

**MINUTES of the Finance Committee of Melksham Without Parish Council held on Monday 7<sup>th</sup> January 2019 at Sports Field, Bowerhill at 7.00 p.m.**

**Present:** Cllrs. Richard Wood (Council Chair), John Glover (Council Vice-Chair & Committee Chair), Alan Baines (Committee Vice Chair), Paul Carter, Nick Holder and Paul Taylor

Officers: Teresa Strange (Clerk), Jo Eccleston (Parish Officer) and Marianne Rossi (Assistant).

**Housekeeping & Announcements:** Cllr. Glover welcomed all to the meeting and explained the evacuation procedure in the event of a fire.

- 345/18 **Apologies:** None.
- 346/18 **Declarations of Interest:** Cllr. Wood declared an interest in the Chair's Allowance and Cllr. Glover declared an interest as an allotment holder.
- 347/18 **Dispensation Requests for this Meeting:** None.
- 348/18 **Dispensation for Precept Setting:** It was noted that those Councillors living in the parish had a previously approved Dispensation for setting the Precept for the current Council Term, 2017-2021 (*Min 010/17b Annual Council 15<sup>th</sup> May 17*).
- 349/18 **Public Participation:** There were no members of the public present.
- 350/18 **"The Good Councillor's Guide to Finance & Transparency":** The members noted the Department for Communities and Local Government document.
- 351/18 **Provisional Local Government Finance Settlement for 2019/20:** Members noted an SLCC (Society of Local Council Clerks) newsletter advising that the Government had announced that council referendum principles will not be applied to English towns and parishes for 2019/20, which honours their announcement in February 2018 that referendum principles would be deferred for three years. This refers to the potential capping of precept increases by town and parish councils, which the government have indicated will continue to be deferred if the sector shows restraint over increases in parish precepts.
- 352/18 **Community Infrastructure Levy (CIL):**  
**a) Guidance for Parish/Town Councils on Receiving and Use of CIL Funds:** The members noted guidance documentation from Wiltshire Council on CIL and that as the "Charging Authority" they were required to pass a proportion of CIL receipts to parish and town councils from developments that take place in their area. This proportion is 15% of receipts for town and parish councils without a Neighbourhood Plan and 25% for those with an adopted Neighbourhood Plan.

CIL regulations state that funds must be used ***"to support the development of the local area by funding:***

- a) the provision, improvement, replacement, operation or maintenance of infrastructure; or***  
***b) anything else that is concerned with addressing the demands that development places on an area”***

It was noted that parishes without a Neighbourhood Development Plan in place were capped to £100 per council tax dwelling per financial year; parishes with a Neighbourhood Plan were not capped. As a simple guide, CIL equates to approx. £8,000 per property (not applicable to social/affordable housing) with the parish council receiving 15% of this on any eligible development approved since CIL was adopted by Wiltshire Council on 12<sup>th</sup> May 2015. The maximum CIL funding that Melksham Without can receive in this financial year (up to 31.03.19) is £291,800, based on 2,918 dwellings. This is slightly less than the previous financial year's figure which was £358,800 based on 3,588 dwellings; this was due to dwellings moving to the parish of the Town under the boundary changes made by the Community Governance Review.

Wiltshire Council now pay CIL receipts to Town and Parish Councils twice a year, in April and October. However, members noted that Wiltshire Council could not be relied upon to pay this in a prompt fashion as on occasion the developer was late with payment, and that the Clerk carefully monitored development in the parish and CIL triggers and chased the Wiltshire Council CIL officers to ensure that payment to the parish was made when it was due.

It was further noted that if a parish council has failed to spend CIL funds passed to it within 5 years of receipt, or has applied funds not in accordance with the Regulations, then Wiltshire Council can serve a notice on the parish council requiring it to repay some or all of the receipts passed, however, Wiltshire Council will be required to spend any recovered funds in the parish council's area.

To ensure transparency the parish council has an obligation to publish the following information each year:

- Total CIL receipts
- Total expenditure
- A summary of what CIL was spent on
- Total amounts of receipts retained at the end of the reported year from that year and previous years

**b) Planned CIL expenditure:** It was noted that parish councils have wider spending powers than Wiltshire Council for CIL, provided that it meets the requirement to “support the development of the area”. However, CIL contributions are a finite amount and have to be spent within 5 years of receipt, and thus cannot be relied upon as permanent, regular income. Additionally, the number of eligible dwellings that are used to calculate CIL can fluctuate, and members considered that it was prudent to ensure that the parish council continued to maintain adequate reserves.

