



Melksham Town Council

Town Hall, Market Place, Melksham, Wiltshire, SN12 6ES
Tel: (01225) 704187

Acting CEO/Town Clerk Miss Hayley Bell

To: Councillor J Hubbard (Chair)
Councillor R Cleary (Vice Chair)
Councillor J Crossley
Councillor A Griffin
Councillor A Westbrook

27th June 2025

Dear Councillors

In accordance with the Local Government Act (LGA) 1972, Sch 12, paras 10 (2)(b) you are summoned to attend the **Finance Governance & Performance Committee** meeting of the Melksham Town Council.

The meeting will be held in the council chamber at the Town Hall, Market Place, Melksham, Wiltshire, SN12 6ES

Date: Monday 7th July 2025

Time: 19:00

Members of the public and press are welcome to attend the meeting in person or online and a period of public participation will take place during the meeting, limited to 3 minutes per person and no more than 30 minutes in total.

If you wish to ask a question online please join via Teams on this link <https://tinyurl.com/4nj3mjpp>

The meeting will also be live streamed at <https://www.facebook.com/melksham.town> but you will not be able to interact.

Yours sincerely

Miss Hayley Bell

Acting CEO/Town Clerk

Melksham Town Council
Finance Governance & Performance Committee

Monday 7th July 2025

at 19:00

In the exercise of Council functions. Members are reminded that the Council has a general duty to consider Crime & Disorder, Health & Safety, Human Rights and the need to conserve biodiversity. The Council also has a duty to tackle discrimination, provide equality of opportunity for all and foster good relations in the course of developing policies and delivery services under the Public Sector Equality Duty, Equality Act 2010.

AGENDA

1. Apologies

To receive apologies and reasons for absence.

To vote on accepting apologies.

2. Declaration of Interest

To receive any Declarations of Interest in respect of items on this agenda as required by the Code of Conduct adopted by the Council.

Members are reminded that, in accordance with the Council's Code of Conduct, they are required to declare any disclosable pecuniary interest or other registrable interests which have not already been declared in the Council's Register of Interests. Members may however, also decide, in the interests of clarity and transparency, to declare at this point in the meeting, any such disclosable pecuniary interests which they have already declared on the Register, as well as any other registrable or other interests.

3. Public Participation

Members of the public are invited to attend the meeting and address the council.

Members of the public are requested to send their question to ceo@melksham-tc.gov.uk by noon on the working day before the meeting. This will make it more likely that we will be able to answer your question on the night. You should still attend the meeting, in person or online, to ask your question.

4. Minutes

To approve the Minutes of the Finance Administration & Performance Committee meeting held on Monday 27th May 2025.

5. 2025/26 Financials To Date

MOTION: Committee to note the financials to date, including the balance sheet, income & expenditure, trial balance, and bank reconciliations.

6. Budget 2025/26

MOTION: Committee to note the 2025/26 budget to date.

7. Budget Format

MOTION: Committee to note the current format of the presented budget, and suggested alternative formats, and to decide upon what format they would like the budget presented each meeting moving forward.

8. RFO report

MOTION: Committee to note the RFO report.

9. Payment Approval Process

MOTION: Committee to note the payment approval process, and issues with the process.

10. Finance and Governance Outstanding Resolutions

MOTION: Committee to note the update on the finance and governance related resolutions.

11. Preferred suppliers

MOTION: Committee to approve the preferred suppliers list.

12. Good Councillors Guide to Finance 2025

To note the Guide.

Melksham Town Council

Minutes of the Finance Governance & Performance Committee

on Tuesday 27th May 2025

PRESENT: Councillor J Hubbard (Chair)
Councillor P Aves (as substitute for Councillor A Westbrook)
Councillor J Crossley
Councillor A Griffin

IN ATTENDANCE

OFFICERS	Tracy Predeth	Locum Clerk
	Samantha Haywood	Locum RFO
	Mel Rolph	Finance Officer
	Andrew Meacham	Committee Clerk

PUBLIC: No members of the public or press were present

1/25 Apologies

Apologies were received from Councillor A Westbrook, who was substituted by Councillor P Aves, and from Councillor R Cleary

2/25 Declaration of Interest

There were no declarations of interest.

3/25 Vice Chair

The Chair, Councillor Hubbard called for nominations for the role of Vice Chair.

It was proposed by Councillor Hubbard, seconded by Councillor Griffin and

UNANIMOUSLY RESOLVED to elect Councillor Cleary as Vice Chair of the Finance Governance and Performance Committee.

4/25 Public Participation

There was no public participation

5/25 Minutes

The minutes of 17th February 2025, having been previously circulated, were approved as a correct record and signed by the Chair Councillor Hubbard.

The minutes of 10th March 2025, having been previously circulated, were approved as a correct record and signed by the Chair Councillor Hubbard

6/25 End of Year, AGAR, Internal Audit Report

Councillor Hubbard introduced the Locum RFO to members.

These three agenda items were taken together as paperwork was not complete and it was noted that they would come back to the next meeting. Members were afforded the opportunity to ask questions.

7/25 Report of RFO

The RFO presented her report and advised she hoped to be able to start looking at the budget shortly.

Members were afforded the opportunity to ask questions and the report was noted.

8/25 Financials

It was noted that reports were incomplete because of the officer hours devoted to End of Year and would come to the next meeting.

9/25 Income Received

It was noted that these were incomplete because of the officer hours devoted to End of Year and would come to the next meeting.

10/25 Payments made outside of meetings using Clerks delegated power

The item was noted.

11/25 Internal Transfers

It was noted that these were incomplete because of the officer hours devoted to End of Year and would come to the next meeting.

12/25 Invoices for Payment

It was proposed by Councillor Aves, seconded by Councillor Crossley and

UNANIMOUSLY RESOLVED to approve the invoices for payment.

