



MELTON PARISH COUNCIL

IMC(20)M01v2

COVID-19 EMERGENCY: INTERIM MANAGEMENT COMMITTEE

Minutes of the meeting of the Parish Council Covid-19 Emergency Interim Management Committee (IMC) held on Wednesday 8 April 2020 via audio link commencing at 14:00.

Present:

Cllr Mr B Banks
Cllr Mr N Brown
Cllr Mrs C Gradwell
Cllr Mr A Porter
Cllr Mr C Taylor

Absent:

None

In Attendance:

Mr W Grosvenor *Clerk and Executive Officer to Melton Parish Council*
Mrs P Alder *Assistant Clerk and Management Officer*

	PART ONE – OPEN AGENDA
20.01	ELECTION OF CHAIRMAN AND VICE-CHAIRMEN OF THE INTERIM MANAGEMENT COMMITTEE It was RESOLVED that Cllr Porter be elected Chairman of the Interim Management Committee (IMC) and that Councillors Gradwell and Taylor be elected Vice-Chairmen. <i>Proposed by:</i> Cllr Banks <i>Seconded by:</i> Cllr Brown
20.02	TO RECEIVE APOLOGIES FOR ABSENCE There were no absences.
20.03	DECLARATIONS OF INTEREST
20.03.01	To receive Amendments to the Register There were none.
20.03.02	To receive Declarations of Pecuniary Interest in Respect of Items on the Agenda There were none.
20.03.03	To receive Declarations of Non Pecuniary Interest in Respect of Items on the Agenda

	There were none.
20.03.04	<p>To consider Full / Partial Dispensations for Pecuniary Interests Declared</p> <p>It was noted that there had been no requests for dispensations.</p>
20.04	<p>TO RESOLVE DURING THE PRESENT EMERGENCY TO DELEGATE RESPONSIBILITY FOR DECISION-MAKING TO THE CLERK / ASSISTANT CLERK IN CONJUNCTION WITH MEMBERS OF THE INTERIM MANAGEMENT / FINANCE EMPLOYMENT & RISK MANAGEMENT (FERM) / RECREATION / PLANNING & TRANSPORT COMMITTEES AS APPROPRIATE</p> <p>Following an explanation by the Clerk and discussion it was RESOLVED unanimously to make this temporary arrangement. Whilst IMC will oversee the management of all the Council's activities, Councillors on the other Committees will retain their active roles and will be consulted on all day to day decisions relating to the delegated functions of their Committees.</p> <p>Proposed by: Cllr Porter Seconded by: Cllr Gradwell</p>
20.05	TO CONSIDER FINANCIAL AND INTERNAL CONTROL MATTERS
20.05.01	<p>To consider the Management Accounts – 1 April 2019 to 31 March 2020</p> <p>(Papers IMC(20)05.01 and IMC(20)05.01a-i)</p> <p>The Clerk reported on the Council's financial position as at the end of period 12 of 2019/20. He emphasised that this was a period 12 report and that adjustments will be necessary before the year end position is finalised. Gross income received was £371,276 including Community Infrastructure Levy monies (CIL) of £245,651. Without the CIL, the income was £125,625. Expenditure for the 12 month period was £157,387, producing an in-year deficit of £31,762. In terms of cash resources at 31 March, cash in the Council's bank accounts totalled £374,817 of which £319,967 relates to the balance of CIL monies held as a restricted reserve, and £649 as earmarked reserves. There was a VAT refund outstanding of £1,380, giving a balance of £55,581. After deduction of a rental deposit sum of £5,120 being held as a deferred liability against default, the general reserves total £50,462. Whilst this is an acceptable level from a governance perspective, it is considered lower than desirable. Following discussion it was RESOLVED to charge the sum of £1,650 in respect of payment for tree works carried out in late 2019 to CIL, on the basis of woodland improvements. This will effect a modest improvement in the year end position.</p> <p>Proposed by: Cllr Banks Seconded by: Cllr Gradwell</p>
20.05.02	<p>To consider the budget report</p> <p>(Paper IMC(20)05.02)</p> <p>This was NOTED. In a wider discussion about the management of financial risks to minimise as far as possible the Council's exposure, it was AGREED that, because of economic uncertainties, an entry in respect of general financial risk should be added to the Risk Register.</p> <p>In the context of closing the 2019/20 accounts and opening the 2020/21 year, the Clerk reminded Members that if this had been a normal year the opportunity to move from <i>Alpha</i> software to <i>Omega</i> might well have been taken. However in the circumstances this will need to be deferred for another year.</p>

