



## **22.16 To consider Financial and Internal Control matters**

### **22.16.01 To consider the Management Accounts for the period 1 April 2021 to 31 March 2022**

Papers FRM(22)16.01 and FRM(22)16.01a-k were received and **NOTED**. The Chair verified that the bank statements and building society books matched the reported figures and signed the bank statements. Cllr Gradwell raised an issue that where no budget had been allocated (because spend was against an EMR) it looks like we have overspent. The Clerk explained this would be covered under item 22.16.02.

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**It was RESOLVED to take Item 22.16.07 out of order on the Agenda**

### **22.16.07 General and Earmarked Reserves**

Cllr Banks presented paper FRM(22)16.07. In 2019, the internal auditor recommended that MPC should set up an earmarked reserve (EMR) to cover Budget Risk (to cover tenancy income and employment risks). It has not been possible to do this until now due to a reduced General Reserve. However, the year-end position General Reserve of £66k indicates that £5k could be moved to an EMR. It builds resilience and shows financial control, and it addresses a risk on the Risk Register. It was **NOTED** that the reserve could be used whenever necessary. It was **RESOLVED to AGREE** to review the reserves regularly and that £5k be transferred in 2022/23. Further transfers would be made on a planned or opportunistic basis.

**Proposed by:** Cllr Brown

**Seconded by:** Cllr Porter

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**It was RESOLVED to revert to the order of the Agenda**

### **22.16.02 To review the budget for 2022/23**

The Clerk presented the agreed budget, together with some budgets to be reviewed, in papers FRM(22)16.02 and FRM(22)16.02a. It was **RESOLVED to AGREE** that the staff salaries budget should be increased to £51k and the pension budget to £8.5k with a view to reviewing again in July when salary increases are considered. Where no budget has currently been assigned, but expected spend will be from EMR, this will now be shown clearly in the 2022/23 accounts. The Pavilion's construction budget will be £300k minus whatever has been spent so far (£23,024). Staff training will be reduced to £500 and a paper on staff expenses relating to the maintenance officer's van will be brought to FERM in July. A saving will also be made on water charges by switching supplier.

**Proposed by:** Cllr Porter

**Seconded by:** Cllr Taylor

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### **22.16.03 New Finance software system**

The Clerk reported that they had received Scribe training and were very pleased with the initial findings. The Clerk would like to transfer across to Scribe and it was unanimously **AGREED** that notice would be given to Rialtas and Scribe would be used going forward. The 2021/22 financial year would be closed off in Rialtas.

**Proposed by:** Cllr Porter

**Seconded by:** Cllr Gradwell

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### **22.16.04 Internal and External Audit arrangement for 2022/23**

The Clerk reported that the internal audit was booked with Trevor Brown on the 25<sup>th</sup> May and she is collating all the necessary information. Information has been received from PKF Littlejohn and the Internal Audit Report and AGAR statements will be presented to Full Council (May and June meetings).

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### **22.16.05 Bank Accounts**

Paper FRM(22)16.05 was received and it was **RESOLVED to AGREE** to open two Lloyds savings accounts, close the Barclays account (once the first Precept and CIL payments have been received) and decide the split of money between the two Lloyds accounts once they are open, ensuring there are readily available funds for the Pavilion project.

**Proposed by:** Cllr Brown

**Seconded by:** Cllr Taylor

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### **22.16.06 District CIL**

Cllr Banks reported on the response from ESC's CEO regarding his District CIL spend letter sent in March (papers FRM(22)16.06a and FRM(22)16.06b). It was **AGREED** that the Clerk will arrange a meeting between the Council (Cllrs Banks, Brown, Gradwell and Porter) and SCC (Cllr Alexander Nicoll, David Chenery and Kerry Allen) to understand how best to proceed with applying for District CIL funding and/or other funding for the proposed Bredfield Road junction improvements and how to apply for a speed limit reduction on Wilford Bridge Road (A1152) between the roundabout and the level crossing. Cllr Brown will

also distribute the CEO's letter to the All52/Bentwaters Group with the aim of progressing the cases for improving capacity at Melton crossroads and straightening-out the road bend at the level crossing.

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**22.16.08 Standing Orders and Financial Regs (referral from Full Council)**

Full Council referred the changes to the Standing Orders and Financial Regs because of Legal Topic Note (LTN) 87 (Procurement) to FERM as the Clerk was awaiting information from SALC. SALC has advised that NALC is not issuing new model orders at this time and that the threshold figures can be updated even though they are in bold and from the model orders. It was **AGREED** that paragraph 18f of the Standing Orders and paragraph 11.1c of the Financial Regulations will be updated with the figures as found in paragraph 18 of the LTN87.

In addition, the Clerk noted the following updates to the Financial Regulations:

2.2 and 4.8 – include reference to bank statements being verified against financial reports at meetings

2.1 will remove reference to Rialtas and replace with Scribe

6.14 needs to be updated to refer to the bank's secure access points (which will then cover banking apps). It was agreed that the Clerk will discuss the wording with Cllr Gradwell.

Cllr Banks also asked that 1.11 is updated to remove the reference to receipts and payments – and the same change is required in the Standing Orders.

These changes will be made and the final versions of the Standing Orders and Financial Regulations will be taken to Full Council for approval in May.

<https://melton-suffolk-pc.gov.uk/documents/financial-regulations/>

<https://melton-suffolk-pc.gov.uk/documents/standing-orders/>

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**22.17 To review risk management issues**

**22.17.01 Risk Register**

The Risk Register was reviewed and the only change necessary is to update the Financial Risk item to reflect the creation of a Budget Risk EMR.

<https://melton-suffolk-pc.gov.uk/documents-base/risk-register/>

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**22.18 To consider employment matters**

**22.18.01 Staffing report and request from Maintenance Officer**

The Clerk reported that she carried out the Asst Clerk's probation review this week and there were no issues, so a letter confirming that she had passed her probation period would be issued. It was decided that a paper on the maintenance officer's van expenses would be brought to FERM in July.

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**22.19 To consider governance matters**

**22.19.01 Report of decisions made by Clerk / Assistant Clerk under the Openness of Local Government Bodies Regulations 2014**

Paper FRM(22)19.01 regarding the ditch clearance was received and **NOTED**.

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**22.20 1<sup>st</sup> Floor Lease**

The Clerk reported that the new lease with Real Vision had been signed with a start date of the 1<sup>st</sup> January 2022.

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**22.21 Finance Committee Chair's urgent business**

There was none.

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**22.22 Date of next meeting**

The next meeting will take place on Wednesday 20<sup>th</sup> July 2022, commencing at 19:00 at 17 Riduna Park, Station Road, Melton IP12 1QT. There being no further business the meeting closed at 20:40.