

TILEHURST PARISH COUNCIL

Minutes of the Annual Meeting held on-line on 12 May 2020

Present:

Councillors - Mr K Page (Chair), Mr C Taylor (Vice-Chair),
Mr G Dennis, Ms A Foster, Mr L Marino, Mrs R Reynolds

District Councillors - None present

Public - Two

20/062 Election of Parish Council Chairman:

- a) Mr Dennis proposed and Mrs Reynolds seconded that Mr Page be re-elected as Council Chairman. There were no other nominations and members unanimously agreed to the proposal.
- b) Mr Page accepted the position, and it was agreed that the acceptance of office as Council Chairman will be sign in front of the Clerk at a later date, whilst adhering to the lockdown measures put in place by central government due to the Covid-19 outbreak.

20/063 Election of Parish Council Vice-Chairman:

- a) Mr Page proposed and Mr Dennis seconded that Mr Taylor be elected as Vice-Chairman. There were no other nominations and members unanimously agreed to the proposal.
- b) Mr Taylor accepted the position, and it was agreed that the acceptance of office as Vice-Chairman will be sign in front of the Clerk at a later date, whilst adhering to the lockdown measures put in place by central government due to the Covid-19 outbreak.

c)

20/064 Open Forum:

- a) Members of the public – there were no comments or questions
- b) Councillors – there were no comments or questions

20/065 Apologies for absence: Apologies for absence were received from Parish Councillors Mrs Braine; Mr T Marino; and from District Councillors Ms J Stuart, Mr R Jones, and Mr A Williamson.

20/066 Declarations of Interest relevant to the Agenda: There were no declarations of interest made.

20/067 Approval and Adoption of Minutes: The Minutes of the Meeting held on the 10 March 2020, having been previously circulated to Members, were taken as read and will be signed by the Chairman in due course, after noting the following amendment –

Minute 20/053 – Bus shelters at Sainsbury’s, Calcot: ‘two abstentions’ should have read ‘two against’;

There was no meeting held in April due to the lockdown measures put in place by central government due to the Covid-19 outbreak.

20/068 Matters arising from the Minutes: There were no matters arising from the Minutes.

20/069 Council operations during coronavirus: While the current scheme of delegation should be sufficient for the Council to continue its day-to-day business through the Clerk, along with authority of the Chairman and/or Vice-Chairman of the Council where required, the Clerk has suggested that the following delegation resolution is adopted during the current lockdown/working from home situation, in order to formalise the arrangements and in the interests of clarity:

‘to extend the delegation of Council decisions to the Clerk, following consultation with both the Chairman and Vice-Chairman, during any period of restricted activity declared by the Government in respect of the Coronavirus (Covid-19 virus). Such delegation to enable the Council to fulfil its duties and responsibilities to its residents’.

This delegation would be time-limited to the end of the declared outbreak, or the resumption of regular Council meetings, whichever is the sooner. All Members were in agreement.

20/070 Clerk’s Report: Badger’s Hill PRU - The decision was made, after consulting with the Chairman and Vice-Chairman, to extend the S25 Notice for a further 12 months. This decision had to be made before the previous S25 Notice ran out at the end of April.

20/071 Planning: During the lockdown, any planning applications that have been received by the Clerk have been e-mailed to Members for their comments, before being returned to West Berkshire Council. The parish’s Standing Orders allow for this under delegated authority.

a) Appeals - 19/01511/FUL, Land on north side of Theobald Drive, Tilehurst – Development of seven detached dwellings with car parking, access and all associated landscaping and ancillary works: This appeal, which was refused by West Berkshire Council, was due to go to Appeal, but has been postponed until further notice due to lockdown.

b) Eastern Area - There is nothing relevant to the parish on the Agenda for the Eastern Area Planning Meeting on the 13 May.

20/072 District Councillors’ Reports: There were no District Councillors present, due to there being a West Berkshire Council meeting also being held.

20/073 Local Councils Update: It was agreed to renew the annual subscription for a further year. In previous years the parish has paid £75 for a print copy, however Mr Taylor suggested paying the higher amount of £100 for an on-line copy, which all Members would have more convenient access to. This was seconded by Mr Dennis with all Members in agreement.