A spreadsheet showing the previously agreed CIL expenditure was noted and the Clerk explained that she had only shown income which had been confirmed by Wiltshire Council, for which the parish council will receive 15%. It was additionally noted that the Neighbourhood Plan have agreed joint projects which could potentially be funded from CIL contributions and the Clerk advised that she would check the legalities over CIL expenditure future projects discussed in terms of checking that

funding could be spent for projects outside of the parish albeit that clearly demonstrated a benefit to parish residents. It was felt that appropriate projects could be considered from CIL receipts on individual merit outside of the annual budget and grant funding process. The Parish Council's CIL income was £23,820.21 in 2017/18 and £24,762.62 for 2018/19, and the confirmed amount to date from Wiltshire Council for 2019/20 was £77,807.50.

The expenditure budget from CIL for 2018/19 had been set at £48,364, however, the anticipated spend to date from CIL in 2018/19 was less at £37,857. The members reviewed the CIL receipts and expenditure spreadsheet and noted the variances as follows:

- £5,500 had been allocated for contributions to CATG, but expenditure had only come in at £1,737.
- £6,500 had been allocated for flood prevention works, but this had not yet been called for. The £5,000 allocated as a contribution towards match funding for Wiltshire Council and the Environment Agency to make a bid to DEFRA for flood protection works in Whitley and Shurnhold was to be vired into a specific earmarked reserve for this work.
- The actual expenditure for grass cutting in play areas was lower than budgeted for as following the refurbishment of the Hornchurch Play Area, where new safety surfacing had been installed in the entire play area, there was no grass to cut.
- Despite the parish council having actively sought a sponsor for the ex-Carson Tyres roundabout, to date one had not been found. It had been previously resolved under Min.022/17a)1) that the Parish Council would pay the contractor to continue maintaining this roundabout until a new sponsor could be found. No provision had been made in the budget for this expenditure as it was understood that a sponsor had been found at that point. The £2,340 cost therefore will be met via CIL contributions.
- The cost of refurbishment of play areas had come in at £31,000, £17,000 had come from CIL Reserves with the remaining £14,000 coming from S106 contributions (Hornchurch Road).
- The £5,000 previously budgeted for the Shurnhold Fields project had been removed as any costs would be met from the £97,000 maintenance contribution for this land provided under the S106 Agreement as no capital expenditure was anticipated in this financial year.

**Recommended 1:** *At the January 2018 budget meeting the parish council recommended (Min.375/17d) that they fund the expenditure of the following items in the 2018/19 budget from confirmed CIL receipts, rather than from the Precept. However, having evaluated actual spend and requirements to draw from this expenditure, they now recommended that the revised spending from CIL for 2018/19 was as follows:*

	<b>2018/19 Budget Provision</b>	<b>2018/19 Anticipated Expenditure (up to 31.03.19)</b>
<i>Contribution to CATG schemes</i>	<i>£5,500</i>	<i>£1,737</i>
<i>Flood prevention - ditch clearance (man + digger)</i>	<i>£1,500</i>	<i>£ 0</i>
<i>Flood prevention - contribution to DEFRA scheme</i>	<i>£5,000</i>	<i>£ 0</i>
<i>Grass cutting and bin emptying in play areas</i>	<i>£3,124</i>	<i>£3,000</i>

Grass cutting and bin emptying in sports field	£7,990	£7,990
ROSPA play area annual inspections	£450	£490
Play area repairs and new equipment	£17,000	£17,000
Play area safety surfacing cleaning	£2,800	£1,300
To take on George Ward playing field project	£5,000	£ 0
Match funding for Area Board extension to Footpath at Hornchurch Road footpath	£0	£4,000
Roundabout maintenance	£0	£2,340
<b>TOTAL</b>	<b>£48,364</b>	<b>£37,857</b>

There was no expenditure from CIL funds in 2017/18 as it was received at year end, therefore the income from 2017/18 was carried forward. It was noted that this differed from the previously presumed income as Wiltshire Council originally informed this would be paid in 3 tranches, then advised it would pay twice a year and then subsequently some funds had not been received by them from the developer, and thus the proportion due to the Parish Council had not been paid in 2017/18

Total in CIL Reserve at end of 2017/18	£23,820.81
Confirmed CIL Income for 2018/19	<u>£24,762.62</u>
<b>TOTAL</b>	<b>£48,583.43</b>
Anticipated Expenditure from CIL for 2018/19	- <u>£37,857.00</u>
<b>TOTAL in CIL Reserve at end of 2018/19</b>	<b>£10,726.43</b>
Confirmed CIL Income for 2019/20	<u>£77,807.50</u>
<b>TOTAL available in CIL Reserve</b>	<b>£88,533.93</b>

