Clerk to reflect the changes to the Asset Register, from 1st June 2019 to 31st May 2020.*

Resolved 2: *The Council add more cover for the defibrillators and cabinets with an additional premium of £26.21.*

Resolved 2: *The Council keep the fidelity cover at £500,000.*

Resolved 3: *The Council add cyber insurance to their policy at a cost of £319.20.*

- b) Insurance Cover Payment Authorisation** As per Min.017/19c), 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 2019. **Resolved:** *The Council pay Came & Company, the Parish Council's Insurance Broker, £5,655.14, for insurance cover from Inspire/AXA for the period 1st June 2019 to 31st May 2020.*

044/19 **Finance Regulations:** Cllr. Baines explained that the Clerk had reviewed the current Financial Regulations and had annotated the document with any amendments, the members considered the potential amendments which reflected how the council operates in practice.

Regulation 6.6 (page 11): The members noted the addition as the Council are now also using the online payment system to make bank payments.

Regulation 6.12 (page 12): The Clerk queried the requirement to give the Chairman an envelope with a list of passwords to access Council records as there is a password protected file on the Council's shared drive. Only the office staff know the password to access the file and should one member of staff be off work the other members of staff would be able to access the document. The Chairman of the Council felt unhappy holding such passwords, and this had not been done to date.

Regulation 6.14 (page 12): It was advised that the council no longer do regular hardcopies of documents as regular back up were now stored on the cloud.

Regulation 6.16 (page 12): Cllr Baines explained that due to operational reasons following the departure of the Finance Assistant, the Assistant Parish Officer was using the Clerk's bank log on details to access online bank statements and set up online payments. The members agreed that as this was not best practice and contrary to the Finance Regulations and the Assistant Parish Officer should now be set up on the online banking systems to view and authorise payments only. It was noted that the Parish Officer had been set up on Unity bank but removed

from Lloyds as they had set it up incorrectly and so the Parish Officer had been given the ability to authorise payments which contravened the council's Finance Regulations. The Clerk had brought along the bank mandates for authorisation following the meeting for the Assistant Parish Officer to be set up to view and set up online payments for Unity Bank, and to view online statements on Lloyds Bank; for the Parish Officer to view online statements on Lloyds Bank; and for the new Finance Committee member Cllr Stuart Wood to be added as a cheque signatory with Lloyds Bank and an online authoriser for Unity Bank (as per Min.017/19d).

Regulation 9.8 (page 15): It was advised that this point was amended to reflect that the Council are now doing a VAT reclaim quarterly instead of yearly.

Regulation 10.5 (page 16): The Clerk advised that the Officers have arranged a time to conduct an exercise to go through all of the cost codes from the Rialtas software system and note down what legal power they come under so that there is a trigger when a new cost code goes on the system about what the legal power is to make the payment. The Clerk would continue to advise the parish council before making new decisions of the relevant power.

Regulation 5.6 (page 10): The members reviewed a list of payments that the Council make on a regular basis as per Finance Regulation 5.6 which states that the Council should see a list of payments every year. The Council noted this.

Recommended: *The Financial Regulations are amended to reflect the tracked changes on the document reviewed by the Finance Committee, as noted above.*

045/19 **Risk Register:** The Committee reviewed the Parish Council's Risk Register, the Clerk had already annotated the document with any changes, amendments or queries that had arisen or were to reflect changes in working practices. The Clerk reported that most changes in the Risk Register were due to the new staffing arrangement or the office move. The committee considered the recommendation of having a number matrix system for the risk register as it was advised as best practice when the Clerk attended the recent SLCC networking event. The committee were provided with an example of a matrix system that another Council had used that was provided by the SLCC and WALC as a model version. The Clerk advised that this system was used by the office staff when they were conducting a health and safety assessment in their previous office space and stopped doing activities that came out as a considerably high risk. The Clerk highlighted that the Council use the Financial Services Compensation Scheme (FSCS) threshold for Unity bank with the remaining funds in Lloyds bank to unable the full use of the fixed term deposit. She also highlighted that even though funds in Lloyds bank were higher than the FSCS threshold the Council were at more risk with funds being stored away in other accounts as they may not be looked at as regularly, therefore it may take longer to identify any fraud that has taken place. The Clerk explained that although the Council are purchasing a card reader to allow debit card payments in the office, on occasions cash is still received as a payment and it has become much harder for it to be banked on the same day as the office is no longer located in the Town. The Clerk was seeking clarification on how much the Council defined as a "large amount of cash" which triggered a specific trip to the Bank.

The Clerk highlighted that now the office is located at the Bowerhill Sports Pavilion and the gates are open for visitors who are visiting the Council office,

people who are not hiring the Pavilion facilities or visiting the office are parking in the car park. It was explained that staff are not challenging people who park in the car park as they have come across some aggressive people.