13/25 Debit/Pre Pay Cards Limit

It was proposed by Councillor Hubbard, seconded by Councillor Griffin and

UNANIMOUSLY RESOLVED to

- Increase the limit on the card of the Clerk/Chief Executive to £2500
- Increase the limit on the cards of the Assembly Hall Manager and Amenities Manager to £1000
- Request the Clerk to change the Governance Documents accordingly

- Request the Clerk to formulate a new policy on Corporate Cards, to come before the meeting on Monday 23rd June if possible.

14/25 Insurance

It was proposed by Councillor Hubbard, seconded by Councillor Griffin and

UNANIMOUSLY RESOLVED to delegate authority to the Clerk to make arrangements for insurance cover for the next 12 months.

15/25 Financial Regulations

Councillor Griffin raised a query on VAT which the RFO answered. There were no other queries.

The Chair raised the idea for future meetings of having a briefing session for members only from 7pm and a meeting start time of 7:30pm. Members were asked to consider this idea.

16/25 Confidential Session

It was proposed by Councillor Hubbard, seconded by Councillor Griffin and

UNANIMOUSLY RESOLVED that in view of the confidential and sensitive nature of the business about to be transacted, in accordance with the Public Bodies (Admission to meetings) Act 1960 the public and press are excluded and are instructed to withdraw.

17/25 KGV Toilets

It was proposed by Councillor Griffin, seconded by Councillor Hubbard and

UNANIMOUSLY RESOLVED to choose idVerde for cleaning the KGV toilets. The Clerk was delegated to look at the possibility of combining contracts to obtain a better rate.

Meeting closed at: 8.11pm

Signed

Dated

Detailed Balance Sheet - Excluding Stock Movement

Month 2 Date 31/05/2026

<u>A/c</u>	<u>Description</u>	<u>Actual</u>
<u>Current Assets</u>		
101	Debtors	7,367
103	Town hall Sales ledger	9,066
105	Vat Control	3,114
120	Bar Stock	7,138
203	Unity Bank	1,076,525
213	Credit/Debit Card Control	1,344
214	CCLA: Investment	713,086
215	Cambridge BS	91,626
220	Petty Cash	19
251	Lloyds Cash & Bank Assembly	176,732
253	Assembly Hall Float	1,100
Total Current Assets		2,087,115
<u>Current Liabilities</u>		
501	Creditors	55,899
502	Creditors-Assembly Hall	60
515	PAYE/NI Due	4,629
516	Pension Due	8,123
520	Salaries Control	401
565	Events Control Pre Pandemic	(306)
566	Events Control 2021 Onwards	9,206
Total Current Liabilities		78,013
Net Current Assets		2,009,102
Total Assets less Current Liabilities		2,009,102
<u>Represented by :-</u>		
301	Current Year Fund	453,968
310	General Fund	274,143
322	EMR - CIL - SEC106	639,637
323	EMR - Solar Monies	143,241
325	EMR - East Melksham Comm Hall	315,030
326	EMR - Unplanned Maintenance	3,795
327	EMR - Election Expenses	5,199
328	EMR - Green Spaces	1,311
329	EMR - Major Projects Reserve	86,537
334	EMR - Office Equipments	4,275
335	EMR - Street Furniture	13,837
336	EMR - Equipment Replacement	48,130
338	EMR -Shurnhold Field	15,000
339	EMR - Splashpad KGV	5,000
Total Equity		2,009,102

AGENDA ITEM 10 – 2025/26 FINANCIALS

Two councillors check and sign all bank reconciliations.

Bank reconciliations:

Date: 05/06/2025 Time: 18:42		Melksham Town Council Current Year Bank Reconciliation Statement as at 31/05/2025 for Cashbook 1 - Unity Bank - Main Account		Page 1 User: MEL
Bank Statement Account Name (s)	Statement Date	Page No	Balances	
Unity Bank	31/05/2025		1,077,197.50	
			<u>1,077,197.50</u>	
Unpresented Payments (Minus)		Amount		
08/05/2025	080525/2 Boels Rental Ltd	672.04		
			<u>672.04</u>	
			1,076,525.46	
Unpresented Receipts (Plus)				
		0.00		
			<u>0.00</u>	
			1,076,525.46	
		Balance per Cash Book is :-	1,076,525.46	
		Difference is :-	0.00	
Signatory 1:				
Name	Signed	Date		
Signatory 2:				
Name	Signed	Date		

Date: 04/06/2025

Melksham Town Council Current Year

Page 1

Time: 12:02

Bank Reconciliation Statement as at 31/05/2025
for Cashbook 2 - Lloyds Bank Assembly Hall A/c

User: MEL

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Assembly Hall General	31/05/2025		176,731.58
			<u>176,731.58</u>
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			176,731.58
<u>Unpresented Receipts (Plus)</u>			
		0.00	
			<u>0.00</u>
			176,731.58
		Balance per Cash Book is :-	176,731.58
		Difference is :-	0.00

Signatory 1:

Name Signed Date

Signatory 2:

Name Signed Date

Date: 04/06/2025

Melksham Town Council Current Year

Page 1

Time: 12:09

Bank Reconciliation Statement as at 31/05/2025
for Cashbook 6 - Lloyds Bank: Short Fixed Term

User: MEL

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Lloyds Bank short term invest	31/05/2025		0.00
			0.00
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
		0.00	0.00
			0.00
<u>Unpresented Receipts (Plus)</u>			
		0.00	0.00
			0.00
		Balance per Cash Book is :-	0.00
		Difference is :-	0.00

Signatory 1:

Name Signed Date

Signatory 2:

Name Signed Date

Date: 04/06/2025

Melksham Town Council Current Year

Page 1

Time: 12:17

Bank Reconciliation Statement as at 31/05/2025
for Cashbook 8 - Credit/Debit Card Control Acco

User: MEL

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Credit/Debit Card Control	31/05/2025		1,343.55
			<u>1,343.55</u>
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			1,343.55
<u>Unpresented Receipts (Plus)</u>			
		0.00	
			<u>0.00</u>
			1,343.55
		Balance per Cash Book is :-	1,343.55
		Difference is :-	0.00