**Recommended 2:** The parish council fund the expenditure of the following items in the 2019/20 budget from CIL, rather than from the Precept:

Contribution to CATG schemes	£5,500.00
Grass cutting and bin emptying in play areas	£3,000.00
Grass cutting and bin emptying in sports field	£7,990.00
ROSPA play area annual inspections	£490.00
Play area safety surfacing cleaning	£1,300.00
Roundabout maintenance	£2,500.00
Top up art contribution for enhancing Bowerhill development	£5,000.00
Noticeboard for Redstocks	£381.15
Fund for future Berryfield Village Hall	£33,807.50
<b>TOTAL Expenditure from CIL Reserve for 2019/20</b>	<b>£59,968.65</b>

#### 353/18 Reserves:

- a) **Financial Reserves Policy:** The members noted the Financial Reserves Policy prior to discussing spend from reserves and considering further contributions to reserves.
- b) **Earmarked Reserves:** The members reviewed the Earmarked Reserves Account with the amounts being spent from the Account and the amounts reserved for major projects and contingency funding for both the current and the next financial year. In line with the council's Financial Reserves Policy, "earmarked reserves are held for specific

projects or purposes, or to meet known or predicted liabilities. Specific Reserves are often used to “smooth” the effects of certain expenditure commitments over a period of time thereby reducing the impact of significant expenditure in any one year (e.g. setting up new Village Halls, replacing large items of capital equipment).” The members looked at each line item/specific Reserve and considered whether movements to/from Earmarked Reserves were required.

An Earmarked Reserve of £16,700 was already in place for furnishing and other requirements for the new village hall in Berryfield. It was noted that planning application 16/00497/OUT (150 dwellings and a new village hall on Land East of Semington Road), was now under construction. The S106 Agreement provides £500,000 for the construction of a village hall; however, the developer has the option to either build this themselves or elect to give the parish council the financial contribution. Although officers had been chasing the developers for an answer over whether they intended to build the hall, it was still unclear whether they would do so, and it was noted that future funds may be required for professional support should the developers opt to pay the contribution rather than construct the building. It had been agreed under Min.352/18b)2) that the £33,807.50 tranche 1 of 3, due from CIL receipts from this development would be put into this Reserve. The Reserve figure for 2019/20 therefore stands at £50,507.50.

A discussion took place with regard to Shaw Village Hall and it was noted that in recent years many major items had been replaced or repaired, such as new flooring, asbestos removal and the installation of disabled toilet facilities. There had been no expenditure from this reserve in 2018/19 and it was felt that no additional funds needed to be added to this Reserve, it therefore remains at £4,400 for 2019/20.

The Reserve for the Community Centre for the East of Melksham Development stood at £5,000 in 2018/19. However, it was felt that any funding for this project should come from the CIL contributions from the 450 dwellings extending the East of Melksham development (14/10461/OUT), and therefore no allocation to this Reserve will be made in 2018/19 and the Reserve will stand at Nil.

The Office Relocation Reserve was £4,800 in 2018/19, with expenditure of £3,943.47. It was recognised that once the Campus was built that funds would again be required for an office move, anticipated to be in 2021. It was agreed to put £2,000 into this Reserve bringing it to £2,856.53 for 2019/20.

In 2018/19 there was going to be an allocation of £2,000 in a Reserve for Photocopier Replacement and this was spent in 2018/19 on a new copier as it was required sooner than anticipated. It was noted that there was an approximate lifespan of 5 years for the copier, and therefore £400 per year would be put into this Reserve for the next 5 years.

It was noted that there was no longer a requirement for a “New Bowerhill Pavilion” Reserve.

The Reserve for Bowerhill Youth Club had been used in previous years to support grant funding for Young Melksham and the services and youth club provided at the Canberra Centre. It was noted that the £1,500 in this reserve would be allocated towards the agreed grant funding of £2,500, as pledged under Min.303/18d, and this Reserve would then be closed with a specific Budget heading created for Young

Melksham under Grant funding.

For Bowerhill Sports Field and Pavilion, it had previously been agreed that £5,000 per year would be added to the Long-Term Reserve for replacement of capital items and the annual sum of £18,000 to be moved into the maintenance and running costs Reserve.

No funds had been drawn down from the Shaw Play Area Improvement Reserve as this was an ongoing project and although the joint working party had requested quotes from suppliers for potential items and ideas in the summer, no further progress had been made to date. The Reserve therefore to remain at £16,500.