The members reviewed a SLCC advice note on tree inspections following a recent court case that involved a Council being sued due to a tree falling on someone on Council land and it advised by the judge that a tree inspection should be conducted every 2 years for high risk trees. The Clerk stated that in this particular case the Council had prior knowledge that the tree was a high risk. It was noted that after a recent independent tree inspection the Parish Council have no high-risk trees and only had low or medium risk trees and the necessary work has subsequently been undertaken. It was also noted that the Council conduct a weekly visual, quarterly written, and independent tree inspection every 27 months and trees are also inspected following any adverse weather conditions (*as per Min. 157/18 Full Council 16th July 2018*)

Recommended 1: *The Council adopt the amended Risk Register as per the amended version reviewed by the Finance Committee.*

Recommended 2: *The Council add additional columns with the matrix system to their risk register starting from the next financial year but do not take out any of the current columns.*

Recommended 3: *The office should only hold a maximum of £500 cash and if this has been received should be banked on the same day.*

- 046/19 **Direct Debits & Standing Orders:** The committee reviewed the list of direct debits and standing orders for 2019/20. Cllr Baines highlighted that the last payment for the Pavilion gas was £2,219.53. This was because the Pavilion has two gas meters and there was confusion between which meter was the correct one (it was eventually established that one was for showers only, and the other for total gas consumption). The Clerk explained that when Rialtas were in to do the financial year end close down she had asked them to vire £2,000 across from Council Office costs 2018/19 as this budget heading was no longer needed due to the office relocation and there was still £4,000 in this heading that had not been used. It was felt that as the parish council had moved to the Pavilion this was a direct impact on the gas consumption and therefore this was the most appropriate heading to vire money across from. The Clerk explained that the out of hours mobile phone is paid from her personal bank account and the standing order that had been set up was to reimburse her for the monthly payment. The monthly charge for the out of hours mobile phone has changed from £5.18 to £5.30 which means that the standing order to the Clerk's personal bank account will need to be amended to £5.30. **Recommended:** *The current standing order for the Clerk is amended to £5.30 per month.*

Cllr Richard Wood declared an interest in the Chair's Allowance and left the room for the next agenda item

- 047/19 **Chairman's Allowance for 2019/20:** The Committee reviewed Wiltshire Council's guidance on members allowance as it was previously agreed to increase the Chair's Allowance each year in line with the nationally agreed staff pay however from 1st April 2019 there was a differing percentage depending on staff scale points. It was recommended by Wiltshire Council that their members

allowance increase was 2%. It was noted that the Budget for 2019/20 for the Chair's Allowance was £780. **Recommended:** *The Chair's Allowance to increase for 2019/20 by 2% in line with Wiltshire Council's recommended members allowance increase; from £765 to £780.30.*

048/19 **Schedule of Charges:** The Committee reviewed the Schedule of Charges and made no recommendations for a change in the charge for photocopying costs etc. The members took the opportunity to review the "Model Publication for the Freedom of Information Scheme" as well as the cost per item. It was noted that allotment rents will increase from £27 to £30 per 5 perch plot from 1st October 2019 as previously resolved (*Min 402/18 b)iii) Full Council Jan 2019*). It was considered that the Bowerhill Sports Pavilion charges should remain the same as last year. **Recommended:** *The Parish Council make no amendments to their Schedule of Charges or Bowerhill Sports Field and Pavilion hire fees.*

049/19 **Subscriptions:** The members reviewed the list of Council and staff subscriptions for the financial year 2019/20 which came to a total of £1,715.95. It was noted that there was £1,550 in the budget for this year. It was discussed whether the Council would benefit from subscribing to Andrea Pellegram at an estimated cost of £100 for this year as the Parish Council only received two newsletters last year. The Clerk explained that this newsletter was useful when there was a lot of changes in the NPPF National Planning Policy Framework but this was now completed.

Recommended 1: *The Parish Council do not subscribe to Andrea Pellegram for 2019/20.*

Recommended 2: *The Council and Staff Subscriptions for 2019/20 are approved as follows:*

Subscription	Amount
WALC & NALC	£1,062.95
SLCC (ILCM included)	£300.00
LCR	£34.00
Open Spaces	£45.00
CPRE	£40.00
Community First	£40.00
Fields In Trust	£35.00
Wilts & Berks Canal Trust	£30.00
Clerks & Councils Direct	£12.00
TransWilts	£17.00
TOTAL	£1,615.95

050/19 **Reserves Policy:** The members reviewed the current financial reserve policy, the Clerk highlighted that the Council general reserves point needed to be amended as it had previously been recommended at the Finance Committee on 21st May 2018 min 051/18b and approved at Full Council 18th June 2018 min number 107/18b with a resolution that '*The Parish Council's General Reserves to lie at one month's expenditure, with any virement from Ear Marked Reserves to be*

made if and when necessary as it had been felt as the Council has specific ear marked reserves and contingency reserves which can be vired across if required.

- 051/19 **Guidance for Parish/Town Council's on CIL Funds:** The committee noted this item. It was reported that Wiltshire Council are now paying CIL funds quarterly instead of twice a year. It was noted that the Parish is currently capped at £293,100 for CIL funding for 2019/20.
- 052/19 **Data Protection Fees:** The members noted the latest SLCC newsletter (1st May 2019) that states that councillors are exempt from paying data protection fees, despite conflicting advice last year. The Clerk confirmed that the fee to the ICO Information Commissioner's Office for the council as a corporate body was made annually (by direct debit) but the payment for the individual councillors had not been made on the receipt of this information earlier in the year from other sources.

Meeting closed at 9.47pm

Chairman, 24th June, 2019