Signatory 1:

Name Signed Date

Signatory 2:

Name Signed Date

Date: 04/06/2025

Melksham Town Council Current Year

Page 1

Time: 12:10

**Bank Reconciliation Statement as at 31/05/2025
for Cashbook 9 - Petty Cash**

User: MEL

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Petty Cash	31/05/2025		18.94
			<u>18.94</u>
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
		0.00	<u>0.00</u>
			18.94
<u>Unpresented Receipts (Plus)</u>			
		0.00	<u>0.00</u>
			18.94
		Balance per Cash Book is :-	18.94
		Difference is :-	0.00

Signatory 1:

Name Signed Date

Signatory 2:

Name Signed Date

Date: 10/06/2025

Melksham Town Council Current Year

Page 1

Time: 15:04

Bank Reconciliation Statement as at 31/05/2025
for Cashbook 10 - CCLA: Investment

User: MEL

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
CCLA investment	31/05/2025		713,085.80
			<u>713,085.80</u>
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			713,085.80
<u>Unpresented Receipts (Plus)</u>			
		0.00	
			<u>0.00</u>
			713,085.80
		Balance per Cash Book is :-	713,085.80
		Difference is :-	0.00

Signatory 1:

Name Signed Date

Signatory 2:

Name Signed Date

Date: 10/06/2025

Melksham Town Council Current Year

Page 1

Time: 15:05

Bank Reconciliation Statement as at 31/05/2025
for Cashbook 11 - Cambridge BS

User: MEL

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Cambridge BS	31/05/2025		89,154.00
			89,154.00
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
		0.00	0.00
			89,154.00
<u>Unpresented Receipts (Plus)</u>			
		0.00	0.00
			89,154.00
		Balance per Cash Book is :-	89,154.00
		Difference is :-	0.00

Signatory 1:

Name Signed Date

Signatory 2:

Name Signed Date

Detailed Income & Expenditure by Budget Heading 31/05/2026

Month No: 2

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
101 Central Costs								
4000 Salaries ENI & Pension	452,982	55,514	384,500	328,986		328,986	14.4%	
4005 Temporary Staff	15,541	3,922	3,000	(922)		(922)	130.7%	
4016 Sundry Office Expenses	1,203	12	1,200	1,188		1,188	1.0%	
4021 Stationery	1,050	73	1,000	927		927	7.3%	
4023 Advertising	7,890	(854)	3,000	3,854	324	3,530	(17.7%)	
4024 Equipment/furniture	24	0	500	500		500	0.0%	
4026 Photocopier/copying	1,141	50	1,100	1,050		1,050	4.5%	
4027 Telephones and Mobiles	3,855	713	3,600	2,887		2,887	19.8%	
4028 Postage	173	0	600	600		600	0.0%	
4029 Subscriptions	2,517	2,428	3,200	772		772	75.9%	
4032 Market Charter Anniversary	304	0	0	0		0	0.0%	
4040 Information Technology/Hardware	6,528	0	5,000	5,000		5,000	0.0%	
4042 Licences/Software	20,907	2,852	24,000	21,148		21,148	11.9%	
4050 Legal and Professional Fees	0	0	0	0	1,880	(1,880)	0.0%	
4058 Insurance	38,578	146	39,000	38,854		38,854	0.4%	
4061 Travel and Subsistence	5,241	683	3,000	2,317		2,317	22.8%	
4072 Platinum Jubilee	0	120	0	(120)		(120)	0.0%	
4075 Training	494	0	3,000	3,000	350	2,650	11.7%	
4322 Age UK Project Worker	0	2,875	0	(2,875)		(2,875)	0.0%	
4922 Publicity & Marketing	1,548	(736)	0	736	246	490	0.0%	
Central Costs :- Indirect Expenditure	559,975	67,798	475,700	407,902	2,801	405,102	14.8%	0
Net Expenditure	(559,975)	(67,798)	(475,700)	(407,902)				
6000 plus Transfers from EMR	2,400	0	0	0				
Movement to/(from) Gen Reserve	(557,575)	(67,798)	(475,700)	(407,902)				
110 Corporate Costs								
1026 Income Interest	16,230	5,186	25,000	19,814			20.7%	
1176 Precept Received	1,047,270	596,100	1,117,200	521,100			53.4%	
1195 Precept received - Topup GR	0	0	75,000	75,000			0.0%	
Corporate Costs :- Income	1,063,500	601,286	1,217,200	615,914			49.4%	0
4017 Bank account fees	5,140	476	2,500	2,024		2,024	19.1%	
4043 HR consultancy	13,625	0	8,000	8,000		8,000	0.0%	
4050 Legal and Professional Fees	23,356	1,973	10,000	8,027	3,622	4,406	55.9%	
4057 Accountancy and Audit	3,497	0	4,000	4,000		4,000	0.0%	
4076 Health & Safety	6,240	0	3,500	3,500	4,640	(1,140)	132.6%	
Corporate Costs :- Indirect Expenditure	51,858	2,449	28,000	25,551	8,262	17,289	38.3%	0
Net Income over Expenditure	1,011,642	598,837	1,189,200	590,363				