20/074 Regular Direct Debit / Standing Order payments: Members confirmed that the following can continue to be paid –

- a) Salaries, pension scheme and PAYE: Staff, Berkshire Pension Fund, NEST Pension Fund and HM Revenue & Benefits - all monthly
- b) Non-domestic rates to West Berkshire Council: Ten monthly direct debits
- c) Zen Internet Ltd: Internet/telephone supplier – monthly direct debit
- d) Lloyds TSB credit card: Monthly, full settlement by direct debit
- e) PHS Hygiene contract: Quarterly direct debit covering three sites, and annual Duty of Care covering three sites
- f) Moorepay: Monthly direct debit for payroll preparation services
- g) Grenke Leasing Ltd: Quarterly direct debit for printer/photocopier

20/075 Representation on outside bodies: Members agreed unanimously that the following representation will continue as at present –

Carebus	- Mrs Reynolds
Community Alcohol Partnership	- Mrs Braine
Tilehurst Pools Land Charity	- Mr Lovegrove *

Mrs Braine will also continue to liaise with Denefield School on the parish's behalf

Mrs Reynolds indicated that she was unsure whether she would continue to be on the committee for the Carebus beyond the AGM in July 2020. If she does decide to step down a volunteer will be required to take her place.

*Note: Although Mr Lovegrove is no longer a parish councillor, he has indicated that he would be willing to continue representing the parish, having been re-elected to the Tilehurst Pools Land Charity in 2019 for a further three years. The Charity has agreed to forward their annual report to the Clerk for information.

20/076 Representation on Committees: Although the parish does not currently have any committees, Members agreed unanimously that a staffing committee is needed. The Clerk will forward to Members the Terms of Reference for this as soon as it has been completed.

20/077 Anti-Social Behaviour working party: Prior to the Meeting, Members were forwarded a copy of the objectives and timeline for the ASB working party. Mr Taylor advised that the first meeting had already taken place on-line, with the second one scheduled for the beginning of June. The proposals set out were approved unanimously.

20/078 CIL monies due from West Berkshire Council: Community Infrastructure Levy monies have been received from WBC totalling £34,977.18, which relates to two planning applications. These being Land adjacent to Stonehams Farm, Dark Lane, Tilehurst; and 59 Fairway Avenue, Tilehurst.

20/079 Financial Information:

- a) The annual accounts for the financial year ended 31 March 2020, including the final out-turn budget report and earmarked reserves, were approved. They will be signed by the Chairman when the Clerk can deliver the paperwork to him, with the Clerk signing them thereafter.
- b) Members reviewed the expenditure for March and April 2020, which was retrospectively noted.

20/080 Audits:

- a) Annual Governance Statement 2019/20: Members reviewed and approved the governance statement. This will be signed by the Chairman when the Clerk can deliver the paperwork to him, with the Clerk signing thereafter, as it is a legal requirement that the Annual Governance Statement has a wet signature. Mr Marino advised that he believes that procedures could be tightened. Mr Page thanked him for his comments, and suggested that this is discussed more fully at a later date.
- b) Internal Auditor's Final Report 2019/20: Members accepted the Final Internal Audit Report for 2019/20. The effectiveness of the internal audit was reviewed and accepted as follows –

Background and Scope

Statute requires all Town and Parish Councils to implement an independent internal audit examination of their accounting records and system of internal control and for the conclusions to be reported each year in the Annual Governance and Accountability Return (AGAR).

This report sets out the work undertaken in relation to the 2019-20 financial year, during the initial visit to the Council, which took place on 19 November 2019. Due to the impact of the Covid-19 pandemic, the final review for the year was undertaken remotely: the internal auditors wished to thank the Clerk for her assistance in this process, providing all necessary additional (to that examined at the interim visit) documentation in electronic format to facilitate completion of the review for the year and sign off of the Internal Audit Certificate in the year's AGAR. In the circumstances, the volume of transactions examined has been reduced, whilst still ensuring governance and financial controls remain effective.

Internal Audit Approach

In completing the review for the year, regard was taken to the materiality of transactions and their susceptibility to potential mis-recording or misrepresentation in the year-end

Statement of Accounts. The programme of cover is designed to afford appropriate assurance that the Council has robust financial systems in place that operate in a manner to ensure effective probity of transactions and to afford a reasonable probability of identifying any material errors or possible abuse of the Council's own and the national statutory regulatory framework. The programme is also designed to facilitate the completion of the 'Internal Audit Report' as part of the Council's AGAR process, which requires independent assurance on ten internal control objectives.

The reports and file of work undertaken for the year can be made available, on request, to the Council's external auditors should further assistance be required in gaining the required level of assurance on the adequacy of the Council's systems examined and detailed in this final report.

Overall Conclusion

It was reported that, on the basis of the work undertaken this year, it has been concluded that the Clerk and her Administrative Team continue to operate effective financial control systems. The 'Internal Audit Report' has been signed off, assigning positive assurance on all the required control objectives.

The auditor thanked the Clerk and the Officers for the assistance provided when undertaking the audit.