It was noted that having refurbished the 3 play areas previously owned or maintained by Wiltshire Council, two at the same time and one a year later, that the safety surfacing and equipment would all require refreshing or further refurbishment again at the same time. This was in addition to any further works required on other play areas in the parish that had also been recently refurbished. Each play area had cost in the region of £30,000 to refurbish, therefore, it was agreed that £10,000 needed to be added to the Long-Term Reserve for Replacement Play Area Equipment and Surfacing.

Shurnhold Fields Reserve to remain the same at £10,000 as any maintenance costs will be met from the S106 contribution of £97,000.

There was an additional Recreation & Sports Facility Enhancement Reserve and this was for additions to play areas or public open space other than Shaw Play Area and Recreation Field. It was felt that there was still a requirement to provide something for teenagers in the parish and all users of the Bowerhill Sports Field. Since officers had been working from the Pavilion, they had noticed how well the sports field was used for ad-hoc exercise, and it was felt that multi-generational and multi-use trim trail style equipment would be a great benefit. It was agreed to add £2,500 to this Reserve, bringing it to £6,000 for 2019/20.

Again, all the defibrillators were purchased and installed at the same time, and thus would need replacing at the same time, as they had a life span of approximately 6 years. £2,000 to be added to the Defibrillator Replacement Reserve, but the Defibrillator Battery Reserve to remain the same.

It was considered that £2,000 should be added to the General Highway, Footway & Lighting Reserve, for potential footway resurfacing, dropped kerbs or other works which are not supported by CATG (Wiltshire Council's Community Area Transport Group), but which the parish council still wish to carry out. Total Reserve to therefore stand at £4,000 for 2019/20.

Legal Fees to remain at £5,450, as there had been no unplanned expenditure to date in 2018/19.

It was felt that there could be some big community projects coming up, such as the Railway Station, which require match funding to enable them to apply for bigger pots of funding. It was considered that this should be increased to £5,000 for 2019/20, and therefore £1,375 to be added to this Reserve.

There was £4,000 in reserves for Elections, but it was noted that this would only cover the cost of elections in the case of one casual vacancy. Should more than one election be required (or in a large ward) there would not be enough in this Reserve. It was agreed to increase this Reserve by a further £4,000 for such an eventuality.

The Staffing Contingency Reserve was felt to be healthy and to remain the same at £10,150, as was the Contingency for the Replacement or Renewal of Council Assets, with no addition to this for 2019/20, remaining at £30,000. This reserve is for the repair or replacement of low value uninsured parish assets, or the replacement of Wiltshire Council assets (such as bus shelters) that may require a quick decision if being removed by the local authority.

Members noted that £18,493 expenditure had come from General Contingency Reserve in 2018/19 for the installation of the additional footway at Hornchurch Road. The Area Board had contributed £4,000 towards this project with a further £4,000 coming from CIL contributions for match funding. It was felt that £2,000 should be added to this Reserve to build the funds back up. This would bring the General Contingency Reserve figure for 2019/20 to £43,507.

A new Reserve had been set up for Contribution to Wiltshire Council and the Environment Agency for match funding for them to bid for further DEFRA funding for flood protection in Whitley and Shurnhold. As per Min.352/18b) £5,000 to be vired from CIL contributions.

***Recommended:***

***Reserves for major projects for 2018/19:***

<i>Crown Chambers/Office Relocation</i>	£ 1,000.00
<i>Bowerhill Sports Field &amp; Pavilion Maintenance Annual sum to make up shortfall</i>	£18,000.00
<i>Defibrillator Replacement (every 6/7 yrs)</i>	£ 2,000.00
<i>Defibrillator Battery Replacement (every 3 yrs)</i>	£ 350.00
<i>Elections</i>	£ 2,000.00
<i>Staffing Contingency</i>	£ 2,000.00
<i>CIL ringfenced funding</i>	<u>£26,524.86</u>
	<b>£51,874.86</b>

***Reserves for major projects for 2019/20:***

<i>New Hall, Berryfield (NB – vired from CIL)</i>	£33,807.50
<i>Office Relocation</i>	£ 2,000.00
<i>Photocopier replacement</i>	£ 400.00
<i>Bowerhill Sports Field &amp; Pavilion – Long term Replacement of Capital Items</i>	£ 5,000.00
<i>Bowerhill Sports Field &amp; Pavilion Maintenance - Annual sum to make up shortfall</i>	£18,000.00
<i>Replacement of Play Area Safety Surfacing &amp; Equipment – Long Term Capital Replacement</i>	£10,000.00
<i>Recreation &amp; Sports Facility Enhancement</i>	£ 2,500.00
<i>Defibrillator Replacement (every 6/7 yrs)</i>	£ 2,000.00
<i>General Highway &amp; Footway/Lighting</i>	£ 2,000.00
<i>Community Projects/Match Funding</i>	£ 1,375.00
<i>Elections</i>	£ 4,000.00
<i>General Contingency</i>	£ 2,000.00