Detailed Income & Expenditure by Budget Heading 31/05/2026

Month No: 2

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
115 Civic and Democratic								
1016 Receipts - Mayors Reception	3,853	510	0	(510)			0.0%	
Civic and Democratic :- Income	3,853	510	0	(510)				0
4030 Town Crier's expenses	105	0	300	300		300	0.0%	
4034 Councillors' training	960	0	1,500	1,500		1,500	0.0%	
4062 Election Expenses	22,489	0	20,000	20,000		20,000	0.0%	
4070 Mayor's Allowance	84	0	2,000	2,000		2,000	0.0%	
4085 Civic and Ceremonial	8,766	(1,938)	6,500	8,438	352	8,086	(24.4%)	
4311 Remembrance Day	1,665	0	1,500	1,500		1,500	0.0%	
Civic and Democratic :- Indirect Expenditure	34,068	(1,938)	31,800	33,738	352	33,386	(5.0%)	0
Net Income over Expenditure	(30,215)	2,448	(31,800)	(34,248)				
151 Grants								
4301 Grants	18,539	0	10,000	10,000		10,000	0.0%	
4303 Grant-4Youth	10,000	0	10,000	10,000		10,000	0.0%	
4310 Grant Food and River Festival	5,000	0	5,000	5,000		5,000	0.0%	
4317 Grant Carnival	2,500	0	2,500	2,500		2,500	0.0%	
4322 Age UK Project Worker	12,000	0	11,500	11,500		11,500	0.0%	
4324 The Friends of Canberra Park	7,988	0	0	0		0	0.0%	
4330 Grant TIC	4,000	0	4,000	4,000		4,000	0.0%	
Grants :- Indirect Expenditure	60,027	0	43,000	43,000	0	43,000	0.0%	0
Net Expenditure	(60,027)	0	(43,000)	(43,000)				
6000 plus Transfers from EMR	7,988	0	0	0				
Movement to/(from) Gen Reserve	(52,039)	0	(43,000)	(43,000)				
201 Town Hall								
1034 Income Town Hall Bookings	3,185	1,357	2,000	643			67.8%	
Town Hall :- Income	3,185	1,357	2,000	643			67.8%	0
4076 Health & Safety	0	995	0	(995)	995	(1,990)	0.0%	
4100 Gas	4,512	343	7,500	7,157		7,157	4.6%	
4101 Electricity	4,917	724	6,500	5,776		5,776	11.1%	
4102 Non Domestic Rates	10,604	2,124	11,000	8,876		8,876	19.3%	
4103 Water Rates	1,258	55	2,000	1,945		1,945	2.7%	
4104 Window Cleaning	1,492	(40)	1,500	1,540	2,328	(788)	152.5%	
4106 Repairs and Maintenance	15,367	(1,168)	12,000	13,168	5,399	7,769	35.3%	
4108 Service Contracts	6,217	301	8,500	8,199	360	7,839	7.8%	
Town Hall :- Indirect Expenditure	44,367	3,333	49,000	45,667	9,082	36,585	25.3%	0
Net Income over Expenditure	(41,183)	(1,976)	(47,000)	(45,024)				

Detailed Income & Expenditure by Budget Heading 31/05/2026

Month No: 2

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
202 Asset and Amenities								
1027 Income - Amenity Services	10,425	310	6,000	5,690			5.2%	
Asset and Amenities :- Income	10,425	310	6,000	5,690			5.2%	0
4000 Salaries ENI & Pension	289,147	45,183	232,000	186,817		186,817	19.5%	
4075 Training	0	0	3,000	3,000		3,000	0.0%	
4101 Electricity	0	34	0	(34)		(34)	0.0%	
4150 Uniform/PPE	250	32	1,000	968		968	3.2%	
4151 Tools and Equipment	1,960	326	2,000	1,674		1,674	16.3%	
4153 Vehicle Running Costs	5,664	729	6,000	5,271		5,271	12.1%	
4156 Vehicle Leasing	6,331	469	6,000	5,531		5,531	7.8%	
4163 Repairs and Maintenance	2,155	(215)	2,000	2,215	50	2,166	(8.3%)	
4165 Maintenance play areas	634	(69)	0	69		69	0.0%	
4167 Street Furniture and Signage	4,689	0	6,000	6,000	136	5,864	2.3%	
4168 Bus Shelters Cleaning	836	40	1,500	1,460		1,460	2.7%	
4177 Churchyard maintenance	0	0	1,000	1,000		1,000	0.0%	
4186 Defibrillators	1,100	0	4,000	4,000		4,000	0.0%	
Asset and Amenities :- Indirect Expenditure	312,765	46,529	264,500	217,971	186	217,785	17.7%	0
Net Income over Expenditure	(302,341)	(46,219)	(258,500)	(212,281)				
203 Allotments								
1045 Income	4,775	235	6,000	5,765			3.9%	
Allotments :- Income	4,775	235	6,000	5,765			3.9%	0
4200 Water Rates	1,560	0	1,800	1,800		1,800	0.0%	
4201 Maintenance	0	890	500	(390)		(390)	178.0%	
4202 Community Allotments	0	0	500	500		500	0.0%	
Allotments :- Indirect Expenditure	1,560	890	2,800	1,910	0	1,910	31.8%	0
Net Income over Expenditure	3,215	(655)	3,200	3,855				
204 Cafe								
1046 Income - Pavilion	2,529	1,600	3,000	1,400			53.3%	
1090 Expenses Recovered	11,809	1,490	12,000	10,510			12.4%	
Cafe :- Income	14,337	3,090	15,000	11,910			20.6%	0
4101 Electricity	0	1,693	0	(1,693)		(1,693)	0.0%	
4106 Repairs and Maintenance	0	270	0	(270)		(270)	0.0%	
4250 Wi-Fi - Pavilion	889	89	1,300	1,211		1,211	6.8%	
4252 Electricity	19,805	0	12,000	12,000		12,000	0.0%	
4254 Water	1,860	0	2,500	2,500		2,500	0.0%	