	<p>There was a strong recognition by all Members that 2020/21 will be challenging in budgetary terms. Once the year end work has been completed all budgets for 2020/21 will be re-examined in detail to see where cuts can be made.</p>
<p>20.05.03</p>	<p>To consider report on Internal and External Audit arrangements for year ended 31 March 2020</p> <p>The Clerk reminded Members that the internal Audit was originally due to be carried out by SALC on 8 June, but that date would be very likely delayed in view of the current emergency. Cllr Porter suggested that if there were to be any delay, the Council might wish to enquire as to the availability of the previous Internal Auditor to undertake this work. This suggestion was AGREED and the Clerk will keep the position under review.</p> <p>In terms of the External Audit arrangements, the Government has now issued a revised timetable. The deadline for the approval of the 2019/20 accounts by Full Council has now shifted from the end of June to 31 August. The period for the public inspection of the accounts begins on the 1st working day of September and the publication date for the externally audited accounts moves from 30 September to 30 November. The Clerk expressed the view that hopefully we will now receive the paperwork and the detailed instructions from the External Auditor.</p>
<p>20.05.04</p>	<p>To review the Council's Financial Regulations 5.1, 6.9 and 6.16 (referral from Finance Employment and Risk Management (FERM) Committee)</p> <p>(Paper MPC(20)28.04)</p> <p>The Clerk introduced this report which was to have been considered by Full Council at its meeting on 18 March, cancelled because of Covid-19. The proposed changes are set out below:</p> <p>Financial Regulation 5.1 As currently adopted this reads as follows: <i>"The Council's banking arrangements, including the bank mandate, shall be made by the RFO and approved by the Council; banking arrangements may not be delegated to a Committee. They shall regularly be reviewed for safety and efficiency. The Council may seek credit references in respect of Members or employees who act as signatories."</i></p> <p>IMC is recommended to amend Regulation 5.1 to read: <i>"The Council's banking arrangements, including the bank mandate, shall be made by the RFO and approved by the Council, taking into account the recommendations of Finance, Employment and Risk Management Committee."</i></p> <p>The changes make Regulation 5.1 both consistent with the Terms of Reference of FERM Committee and bring it up to date to remove the now anachronistic inclusion of credit references.</p> <p>Financial Regulation 6.9 As currently adopted this reads as follows: <i>"If thought appropriate by the council, payment for certain items may be made by internet transfer provided evidence is retained showing which authorised members or the RFO under delegated authority approved the payment. All payments shall require electronic authorisation by two designated signatories and a hard copy of the invoice / justification for payment shall be retained and signed by the signatories as soon as possible thereafter as a permanent record. Transfers between the council's bank accounts shall be made where possible by internet banking transfer and shall require similar authorisation by two designated signatories."</i></p> <p>IMC is recommended to amend Regulation 6.9 to read as follows (proposed changes in red):</p>

“If thought appropriate by the council, payment for certain items may be made by internet transfer provided evidence is retained showing which authorised members or the RFO under delegated authority approved the payment. All payments shall require electronic authorisation by two designated signatories and approvals shall be initiated by the RFO or Assistant Clerk under delegated authority and second authorised by a designated member signatory. A hard copy of the invoice / justification for payment shall be retained and signed by the signatories as soon as possible thereafter as a permanent record. Transfers between the council’s bank accounts shall be made where possible by internet banking transfer and shall require similar authorisation by two designated signatories.”

Financial Regulation 6.16

As currently adopted this reads as follows:

“Any debit card issued for use will be specifically restricted to the RFO and will also be restricted to a single transaction maximum value of £500 unless authorised by Council or Finance Employment and Risk Management Committee before any order is placed.”

The current position in the Council is:

- The RFO holds a debit card on the Lloyds account restricted to a single transaction max. £500.
- There is a form for recording use of the debit card which is signed by the RFO.
- The Auditor recommended that Regulation 6.16 should also be expanded to state a usage policy.

FERM Committee has recommended that:

- The Assistant Clerk shall be issued with a debit card for both the Barclays and Lloyds accounts. Payments on either account to be instigated by either the RFO or Assistant Clerk and second authorised by a designated member signatory.
- The form for recording use of the debit card shall be amended to include space for a designated member signatory to countersign.
- Regulation 6.16 should be expanded to include a usage policy.

In discussion however the point was raised that, from an audit perspective, giving both the RFO and the Assistant Clerk the ability to approve payments on both bank accounts might be creating a risk. Although the Council’s Financial Regulations stipulate that the 2nd authoriser should be a designated Member, both Officers are in the bank’s eyes full signatories, and therefore could make unauthorised payments without any Member approval. Given the need to urgently authorise the Assistant Clerk to make payments in the absence of the RFO, a compromise proposal was made which limits the Assistant Clerk to being a signatory and additional card holder on the Lloyds account only (the Lloyds account holding only limited funds to meet the Council’s monthly outgoings). A further consideration of this matter to be made in due course. Regulation 6.16 therefore is proposed to be revised accordingly:

“Any debit card issued for use will be specifically restricted to the RFO / Assistant Clerk and will also be restricted to a single transaction maximum value of £500 unless authorised by Council or Finance Employment and Risk Management Committee before any order is placed. As from April 2020 the RFO will be a signatory and card holder on the Barclays Current Account and both the RFO and Assistant Clerk will be signatories and card holders on the Lloyds Treasurer’s Account. Any use of the debit card will be recorded on the form designed for such purpose to which the invoice or voucher is attached and signed by the user and countersigned by a designated member signatory.”

