

MINUTES of the Finance Committee of Melksham Without Parish Council held on Monday 15th May 2023 at Melksham Without Parish Council Offices, Melksham Community Campus (First Floor), Market Place, Melksham, SN12 6ES at 7.00pm

Present: Councillors. John Glover (Chair of Council & Committee), David Pafford (Vice Chair of Council), Alan Baines (Committee Vice-Chair), Richard Wood, John Doel and Robert Shea-Simonds.

Officers: Teresa Strange (Clerk), Marianne Rossi (Finance & Amenities Officer)

Housekeeping: Councillor Glover welcomed everyone to the meeting and explained the evacuation routes in the case of a fire.

503/22 Apologies: Apologies were received from Councillor Holt who had a prior engagement. This reason for absence was accepted.

504/22 Declarations of Interest

None received.

505/22 Dispensation Requests for this Meeting

None received.

506/22 Public Participation

There were two members of the public present at the meeting who did not wish to speak and were there as observers. Although, not members of the Finance Committee, Councillors Chivers and Harris were present at the meeting as observers.

507/22 Insurance:

- a) To note as per the terms of the lease Berryfield Village Hall's building insurance will be included in the parish insurance schedule and the cost element will be charged back to the Berryfield Village Hall Trust Committee**

Members noted that as part of the terms of the lease for Berryfield Village Hall, the parish council would include the building insurance for the village hall under their insurance schedule and charge back the insurance cost element to the Trust. This would be something that officers would need to calculate once the new insurance policy was in place. It was clarified that this was just for the building insurance and any other insurance, such as for contents would need to be arranged separately by the Village Hall Trust.

b) To note minutes of meeting between officers and insurance broker

The minutes of the meeting between officers and the council's current insurance broker were noted. The Clerk drew members attention to the fact that when officers were discussing the council's insurance provision for the year, it was decided that the council's buildings did not need to be index linked by the 12% rate this year. This was due to the council only recently undertaking a building valuation on the Bowerhill Sports Pavilion and the construction of Berryfield Village Hall only just being completed. The Clerk wanted to confirm with members that they were happy for their buildings to not be index linked this year, which all members agreed with. It was noted that the index linked figure for all other items was at 8% this year and the parish council's assets had been uplifted by this percentage on the insurance schedule.

Recommendation: To not uplift the parish council building cover by an index linked percentage, as they were recently valued.

c) To review and approve Insurance Cover for year commencing 1st June 2023 (including Cyber Security separate policy)

Councillor Glover advised that officers had obtained two insurance quotations for the parish insurance this year. It was noted that the insurance premium from Gallagher, the current brokers, had significantly increased from last year, therefore officers felt that alternative quotations needed to be sought to compare covers. The Clerk advised that officers did contact Community First to obtain a third quotation, however had not heard anything back from them to date.

The Finance & Amenities Officer advised that when comparing the levels of cover in each policy, there was a slight difference between the two schedules. She explained that the council had always insured the Bowerhill Sports Field surface, in the event that something, such as an unauthorised encampment, entered the field and significantly ruined the surfacing. Unfortunately, following discussions with Zurich, they were unable to provide cover for this type of surfacing, therefore this has been omitted from the schedule. It was noted that this cover was still included under the Hiscox schedule.

The Clerk advised that following the last unauthorised encampment, the council had increased security around the field by purchasing large boulder stones and a drop-down bollard at the entrance to the field. This was to try and prevent anyone unauthorised accessing the field and causing severe damage. Members queried what the cost to repair the field would be in the instance that it was severely damaged, the Clerk advised that it had previously been insured for circa £10,000. Councillor Baines enquired with members, whether it would be worth obtaining a quote for some separate insurance for the Bowerhill Sports Field surfacing.

Members reviewed each insurance schedule provided bearing in mind the fact that one policy did not include cover for the sports field surfacing. It was noted that the level of cover required listed on the asset register currently stood at £2,721,507. With the level of cover from the insurance providers as follows:

Hiscox Insurance Company	£2,729,741
Zurich Insurance Company Ltd	£2,734,644

Officers had provided members with a breakdown of the level of cover required for each insurance category as listed on the asset register, with a comparison against the policy schedules for each insurance policy. Whilst there were some differences between categories, the proposed level of cover that both of these policies provided was sufficient cover for all of the council's assets. Specific covers such as public liability, employers' liability, and fidelity insurance, were on par with each other and provided the same levels of cover. Members understood that they would be considering the quotations received under agenda item 5d and felt that each policy schedule presented to them proposed an adequate level of cover.

Separately to the parish insurance the council had received a policy schedule from Gallagher for the cyber insurance. Members were happy that this provided an adequate level of cyber cover.