Detailed Income & Expenditure by Budget Heading 31/05/2026

Month No: 2

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
4255 Fire Safety Checks	859	0	1,000	1,000		1,000	0.0%	
4256 Maintenance	2,040	0	2,500	2,500		2,500	0.0%	
4258 Pavilion Development	0	0	0	0	600	(600)	0.0%	
Cafe :- Indirect Expenditure	25,452	2,052	19,300	17,248	600	16,648	13.7%	0
Net Income over Expenditure	(11,114)	1,038	(4,300)	(5,338)				
<u>205 Public Toilets - Market Place</u>								
1060 Contribution - MWPC	0	5,000	5,000	0			100.0%	
Public Toilets - Market Place :- Income	0	5,000	5,000	0			100.0%	0
4101 Electricity	852	178	1,500	1,322		1,322	11.9%	
4103 Water Rates	969	270	2,000	1,730		1,730	13.5%	
4106 Repairs and Maintenance	1,734	(100)	1,500	1,600	365	1,235	17.7%	
4180 Cleaning	7,112	800	7,500	6,700		6,700	10.7%	
Public Toilets - Market Place :- Indirect Expenditure	10,667	1,148	12,500	11,352	365	10,987	12.1%	0
Net Income over Expenditure	(10,667)	3,852	(7,500)	(11,352)				
<u>206 Public Toilets - Bath Road</u>								
4101 Electricity	1,421	273	1,200	927		927	22.7%	
4103 Water Rates	3,369	(1,619)	2,000	3,619		3,619	(81.0%)	
4106 Repairs and Maintenance	8	0	500	500		500	0.0%	
4180 Cleaning	7,870	430	8,000	7,570		7,570	5.4%	
Public Toilets - Bath Road :- Indirect Expenditure	12,668	(917)	11,700	12,617	0	12,617	(7.8%)	0
Net Expenditure	(12,668)	917	(11,700)	(12,617)				
<u>210 Corporate Properties</u>								
1040 Income 31 Market Place	7,075	1,167	7,000	5,833			16.7%	
1048 Income Art House Cafe	6,161	1,000	6,000	5,000			16.7%	
Corporate Properties :- Income	13,236	2,167	13,000	10,833			16.7%	0
Net Income	13,236	2,167	13,000	10,833				
<u>211 Art House Cafe</u>								
4108 Service Contracts	905	1	600	599		599	0.2%	
4175 WiFi	476	40	225	185		185	17.8%	
Art House Cafe :- Indirect Expenditure	1,381	41	825	784	0	784	5.0%	0
Net Expenditure	(1,381)	(41)	(825)	(784)				

Detailed Income & Expenditure by Budget Heading 31/05/2026

Month No: 2

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
212 Round House								
4101 Electricity	388	26	400	374		374	6.4%	
4103 Water Rates	214	0	200	200		200	0.0%	
4106 Repairs and Maintenance	448	0	250	250		250	0.0%	
Round House :- Indirect Expenditure	1,049	26	850	824	0	824	3.0%	0
Net Expenditure	(1,049)	(26)	(850)	(824)				
213 31 Market Place								
4106 Repairs and Maintenance	1,093	0	30,000	30,000	30	29,970	0.1%	
31 Market Place :- Indirect Expenditure	1,093	0	30,000	30,000	30	29,970	0.1%	0
Net Expenditure	(1,093)	0	(30,000)	(30,000)				
215 Depot								
4058 Insurance	330	0	500	500		500	0.0%	
4101 Electricity	1,432	127	1,800	1,673		1,673	7.1%	
4102 Non Domestic Rates	6,278	1,076	5,000	3,924		3,924	21.5%	
4103 Water Rates	324	59	300	241		241	19.7%	
4106 Repairs and Maintenance	1,869	0	1,000	1,000		1,000	0.0%	
4159 Electric - Unit	0	79	0	(79)		(79)	0.0%	
4160 Leasing	12,350	2,058	15,600	13,542		13,542	13.2%	
4184 Fire security: Unit	96	0	300	300		300	0.0%	
Depot :- Indirect Expenditure	22,679	3,399	24,500	21,101	0	21,101	13.9%	0
Net Expenditure	(22,679)	(3,399)	(24,500)	(21,101)				
220 Play Areas and Open Spaces								
1050 Grants Received	58,182	0	0	0			0.0%	
Play Areas and Open Spaces :- Income	58,182	0	0	0				0
4157 Grasscutting and Ground Maint	39,104	1,454	32,000	30,546		30,546	4.5%	
4158 Replacement Play Equipment	74,431	500	64,000	63,500		63,500	0.8%	
4165 Maintenance play areas	835	1,096	10,000	8,904	375	8,529	14.7%	
4169 Maintenance of trees	0	0	2,000	2,000		2,000	0.0%	
4179 Tree Planting and Ecology	660	0	0	0		0	0.0%	
4193 Rospa checks: Play areas	0	1,120	1,600	480		480	70.0%	
Play Areas and Open Spaces :- Indirect Expenditure	115,030	4,169	109,600	105,431	375	105,056	4.1%	0
Net Income over Expenditure	(56,849)	(4,169)	(109,600)	(105,431)				