Contribution to Wiltshire Council & Environment Agency for DEFRA bid for flood protection for Whitley/Shurnhold (NB – vired from CIL)	£ 5,000.00
<b>CIL (Ringfenced funding)</b>	<u>£77,807.50</u>
	<b>£165,890.00</b>

**Spending from Reserves 2018/19:**

<b>Bowerhill Youth Club – grant to Young Melksham</b>	£ 1,000.00
Bowerhill Sports Field & Pavilion Maintenance - Annual sum to make up shortfall	£18,000.00
<b>CIL ringfenced funding</b>	<u>£52,364.00</u>
	<b>£71,364.00</b>

**Spending from Reserves 2019/20:**

Bowerhill Sports Field & Pavilion Maintenance - Annual sum to make up shortfall	£18,000.00
<b>CIL ringfenced funding</b>	<u>£59,968.65</u>
	<b>£71,364</b>

Revised Reserves for Major Projects 2018/19	£61,262.62 (was £52,150)
Revised Spending from Reserves 2018/19	- <u>£85,793.47</u> (was £37,857)
Adjustment to Reserves 2018/19	- <u>£24,530.85</u>
<b>Total Reserves at end of 2018/19</b>	<b>£216,915.15</b>

Proposed Reserves for Major Projects 2019/20	£160,015.00
Proposed Spending from Reserves 2019/20	- <u>£ 77,968.65</u>
Adjustment to Reserves 2019/20	- <u>£ 87,921.35</u>
<b>Total Reserves at end of 2019/20</b>	<b>£304,836.50</b>

354/18 **Budget Review:** The Committee reviewed the Income and Expenditure for the current financial year, and the proposals for the financial year 2019/20 for the following accounts. The Chair, Cllr Glover explained that he had spent some time during the previous week reviewing the figures with the Clerk and had made a few changes to the initial Budget discussion document already so that the overall impact could be reviewed at this meeting.

**INCOME**

There was a slightly lower amount of Income expected for the current year 2018/19, with £242,811 expected including the Precept of £190,092, with £244,771 originally budgeted for; some £1,960 less.

This is due to the following:

The Budget had anticipated an income of £200 from bank interest, however, in this financial year there had been no transfers of funds from the Current Account into the Fixed Term Interest Account and thus no interest had been generated.

It was expected that £1,250 will be received from the Area Board for the provision of benches identified as a requirement from the age friendly project in this financial year and this had not been anticipated in the initial budget.

As per the previous discussion (Min.354/18) the income from the Sandridge Solar Farm Community Funding was anticipated to be slightly higher from the budget figure of £5,523, at £5,703.

Contributions from Wiltshire Council had been budgeted at £14,009, but actual receipts had been higher at £20,433. This was due to £4,000 from an Area Board Grant, spent on the installation of a new footway at Hornchurch Road Public Open Space; £1,000 for taking on Hornchurch Road Play Area and £15,423 from S106 contribution from the East of Melksham Development, which was used towards the cost of the play area refurbishment. CIL income had been budgeted at £26,525, but actual receipts were slightly less at £24,763. This had been discussed at length earlier in the meeting (Min.352/18b).

Additional income which had not been anticipated within the initial budget were as follows:

- Payment of £100 from Wessex Water for early works permission to replace sewage pipes under Briansfield Allotments and Parish Council owned land. It was noted that the works did not actually commence earlier than notified as other landowners had not given permission, however, there was no requirement to refund this payment.
- £250 had been received as a reimbursement of the Parish Council's insurance excess payment following a claim for a replacement bus shelter following a road traffic collision.
- Refund of £150 grant cheque from the Whitley Players as they had ceased as a group. It was noted that this grant had not been issued in the financial year 2018/19 as it had been received by the group some previous years earlier. This money had remained in their bank account and when they closed their account, they passed the money back to the Parish Council.

**Recommended 1:**

**General Account Income (Excluding Precept but including CIL):**

<i>Budgeted for 2018/19</i>	<i>£54,679</i>
<i>Anticipated for 2018/19</i>	<i>£52,719</i>
<i>Proposed for 2019/20</i>	<i>£84,868</i>

**Jubilee Sports Field Income:**

<i>Budgeted for 2018/19</i>	<i>£2,300</i>
<i>Anticipated for 2018/19</i>	<i>£2,210</i>
<i>Proposed for 2019/20</i>	<i>£2,220</i>

**Allotment Income:**

<i>Budgeted for 2018/19</i>	<i>£2,207</i>
<i>Anticipated for 2018/19</i>	<i>£3,014</i>
<i>Proposed for 2019/20</i>	<i>£2,059</i>

**EXPENDITURE:**

Members then reviewed the expenditure line items in the draft Budget papers, which were now aligned to the 3 headings that are published in the Wiltshire Council council tax spend analysis to show consistency with that reporting structure.