Recommendation: The council accept the level of insurance cover proposed.

d) To consider quotation received for Insurance Cover and recommend appointment of provider

As discussed under agenda item 5c, due to the large increase in insurance premium this year officers have obtained an alternative insurance quotation, which are as follows:

Gallagher brokers (Hiscox Insurance Company)	£13,314.67
3-year LTA the premium	£13,389.67
Zurich Insurance Company Ltd	£ 4,646.71
3-year LTA the premium	£ 4,194.64

The Clerk explained that there were a few reasons why there was an increase in the insurance premium from the current brokers. One being that the council had previously been covered under the insurer Pen Underwriting AXA in a three-year long-term agreement, which was due to end on 31st May 2023. The insurance broker had also explained to officers that due to the local council sector introducing an increased rating model, several insurers have withdrawn from quoting for any further local council business. As a result of this, Gallaghers had undertaken a tender exercise with several insurance providers and had chosen to move forward with Hiscox.

Members had already looked at the level of cover proposed under agenda item 5c and felt that each schedule provided an adequate level of insurance. As Zurich Insurance Company Ltd was circa £8,000 less than the quote provided from Gallagher, it was felt that this insurance provider should be appointed from 1st June 2023. Members confirmed as per Councillor Baines suggestion under the previous agenda item that they wished for officers to

obtain a separate quotation for insurance cover for the Bowerhill Sports Field surfacing; if available.

It was highlighted that Zurich also provided a price reduction if the council were to enter into a 3-year long term agreement with them. It was noted that if the council was to accept the long-term agreement this did not mean that the premium would not rise over the course of the agreement. This is due to factors such as an increase in insurance cover, or if the council had to make a claim on the insurance during the agreement period. Members considered this option and felt that due to the reduction it offered, it would be prudent to accept the long-term agreement. It was noted for clarity this long-term agreement would start from 1st June 2023 until 31st May 2026, with the council reviewing the level of insurance cover annually before each insurance year commences to ensure that the correct cover was in place.

The council had also received a separate quotation of £367.36 from the insurance brokers for cyber security under a separate policy with Talbot Underwriting Ltd via Channing Lucas & Partners Ltd t/a Optimum Speciality Risks

Recommendation 1: The council enter into a 3-year long term agreement with Zurich Insurance Company Ltd from 1st June 2023.

Recommendation 2: The council approve the quotation of £4,194.64 received from Zurich Insurance Company Ltd for the council's general insurance.

Recommendation 3: Officers to obtain a separate quotation for insurance cover for the surfacing at the Bowerhill Sports Field.

Recommendation 4: The council approve the quotation of £367.36 from Galligher on behalf of Talbot Underwriting Ltd via Channing Lucas & Partners Ltd t/a Optimum Speciality Risks for cyber insurance.

508/22 Asset Register: To note asset register and formally approve Asset value as of 31st March 2023 as part of year end accounting procedure

The Clerk explained that this agenda item was to approve the asset figure as at 31st March 2023 for the annual return, not to look through the register line by line which would be done at the next Asset Management meeting. The Finance & Amenities Officer advised that there were a few amendments that needed to be made to the asset register, following some queries from Councillor Baines earlier on in the day. These amendments were as follows:

- Asset 98 which was the noticeboard on the old Berryfield Village Hall building was still listed on the register as having a value. The village hall building has now been demolished with the noticeboard being demolished with it, therefore this item needed to be disposed of.

Recommendation 1: The parish council confirm the disposal of asset 98, the noticeboard on the side of Berryfield Village Hall and detail its disposal on the asset register.

- The seats along the bridleway to the canal under assets 116 and 117, had previously been replaced with assets 287 and 288, but had not been listed as disposed of on the asset register. As this would be a change to the asset figure these items would need to be detailed as disposed of on the asset register.

Recommendation 2: The parish council dispose of assets 116 and 117 on the asset register.

- The Finance & Amenities Officer advised that assets 191 (seat inside Berryfield Play Area) and 194 (bin inside Berryfield Play Area) appeared to be a duplicate of 257 and 260. She explained that this was because it was detailed on the asset register that the earlier assets were purchased in 2018, whereas the other assets were purchased in 2019. She went on to explain that the bench in this play area was replaced, due to it being rated as being in a poor condition by ROSPA. As there was only a year between the purchase dates this didn't seem to be right. Members agreed with this and felt that the assets values of 257 and 260 should be taken off of the asset register.

Recommendation 3: The parish council take off the asset values for assets 257 and 260 as they are duplicated entries.

Following the amendments made, the asset figure as of 31st March 2023 stood at £1,150,955. Councillor Glover wished to clarify that this was the asset value and not the insurance value, as although some items such as the Bowerhill Sports Pavilion were acquired for £1, its level of insurance cover is much higher. The Clerk drew members attention to the fact that the asset value had increased significantly on last year's figure, which was £591,426 as at 31st March 2022. This was largely due to the completion of construction works on the Berryfield Village Hall building and the purchase of meeting room items following the office move into the Campus. It was noted in the last financial year £237,846 was included on the asset register, which was the value of the village hall works as of 31st March 2022. Now the construction has been completed £543,421 has been added to the register for this financial year, which makes up the full construction cost of £781,267.

Recommendation 4: The Parish Council approve the Asset Value of £1,150,955 for the financial year ending 31st March, 2023.

Meeting closed at 19.20pm

Signed.....
Chairman, Monday 22nd May 2023