Detailed Income & Expenditure by Budget Heading 31/05/2026

Month No: 2

Cost Centre Report

		Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
221	King George V Park/Splashpad								
4101	Electricity	926	274	5,000	4,726		4,726	5.5%	
4106	Repairs and Maintenance	18,828	13,711	2,000	(11,711)	14,033	(25,744)	1387.2%	13,711
4108	Service Contracts	11,724	458	12,000	11,542		11,542	3.8%	
4199	Chemicals	453	1,000	2,000	1,001		1,001	50.0%	
4913	Water	9,132	0	6,000	6,000		6,000	0.0%	
	King George V Park/Splashpad :- Indirect Expenditure	41,064	15,443	27,000	11,557	14,033	(2,475)	109.2%	13,711
	Net Expenditure	(41,064)	(15,443)	(27,000)	(11,557)				
6000	plus Transfers from EMR	0	13,711	0	(13,711)				
	Movement to/(from) Gen Reserve	(41,064)	(1,732)	(27,000)	(25,268)				
302	Projects								
1050	Grants Received	69,124	32,483	0	(32,483)			0.0%	
1052	Christmas Market Stalls	(350)	50	2,500	2,450			2.0%	
1059	Sponsorship	0	0	5,000	5,000			0.0%	
1174	Christmas Income	50	0	0	0			0.0%	
1179	Neighbourhood Plan	3,456	0	0	0			0.0%	
1189	Proms in Park (Vendors)	0	0	1,000	1,000			0.0%	
1193	Wiltshire Town Programme Grant	0	0	50,000	50,000			0.0%	
	Projects :- Income	72,281	32,533	58,500	25,967			55.6%	0
4074	Neighbourhood Plan	13,472	11,452	2,825	(8,627)		(8,627)	405.4%	
4078	Community Projects	6,957	860	2,000	1,140		1,140	43.0%	
4080	Melksham Garden Competition	305	0	350	350		350	0.0%	
4092	Park Yoga	1,400	0	1,400	1,400		1,400	0.0%	
4304	Christmas Lights	17,882	57	19,000	18,943		18,943	0.3%	
4313	Holiday Activities	1,030	7	0	(7)		(7)	0.0%	
4329	VE Day Celebration	933	1,646	1,500	(146)		(146)	109.7%	
4332	Wiltshire Town Programme Exp	12,008	93	50,000	49,907		49,907	0.2%	
4333	Carole Round the Tree	0	0	1,000	1,000		1,000	0.0%	
4334	Youth Council	0	0	1,500	1,500		1,500	0.0%	
4336	Sensory Garden	0	5,230	11,000	5,770		5,770	47.5%	
	Projects :- Indirect Expenditure	53,987	19,345	90,575	71,230	0	71,230	21.4%	0
	Net Income over Expenditure	18,293	13,188	(32,075)	(45,263)				
303	Events								
1005	Deposits	(917)	0	0	0			0.0%	
	Events :- Income	(917)	0	0	0				0

Detailed Income & Expenditure by Budget Heading 31/05/2026

Month No: 2

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
4093 Proms in Park	0	0	10,000	10,000		10,000	0.0%	
4313 Holiday Activities	4,964	0	5,000	5,000		5,000	0.0%	
4335 Town Events	0	0	10,000	10,000		10,000	0.0%	
4337 General Events	0	0	5,000	5,000		5,000	0.0%	
Events :- Indirect Expenditure	4,964	0	30,000	30,000	0	30,000		0
Net Income over Expenditure	(5,881)	0	(30,000)	(30,000)				
<u>310 East Melksham Community Hall</u>								
4050 Legal and Professional Fees	0	0	50,000	50,000		50,000	0.0%	
East Melksham Community Hall :- Indirect Expenditure	0	0	50,000	50,000	0	50,000		0
Net Expenditure	0	0	(50,000)	(50,000)				
<u>403 Economic Dev. and Planning</u>								
1089 Income-Hanging Baskets	1,222	3,012	1,500	(1,512)			200.8%	
Economic Dev. and Planning :- Income	1,222	3,012	1,500	(1,512)			200.8%	0
4071 Town Floral Displays	6,004	110	6,500	6,390		6,390	1.7%	
4308 CCTV	31,745	4,138	8,000	3,862	4,138	(276)	103.5%	
4309 Newsletter	9,790	0	5,000	5,000		5,000	0.0%	
4354 Parking Scheme	1,115	0	1,000	1,000		1,000	0.0%	
4356 LHFIG	0	0	5,000	5,000		5,000	0.0%	
Economic Dev. and Planning :- Indirect Expenditure	48,654	4,248	25,500	21,252	4,138	17,114	32.9%	0
Net Income over Expenditure	(47,432)	(1,236)	(24,000)	(22,764)				
6000 plus Transfers from EMR	31,262	0	0	0				
Movement to/(from) Gen Reserve	(16,170)	(1,236)	(24,000)	(22,764)				
<u>405 Solar Farm Projects</u>								
1182 Solar money received	49,405	0	50,000	50,000			0.0%	
Solar Farm Projects :- Income	49,405	0	50,000	50,000			0.0%	0
4500 Solar Money Projects	0	10,000	50,000	40,000		40,000	20.0%	
Solar Farm Projects :- Indirect Expenditure	0	10,000	50,000	40,000	0	40,000	20.0%	0
Net Income over Expenditure	49,405	(10,000)	0	10,000				
6001 less Transfers to EMR	49,405	0	0	0				
Movement to/(from) Gen Reserve	0	(10,000)	0	10,000				