**ADMINISTRATION COSTS:**

Due to a councillor resignation, there may be a call for Election expenditure before the end of 2018/19; therefore £4,000 has been added into the budget for expenditure this year, from the Election Reserve.

The parish council relocated from Crown Chambers to the Pavilion at Bowerhill Sports Field at the end of August 2018; with some obvious cost savings on office related costs such as rent, rates and utilities. It is acknowledged that a proportion of anticipated higher utilities costs for the Pavilion are related to its additional use as office space, however, any analysis of the proportion to allocate between the two Budget headings will have to be done retrospectively, if deemed necessary. Likewise, with allocating a proportion of the parish council's insurance costs separately against the Pavilion as a separate entity.

Following an offer of free meeting space accommodation to be considered at the January Full Council meeting, there may be a requirement to purchase meeting chairs however, it was agreed that funding for this would be vired from the original Room Hire budget heading as would no longer be required.

***Recommended 2:***

**Administration Costs (including office staffing):**

<i>Budgeted Expenditure for 2018/19</i>	<i>£123,368</i>
<i>Anticipated Expenditure for 2018/19</i>	<i>£122,845</i>
<i>Proposed Expenditure for 2019/20</i>	<i>£108,352</i>

**PARISH AMENITIES COSTS**

Expenditure remains consistent for day to day running costs, with a cost of £5,000 (in 2019/20) shown for a new storage shed for the parish caretaker and allotment warden's equipment, to be sited at Briansfield Allotments car park

Tree inspections were undertaken in 2018/19 and the subsequent arboricultural works booked for later in January 2019. There was no specific budget allocated for this and therefore, will be funded from the Sandridge Solar Farm funding £3,423 as meets the council's previous principle for this funding of play areas and sports field expenditure.

The cost of play area refurbishment an equipment repairs was estimated at £31,000 for 2018/19 but is anticipated to be £49,937 at year end with the inclusion of the new footpath at Hornchurch Road public open space, with funding for these projects coming from Reserves, Area Board grant, S106 and Sandridge Solar Farm.

Spending for Street Furniture is higher than budgeted for in 2018/19 due to the Age Friendly seating project (£2,500 with 50% Area Board match funding) and some furniture budgeted in the previous year but the installation dates had slipped to 2018/19.

£5,000 had been allocated for the Shurnhold Fields Project, with only a small amount spent on consumables (£179) for the tree planting to date, which would be taken from the Open Spaces Maintenance Contribution from Persimmon when received from Wiltshire Council.

There was a reduction in the Rates payable for the Pavilion as the Small Business Discount now applies to the building as the total square footage calculation no longer includes the separate office accommodation at Crown Chambers, giving a saving of £4,265.

Proposed expenditure for 2019/20 is approx. £50,000 less than the current year, but that reflects the circa £50,000 project work carried out in refurbishing Hornchurch Road play area and new footpath, and play equipment repairs carried out in 2018/19.

**Recommended 3:**

**Parish Amenities Costs (including Allotment and Bowerhill Sports Field):**

<i>Budgeted Expenditure for 2018/19</i>	<i>£101,509</i>
<i>Anticipated Expenditure for 2018/19</i>	<i>£107,573</i>
<i>Proposed Expenditure for 2019/20</i>	<i>£ 54,031</i>

**COMMUNITY SUPPORT COSTS:**

Figures for grant support show a slight increase for 2019/20 on 2018/19 with the addition of two new separate agreements with £2,500 committed to Young Melksham and £5,000 for the Community Hub project by TransWilts (at Melksham Train Station).

It is anticipated that the Melksham Neighbourhood Plan will be finished in 2019/20, however it is unknown if any further Locality grant funding will be available for any work undertaken by the consultants following the current scope of works, this would be for any reviews to be undertaken following the statutory consultation exercises. Therefore £2,000 has been allocated for this, with the understanding that the joint partner, Melksham Town Council have allocated a similar amount.

At present, a maximum of £7,500 is still allocated this year and next, for funding the Market Place public toilets with a 50% share with Melksham Town Council.

A £5,000 contribution from the CIL from the Pathfinder Place development to supplement the public art contribution with some form of marking the historic entrance to Bowerhill is allocated in 2019/20.