The report has been prepared for the sole use of Tilehurst Parish Council. To the fullest extent permitted by law, no responsibility or liability is accepted by Auditing Solutions Ltd to any third party who purports to use or rely, for any reason whatsoever, on the report, its contents or conclusions.

Detailed Report –

Maintenance of Accounting Records & Bank Reconciliations

The objective is to ensure that the accounting records are being maintained accurately and currently and that no anomalous entries appear in cashbooks or financial ledgers.

It was noted at the interim audit that reconciliations were completed monthly and that going forward they were to be reported to Members. It is good practice for Members to initial the bank reconciliation. It was noted that the Council has nominated an independent checker who has commenced reviewing the bank account details.

It was confirmed that the External Auditor had raised no issues in respect of their work on the 2018/19 accounts. It was also confirmed that the prior year audit, 2018/19, was correctly advertised to the public. This is a new internal audit requirement this year. A copy of the audit advert for 2018/19 was obtained from the Clerk confirming it was on the Council website.

Conclusion

No issues have been identified in this area of the review. The accurate disclosure of year-end balances in the Statement of Accounts and AGAR has been ensured.

Review of Corporate Governance

The objective is to ensure that the Council has a robust series of corporate governance documentation in place, that Council and Committee meetings are conducted in accordance with the adopted Standing Orders and that, as far as can be ascertained, no actions of a potentially unlawful nature have been or are being considered for implementation.

Conclusion

No issues have arisen in this area of the review. The Council has suitable governance arrangements.

Review of Expenditure

The aim is to ensure that:

- Council resources are released in accordance with the Council's approved procedures and budgets;
- Payments are supported by appropriate documentation, either in the form of an original trade invoice or other appropriate form of document confirming the payment as due and/or an acknowledgment of receipt, where no other form of invoice is available;
- All discounts due on goods and services supplied are identified and appropriate action taken to secure the discount;
- The correct expense codes have been applied to invoices when processed; and
- VAT has been appropriately identified and coded to the control account for periodic recovery.

In order to ensure compliance with the above criteria, a sample of payments has been examined, namely all those individually in excess of £1,500 together with a more random sample of every 25th cashbook transaction irrespective of value, covering the period 1 April to 31 October 2019. The test sample comprised 25 items plus the non-domestic rates bill from the Unitary Council and totalled £64,911, representing 57% of all non-pay related costs to 31 October. No matters were identified from the sample.

At the final visit a random sample of payments was selected, covering the period November to 31 March 2020. Fourteen items were selected from the cash book comprising 18 invoices and totalling £3,623. All expenditure was supported by a suitable invoice.

It was noted that the Clerk continues to submit electronic quarterly VAT returns and at the interim visit the submissions for June and September 2019 were verified, confirming receipt of the amount reclaimed the Rialtas cash book. It was noted that the Council had installed up-dated software to enable compliance with changes introduced by the HMRC to make tax digital. At the final visit the third quarterly VAT return and the year end return were agreed, agreeing the latter to the debtors in the year end accounts.

The controls in place at the Council to authorise payments were discussed and it was noted that they have been strengthened since last year with the appointment of a Member as an 'independent checker' on the financial documentation, and that visa card statements are being initialled when supporting invoices are being checked.

As part of the review an inquiry was made about quotes recently obtained in relation to the refurbishment of a play area.

At the year end overall expenditure was reviewed, comparing it to the annual budget and to expenditure in prior years.

Conclusions

No issues have been identified in this area of the review.

Assessment and Management of Risk

The aim is to ensure that the Council has put in place appropriate arrangements to identify all potential areas of risk of both a financial and health and safety nature, whilst also ensuring that appropriate arrangements exist to monitor and manage those risks in order to minimise the opportunity for their coming to fruition.

Conclusions and recommendation

The Council has arrangements for managing and monitoring risk. One recommendation was made, below, aimed at improving the overall level of insurance cover. It is good practice to ensure fidelity guarantee insurance covers the level of cash balances.

R1. The Council should increase its Fidelity Guarantee in line with its bank balances.

Budgetary Control & Reserves

The objective is to ensure that the Council has a robust procedure in place for identifying and approving its future budgetary requirements and level of precept to be drawn down from the Unitary Council: also, that an effective reporting and monitoring process is in place. The aim is also to ensure that the Council retains appropriate funds in general and earmarked reserves to finance its ongoing spending plans, whilst retaining appropriate sums to cover any unplanned expenditure that might arise.

It was noted that Members continue to be provided with electronic income and expenditure reports prior to each Meeting, the Clerk using the standard reports from the Rialtas system.