Detailed Income & Expenditure by Budget Heading 31/05/2026

Month No: 2

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
501 Assembly Hall Central Costs								
1000 Income-Assembly Hall Lettings	32,917	11,841	30,000	18,159			39.5%	
1172 Tickets : private events	831	0	0	0			0.0%	
Assembly Hall Central Costs :- Income	33,748	11,841	30,000	18,159			39.5%	0
4000 Salaries ENI & Pension	104,409	15,193	100,000	84,807		84,807	15.2%	
4075 Training	125	115	600	485	68	418	30.4%	
4106 Repairs and Maintenance	174	0	0	0		0	0.0%	
4163 Repairs and Maintenance	175	0	0	0	175	(175)	0.0%	
4900 Uniforms	945	0	500	500	945	(445)	188.9%	
4903 Bar Stock Purchases	0	0	0	0	2,792	(2,792)	0.0%	
4905 Cleaning Materials	3,002	230	2,500	2,270	1,398	872	65.1%	
4907 Stationery/Printing/Postage	113	0	150	150		150	0.0%	
4908 Advertising	0	30	0	(30)	30	(60)	0.0%	
4909 Licences	5,400	0	5,500	5,500	284	5,216	5.2%	
4911 Electricity	13,927	2,731	17,000	14,269		14,269	16.1%	
4912 Gas	161	25	100	75		75	25.4%	
4913 Water	2,461	467	3,000	2,533		2,533	15.6%	
4914 Rates	8,608	1,720	9,500	7,780		7,780	18.1%	
4915 Equipment	4,126	0	2,500	2,500	3,636	(1,136)	145.4%	
4916 Maintenance-Equipment	1,810	0	5,000	5,000	677	4,323	13.5%	
4917 Service Contracts	7,284	250	8,400	8,150		8,150	3.0%	
4918 Maintenance	3,224	37	5,000	4,963	3,730	1,233	75.3%	
4922 Publicity & Marketing	7,190	67	6,000	5,933	1,717	4,217	29.7%	
4927 Stocktaking	520	0	600	600	130	470	21.7%	
4954 PA and Lighting Costs	0	0	0	0	1,110	(1,110)	0.0%	
4958 Event Security	608	(453)	0	453	768	(316)	0.0%	
4960 Live entertainment:	0	0	0	0	864	(864)	0.0%	
Assembly Hall Central Costs :- Indirect Expenditure	164,262	20,413	166,350	145,937	18,322	127,615	23.3%	0
Net Income over Expenditure	(130,514)	(8,572)	(136,350)	(127,778)				
510 Assembly Hall Events								
1004 Film shows	4	12	300	288			4.0%	
1172 Tickets : private events	335	0	0	0			0.0%	
1173 Live Shows - Hall Hire	14,257	235	20,000	19,765			1.2%	
Assembly Hall Events :- Income	14,597	247	20,300	20,053			1.2%	0
4903 Bar Stock Purchases	0	0	0	0	318	(318)	0.0%	
4919 Films: expenses and contract	2	2	0	(2)		(2)	0.0%	
4954 PA and Lighting Costs	5,965	(838)	0	838	2,040	(1,202)	0.0%	
4958 Event Security	1,307	0	0	0	144	(144)	0.0%	

Detailed Income & Expenditure by Budget Heading 31/05/2026

Month No: 2

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
4960 Live entertainment:	3,078	0	2,500	2,500	500	2,000	20.0%	
Assembly Hall Events :- Indirect Expenditure	10,352	(836)	2,500	3,336	3,001	335	86.6%	0
Net Income over Expenditure	4,245	1,083	17,800	16,717				
<u>520 Assembly Hall Bar and Catering</u>								
1001 Income-Assembly Hall Bar	56,778	4,975	43,500	38,525			11.4%	
Assembly Hall Bar and Catering :- Income	56,778	4,975	43,500	38,525			11.4%	0
4903 Bar Stock Purchases	21,289	3,003	22,000	18,997	9,893	9,104	58.6%	
Assembly Hall Bar and Catering :- Indirect Expenditure	21,289	3,003	22,000	18,997	9,893	9,104	58.6%	0
Net Income over Expenditure	35,488	1,972	21,500	19,528				
<u>901 Earmarked Reserves</u>								
1180 CIL Received	640,520	0	0	0			0.0%	
Earmarked Reserves :- Income	640,520	0	0	0				0
9202 Unplanned Maintenance	16,612	0	10,000	10,000		10,000	0.0%	
9244 Major Projects Reserve	4,089	0	50,000	50,000		50,000	0.0%	
9245 Solar Money	255	12,000	0	(12,000)		(12,000)	0.0%	
9248 CIL	7,076	0	0	0		0	0.0%	
Earmarked Reserves :- Indirect Expenditure	28,032	12,000	60,000	48,000	0	48,000	20.0%	0
Net Income over Expenditure	612,488	(12,000)	(60,000)	(48,000)				
6000 plus Transfers from EMR	28,032	0	0	0				
6001 less Transfers to EMR	640,520	0	0	0				
Movement to/(from) Gen Reserve	0	(12,000)	(60,000)	(48,000)				
<u>902 Sinking Funds</u>								
9234 Splashpad - KGV	0	0	5,000	5,000		5,000	0.0%	
Sinking Funds :- Indirect Expenditure	0	0	5,000	5,000	0	5,000	0.0%	0
Net Expenditure	0	0	(5,000)	(5,000)				
Grand Totals:- Income	2,039,125	666,563	1,468,000	801,437			45.4%	
Expenditure	1,627,245	212,595	1,633,000	1,420,405	71,438	1,348,966	17.4%	
Net Income over Expenditure	411,880	453,968	(165,000)	(618,968)				
plus Transfers from EMR	69,682	13,711	0	(13,711)				
less Transfers to EMR	689,925	0	0	0				
Movement to/(from) Gen Reserve	(208,362)	467,679	(165,000)	(632,679)				

<u>A/c Code</u>	<u>Account Name</u>	<u>Centre</u>	<u>Centre Name</u>	<u>Debit</u>	<u>Credit</u>
101	Debtors			7,366.58	
103	Town hall Sales ledger			9,066.35	
105	Vat Control			3,113.52	
120	Bar Stock			7,137.81	
203	Unity Bank			1,076,525.46	
213	Credit/Debit Card Control			1,343.55	
214	CCLA: Investment			713,085.80	
215	Cambridge BS			91,625.84	
220	Petty Cash			18.94	
251	Lloyds Cash & Bank Assembly			176,731.58	
253	Assembly Hall Float			1,100.00	
310	General Fund				260,431.92
322	EMR - CIL - SEC106				639,636.64
323	EMR - Solar Monies				143,240.85
325	EMR - East Melksham Comm Hall				315,030.00
326	EMR - Unplanned Maintenance				3,795.00
327	EMR - Election Expenses				5,199.41
328	EMR - Green Spaces				1,311.38
329	EMR - Major Projects Reserve				86,536.71
334	EMR - Office Equipments				4,275.00
335	EMR - Street Furniture				13,837.00
336	EMR - Equipment Replacement				48,130.00
338	EMR -Shurnhold Field				15,000.00
339	EMR - Splashpad KGV				5,000.00
501	Creditors				55,899.17
502	Creditors-Assembly Hall				60.00
515	PAYE/NI Due				4,628.74
516	Pension Due				8,123.13
520	Salaries Control				401.00
565	Events Control Pre Pandemic			305.56	
566	Events Control 2021 Onwards				9,206.47
1000	Income-Assembly Hall Lettings	501	Assembly Hall Central Costs		11,841.21
1001	Income-Assembly Hall Bar	520	Assembly Hall Bar and Catering		4,975.10
1004	Film shows	510	Assembly Hall Events		12.08
1016	Receipts - Mayors Reception	115	Civic and Democratic		510.00
1026	Income Interest	110	Corporate Costs		5,185.80
1027	Income - Amenity Services	202	Asset and Amenities		310.14
1034	Income Town Hall Bookings	201	Town Hall		1,356.60
1040	Income 31 Market Place	210	Corporate Properties		1,166.66
1045	Income	203	Allotments		235.00
1046	Income - Pavilion	204	Cafe		1,600.00
1048	Income Art House Cafe	210	Corporate Properties		1,000.00