**Recommended 4:**

**Community Support Costs (including Joint Ventures):**

<i>Budgeted Expenditure for 2018/19</i>	<i>£28,600</i>
<i>Anticipated Expenditure for 2018/19</i>	<i>£30,321</i>
<i>Proposed Expenditure for 2019/20</i>	<i>£39,950</i>

**TOTAL PROPOSED EXPENDITURE FOR 2019/20**

<i>Administration Costs (including office staffing)</i>	<i>£108,352</i>
<i>Parish Amenities Costs (including Allotment and Bowerhill Sports Field)</i>	<i>£ 54,031</i>
<i>Community Support Costs (including Joint Venture)</i>	<i>£ 39,950</i>
<b>TOTAL</b>	<b><u>£202,333</u></b>

These headings do not analyse any profit or deficit against the Allotments or Sports field, as historically reported (although they do on the detailed Budget spreadsheets) so for analysis, the following figures show this.

**Allotments:**

Income 2018/19	£3,014	Income 2019/20	£2,059
Expenditure 2018/19	<u>£1,838</u>	Expenditure 2019/20	<u>£1,980</u>
Difference 2018/19	£1,176	Difference 2019/20	£ 79

*NB: The anticipated income figure for 2018/19 needs analysis to ensure reported*

correctly on the Accountancy Software package.

This analysis supports the parish council in considering whether to raise its Allotment Rent from 1<sup>st</sup> October 2019.

**Recommended 4:** The parish council do not increase the Allotment rent from 1<sup>st</sup> October 2019.

**Sports Field:**

Income 2018/19	£ 2,210	Income 2019/20	£ 2,220
Expenditure 2018/19	<u>£19,977</u>	Expenditure 2019/20	<u>£19,725</u>
Difference 2018/19	- £17,767	Difference 2019/20	- £17,505

This analysis supports the parish council's ongoing commitment to allocate £18,000 from the Precept to subsidise this facility annually, which is demonstrated through the Reserves spreadsheet.

355/18 **Precept for 2019/20:** Members noted the "Town and Parish Council Tax Factsheet Nov 2018" and the Tax Base number for 2019/20 of 2,535.46.

For the forthcoming financial year 2019/20 the following Precept calculation was made:

**Expenditure less Income = Precept**

**Expenditure**

Allotments	£1,980.00
Sports Field	£19,725.00
General	<u>£180,628.00</u>
<b>Total Expenditure</b>	<b><u>£202,333.00</u></b>
Move to earmarked reserves	<u>£87,921.35</u>
<b>TOTAL</b>	<b><u>£290,254.35</u></b>

**Income**

Allotments	£2,058.75
Sports Field	£2,220.00
General	<u>£84,867.50</u>
<b>TOTAL</b>	<b><u>£89,146.25</u></b>

**Shortfall to fulfil with Precept** £201,108.10

It was noted that the Precept in the current financial year 2018/19 was £190,091.74 with a taxbase of 2,535.46 which meant that there was a contribution of £74.97 for an average Band D household.

**Recommendation:** The Parish Council set the Precept for 2019/20 at £201,108.10 against a taxbase of 2,656.84.. A rise of £11,016.36 (0.966%) on last year's Precept. An average Band D household will contribute £75.69 for the year, an additional 72p on last year, which is a rise of 1%.

356/18 **Solar Farm Community Funding:** It was noted that the income received by the Parish Council for 2016/17 was £13,237.20 and for 2017/18 was £5,522.52. As the income is calculated proportionately between eligible parishes and on the number of dwellings within a 2.75km radius of Sandridge Solar Farm, the income is liable to fluctuations. The income had significantly reduced between 2016/17 and 2017/18 due to the transfer of more than 800 dwellings from the parish to the Town under the Boundary Review. For 2019/20 it was anticipated that the number of dwellings within the radius would increase by potentially 100 due to the construction and occupation of the Sandridge Place development, however it was unknown on what housing numbers would be in the other parishes that could affect this number. It was therefore estimated that income would be in the region of £6,000.

The members took the opportunity whilst reviewing the expenditure in detail, and recommending on what CIL and Reserves could support, to extend this to analyse what expenditure from 2018/19 should be allocated from the Sandridge Solar Farm income received, which was £5,703.