The 2020/21 budget setting process began formally in October with a discussion at full Council. This was followed by a briefing meeting with Members discussing draft budget papers prepared by officers. The 2020/21 budget and precept was approved at the full Council meeting in December 2019. Members had a detailed paper analysing the budget line by line and a commentary to support their decision.

At the year end total reserves stood at £785,831. Within this the general balance was £99,613 representing approximately four months spending which is within the normal accepted range. The Council has a large number of earmarked reserves totalling £686,218. We understand the Council recognises that it has substantial amounts within its reserves. A list of projects, for financial years 2020/2021 and 2021/2022 has recently been drawn up and discussed. Members are currently prioritising the projects identified and will be allocating budgets or approving expenditure in due course.

Conclusions

There are no matters arising from our review in this area requiring formal comment or recommendation.

Review of Income

In addition to the precept, the Council's principal source of income arises from its three community centre facilities with a range of regular and casual hire activities, together with sports pitch bookings. It was noted from the minutes that Members considered hall hire fees in December 2019 linked to the budget setting process.

A review was taken of the system for collecting money arising from the hiring of the community facilities and income for September 2019 was sample tested.

No issues have been identified from the sample. The 2019/20 precept levied on the Unitary Council was collected and receipted in the Council's Cash Book. The unpaid invoices report on the accounting system was reviewed for any aged items at the interim visit. Similarly, the year end debtors in the accounts were reviewed and it was noted there were no old items.

At the year end income against budget was reviewed, and a year on year comparison was made.

Conclusions

No issues have been identified in this area.

Petty Cash Account

The Council does not operate a petty cash account. Any out-of-pocket expenses incurred by the Clerk or her staff being reimbursed as required and approved in the same manner as all other supplier payments.

Conclusions

No issues have been identified in this area.

Review of Salaries

In examining the Council's payroll function, the aim is to confirm that extant legislation is being appropriately observed as regards adherence to the Employee Rights Act 1998 and the requirements of HM Revenue and Customs (HMRC) legislation as regards the deduction and payment over of income tax and NI contributions, together with meeting the requirements of the revised local government pension scheme, most recently further updated with effect from 1 April 2017 in relation to employee contribution bandings.

Conclusions

The Council continues to maintain satisfactory payroll arrangements.

Asset Registers

The Accounts and Audit Regulations 1996, (as amended periodically), require that all Councils establish and maintain inventories/asset registers of buildings, land, plant and equipment etc. owned by them.

Conclusions

The asset register is materially correct and reported in the AGAR.

Investments and Loans

The objective is to ensure that the Council is 'investing' surplus funds, be they held temporarily or on a longer term basis in appropriate banking and investment institutions,

that an appropriate investment policy is in place, that the Council is obtaining the best rate of return on any such investments made, that interest earned is brought to account correctly and appropriately in the accounting records and that any loan repayments due to or payable by the Council are transacted in accordance with appropriate loan agreements.

It was noted that the Council planned to invest funds during the year in the CCLA, but this has been deferred to next year, also that it has no loans.

Conclusions

The interest income recorded in Rialtas was reviewed for reasonableness compared to the prior year and note there are no loans and investments other than bank accounts which were tested as reported in the section 'Accounting Records and Bank Reconciliatons'.

Statement of Accounts / AGAR

The year end accounts prepared by DCK have been reviewed, tracing them back to the detailed working papers provided by the Council's accountants. In addition, the amounts in the draft AGAR have been agreed to the supporting records specifically verifying the accuracy of detail contained within the Annual Return at Section 2 with no issues arising.

Conclusions

No issues have arisen in this area and, based on the work undertaken for the financial year, the Internal Audit Report in the AGAR has been signed off, assigning positive assurances in each relevant area. It was noted that at the time of the visit the Annual Governance Statement, section one of the AGAR, was not available for review.

a) External Audit – Section 2: The Annual Return accounting statement for 2019/20 was approved by members. The Chairman will sign the paperwork as soon as the Clerk can deliver it to him, the Clerk signing it thereafter, as it is a legal requirement that the Annual Return has a wet signature.

d) It was unanimously agreed to re-appoint Auditing Solutions Ltd as internal auditors for 2020/21.

Note: Regarding the section 'Assessment & Management of Risk', since the audit was carried out the fidelity guarantee insurance has been increased to £1m.

20/081 Chairman's Remarks: Mr Page thanked everyone for joining the on-line Meeting, and the Clerk for keeping the parish running by working from home in these difficult times.

The Meeting finished at 8.30 pm

The next Meeting will be held on Tuesday 9 June at 7.30 pm

Chairman

PART 11

20/082 Badgers Hill PRU: A meeting was held with West Berkshire Council on 16 March to discuss the details of the proposed new lease. Discussions are ongoing, with further meetings to be held in due course.