It was RESOLVED that all the above proposed changes be adopted with immediate effect.

Proposed by: Cllr Banks

Seconded by: Cllr Brown

20.05.05	<p>To pass a Resolution regarding the investment of the rent deposit monies from Real Vision in a separate account with the Ipswich Building Society (IBS) (Paper IMC(20)05.05)</p> <p>FERM Committee, at its meeting on 5 February 2020, resolved that a separate account should be opened for the above purpose. To meet the requirements of IBS, and in particular the tighter regulations around fraud and money laundering, IMC is requested to pass a resolution specifying the additional details required. Following discussion IMC RESOLVED as follows:</p> <p>The Melton parish Council Covid-19 Interim Management Committee on behalf of the Melton Parish Council, agrees to open an account with the Ipswich Building Society to hold the sum of £5,120, comprising the rent deposit received from the Council's business tenants, Real Vision Productions Ltd, together with a sum equivalent to the VAT thereon.</p> <p>The signatories to the account will be the signatories to the existing business account held with the IBS, namely:</p> <ul style="list-style-type: none"> • Cllr Alan Porter • Cllr Katy Martin • Cllr Chas Taylor <p>The Council's Clerk and Executive Officer, William Grosvenor, to be the correspondent for all matters relating to the account.</p> <p>The account will be solely for the purpose of holding the monies specified which the Council has received under the terms of the Rent Deposit Deed dated 14 February 2020. There will be no further deposits and withdrawals will only be in accordance with the terms of the Deed.</p> <p>Proposed by: Cllr Taylor Seconded by: Cllr Banks</p>
20.06	<p>TO CONSIDER AND AGREE REVISED STREET NAMING PROPOSALS FOR THE GAH SITE (Paper IMC(20)06)</p> <p>Councillors considered the revised proposals as set out in the map which was previously distributed and they were AGREED. The Clerk to advise East Suffolk Council accordingly.</p>
20.07	<p>TO CONSIDER PROTOCOL FOR DEALING WITH COMMUNICATIONS</p> <p>The Clerk raised the issue of instances where a particular email is received by individual Councillors as well as by the office. He suggested that in such cases the response should be issued by the office, and individual Members should forward their response there to facilitate a corporate reply, rather than to respond as an individual before the overall view can be assessed. The same approach should be taken in response to social media where individual Members should liaise where possible with the office before responding to comments made.</p> <p>This recommendation was unanimously AGREED.</p>
20.08	<p>TO CONSIDER THE COUNCIL'S RESPONSE TO COVID-19, THE MELTON GOOD NEIGHBOUR SCHEME, AND ANY OTHER ISSUES RELATING TO THE EMERGENCY</p> <p>The Assistant Clerk gave a report on the position regarding the Good Neighbour Scheme. She said that the first two weeks were particularly busy, it then became quieter, and now was busy again in the run-up to the Easter Bank Holiday. She paid tribute to the amount of work being undertaken by Cllr Peter James. It was unanimously RESOLVED to pass a vote of thanks to Cllr James, which Cllr Porter will convey to him.</p>

	Proposed by: Cllr Porter Seconded by: Cllr Gradwell
20.09	<p>FINANCE COMMITTEE CHAIRMAN’S URGENT BUSINESS</p> <ul style="list-style-type: none"> • Sizewell C related issues (Papers IMC(20)09a and IMC(20)09b) Cllr Banks took Members through his first paper which gave a summary of the current position relating to the planning application, post-application stage(s), the correspondence on EDF lacking a culture of quality, and the recent response received from the Secretary of State for Business, Energy and Industrial Strategy (BEIS). Following discussion it was AGREED to publish the correspondence relating to EDF in the Sizewell C section of the Council’s website. In relation to paper IMC(20)09b, the draft letter to the BEIS Secretary of State was APPROVED for sending. • Melton Road – proposed crossings The Clerk reported that the costs for the above safety works have now been received: <ul style="list-style-type: none"> ○ Design, survey and costing works approx.£5k ○ Works approx. £30k. Given that over 70% of respondents to the recent public consultation on CIL projects backed these proposals, it was RESOLVED to instruct Highways to go ahead with these works which will be funded through CIL monies. Proposed by: Cllr Porter Seconded by: Cllr Brown
20.10	<p>DATE OF NEXT MEETING VIA CONFERENCE CALL</p> <p>The next meeting will take place on Wednesday 29 April 2020 commencing at 14:00. There being no further business the meeting closed at 15.00.</p>