***Recommended:***

**Spend from Sandridge Solar Farm in 2018/19**

Tree inspection and subsequent works	£3,423
Play area equipment repairs	£ 980
Sports Field signage and security	£ 950
Pavilion deep clean	<u>£ 350</u>
	£5,703

357/18 **Banking arrangements:**

**a) Moving from Cheque Payments to On-Line Payments:**

The Clerk explained that the Council had previously resolved to pay staff salaries only by on-line payment as a trial to fully establish that the process worked correctly prior to all payments, where applicable, being paid on-line rather than by cheque. It was now considered that any teething issues had been ironed out and that it would be quicker and more cost effective to make payments on-line, as this would reduce postage costs. However, on-line payments could only be made from the Unity bank account, and therefore a mechanism needed to be put in place to ensure that the required funds were transferred from the Lloyds current account in order that they are available in the Unity account for the monthly payments. It was felt that the authorisation to transfer funds to top up the Unity account could be done when two councillors on the Finance Committee authorised the on-line payments. It was noted that this change to the banking mandate needed to be approved by a Full Council resolution.

***Recommended 1:*** All payments to be made via on-line banking where appropriate, applicable or accepted. ***2.*** A top up transfer of funds, to enable payments to be made, from the Lloyds bank account to the Unity bank account to be authorised and made on a monthly basis.

**b) Purchase of a Card Reader:** It was noted that payments by cash were more difficult now that the office operated out of the Pavilion as people wishing to make cash payments for allotment rent or Sports Field hire could not just pop to the cashpoint as they could previously when the Office was located at Crown Chambers in the Town

Centre. The banking of any cash was also more difficult as Officers had to make a specific journey into town to the bank. Additionally, increasingly requests were being made to pay by card. The Clerk had investigated purchasing a card reader and one could be purchased for around £50 and the cost per transaction was a small percentage, but in the region of 30-50 pence. It was noted that payments could already be accepted by cheque and BACS, and it was felt that cash payments should still be accepted, but that payments by BACS or by card should be encouraged.

**Recommended:** *The Clerk to have delegated powers to purchase a cost-effective card reader to enable the Council to take card payments.*

**c) Limit on Council Charge Card:** It was noted that the limit on the Council charge card had already been increased from £500 to £1,000. However, when the Office365 user licence annual payment for 19no users was due for payment this was over £1,000 and could only be paid for on-line by card. The Clerk had therefore paid for this on her private debit card and claimed back this expense. **Recommended:** *The limit on the Council charge card to be increased to £1,500.*

**d) Current Direct Debits and Standing Orders:** The members noted the list of direct debits and standing orders from the Lloyds bank current account.

358/18 **Internal Control Policy:** The Clerk advised that each year the Council had to prove that it had strong and robust internal financial controls, which members and officers adhere to. The members reviewed a draft Internal Control Policy from the SLCC (Society of Local Council Clerks). It was noted that the Council already carry out the procedures set out in this document but agreed that it was good practice to have this written down in a Policy. **Recommended:** *The Parish Council adopt the SLCC Internal Control Policy.*

359/18 **Section 137 Spend Limit for 2019/20:** It was noted that Section 137 of the Local Government Act 1972 allowed councils to spend a specific amount per elector on anything which benefits the parish but for which it has no specific power. There is a limit to this spend which for 2019/20 has been set by the Ministry of Housing, Communities and Local Government at £8.12 per elector. For Melksham Without this equates to £8.12 x 5,421 electors = £44,018.52; this is the maximum amount permitted to be spent under S137 for 2019/20.

360/18 **Investment:**

**a) Fixed Term Deposits:** The Clerk, as RFO, advised that the Parish Council recommence with transferring funds in and out of the Lloyds current account and the Lloyds fixed term deposit account. She explained that there had been a lull in doing this over the past year, however, she had looked into the current interest rates and felt that the income that could be generated was worth resuming this procedure. As a banking mandate, this needed to be approved by a Full Council resolution and any transactions would need to be checked and authorised by two Finance Committee members. **Recommended:** *The Parish Council make a monthly transfer of funds from the Lloyds bank current account to the Lloyds bank fixed term deposit account to generate income from the interest offered, and to transfer back again when funds are required to make payments. The Clerk as RFO to have delegated powers to carry out these transactions, with two Finance Committee members checking and authorising any transactions when they authorise the payment run.*

**b) SLCC Advice Note on Investments:** It was noted that the SLCC had advised that there was now a legal requirement for councils to have an investment strategy. It was noted that the Parish Council did not invest in bonds or overseas accounts, etc, but it did have a fixed term interest account where it transferred funds to earn interest. The Clerk advised that she had investigated what other parish councils did and identified a policy by Houghton Regis Town Council, which reflected the banking arrangements carried out by the parish council. It was felt that this Policy should be adopted by the parish council as it ensured transparency by informing parishioners where they could find out about the council's Investment Strategy. **Recommended:** *The Parish Council adopt the Houghton Regis Town Council Investment Strategy Policy.*

Meeting closed at 9.03 pm

Chairman, Monday 21<sup>st</sup> January, 2019