Account Number Order

<u>A/c Code</u>	<u>Account Name</u>	<u>Centre</u>	<u>Centre Name</u>	<u>Debit</u>	<u>Credit</u>
1050	Grants Received	302	Projects		32,483.33
1052	Christmas Market Stalls	302	Projects		50.00
1060	Contribution - MWPC	205	Public Toilets - Market Place		5,000.00
1089	Income-Hanging Baskets	403	Economic Dev. and Planning		3,012.00
1090	Expenses Recovered	204	Cafe		1,490.00
1173	Live Shows - Hall Hire	510	Assembly Hall Events		235.00
1176	Precept Received	110	Corporate Costs		596,100.00
4000	Salaries ENI & Pension	101	Central Costs	55,514.33	
4000	Salaries ENI & Pension	202	Asset and Amenities	45,182.72	
4000	Salaries ENI & Pension	501	Assembly Hall Central Costs	15,192.56	
4005	Temporary Staff	101	Central Costs	3,921.64	
4016	Sundry Office Expenses	101	Central Costs	11.97	
4017	Bank account fees	110	Corporate Costs	476.38	
4021	Stationery	101	Central Costs	72.98	
4023	Advertising	101	Central Costs		853.91
4026	Photocopier/copying	101	Central Costs	49.83	
4027	Telephones and Mobiles	101	Central Costs	712.79	
4029	Subscriptions	101	Central Costs	2,428.08	
4042	Licences/Software	101	Central Costs	2,851.72	
4050	Legal and Professional Fees	110	Corporate Costs	1,972.65	
4058	Insurance	101	Central Costs	146.01	
4061	Travel and Subsistence	101	Central Costs	683.40	
4071	Town Floral Displays	403	Economic Dev. and Planning	109.57	
4072	Platinum Jubilee	101	Central Costs	120.00	
4074	Neighbourhood Plan	302	Projects	11,452.22	
4075	Training	501	Assembly Hall Central Costs	115.00	
4076	Health & Safety	201	Town Hall	995.00	
4078	Community Projects	302	Projects	859.72	
4085	Civic and Ceremonial	115	Civic and Democratic		1,937.51
4100	Gas	201	Town Hall	343.30	
4101	Electricity	201	Town Hall	723.77	
4101	Electricity	202	Asset and Amenities	34.28	
4101	Electricity	204	Cafe	1,692.68	
4101	Electricity	205	Public Toilets - Market Place	178.27	
4101	Electricity	206	Public Toilets - Bath Road	272.66	
4101	Electricity	212	Round House	25.79	
4101	Electricity	215	Depot	127.11	
4101	Electricity	221	King George V Park/Splashpad	273.92	
4102	Non Domestic Rates	201	Town Hall	2,123.75	
4102	Non Domestic Rates	215	Depot	1,076.25	
4103	Water Rates	201	Town Hall	54.51	
4103	Water Rates	205	Public Toilets - Market Place	269.94	

Account Number Order

<u>A/c Code</u>	<u>Account Name</u>	<u>Centre</u>	<u>Centre Name</u>	<u>Debit</u>	<u>Credit</u>
4103	Water Rates	206	Public Toilets - Bath Road		1,619.10
4103	Water Rates	215	Depot	59.00	
4104	Window Cleaning	201	Town Hall		40.00
4106	Repairs and Maintenance	201	Town Hall		1,168.32
4106	Repairs and Maintenance	204	Cafe	270.00	
4106	Repairs and Maintenance	205	Public Toilets - Market Place		100.00
4106	Repairs and Maintenance	221	King George V Park/Splashpad	13,710.86	
4108	Service Contracts	201	Town Hall	300.83	
4108	Service Contracts	211	Art House Cafe	1.46	
4108	Service Contracts	221	King George V Park/Splashpad	458.35	
4150	Uniform/PPE	202	Asset and Amenities	32.46	
4151	Tools and Equipment	202	Asset and Amenities	326.12	
4153	Vehicle Running Costs	202	Asset and Amenities	728.60	
4156	Vehicle Leasing	202	Asset and Amenities	469.08	
4157	Grasscutting and Ground Maint	220	Play Areas and Open Spaces	1,454.00	
4158	Replacement Play Equipment	220	Play Areas and Open Spaces	499.58	
4159	Electric - Unit	215	Depot	78.75	
4160	Leasing	215	Depot	2,058.32	
4163	Repairs and Maintenance	202	Asset and Amenities		215.39
4165	Maintenance play areas	202	Asset and Amenities		68.65
4165	Maintenance play areas	220	Play Areas and Open Spaces	1,095.91	
4168	Bus Shelters Cleaning	202	Asset and Amenities	40.00	
4175	WiFi	211	Art House Cafe	40.00	
4180	Cleaning	205	Public Toilets - Market Place	799.96	
4180	Cleaning	206	Public Toilets - Bath Road	429.52	
4193	Rospa checks: Play areas	220	Play Areas and Open Spaces	1,120.00	
4199	Chemicals	221	King George V Park/Splashpad	999.50	
4201	Maintenance	203	Allotments	890.00	
4250	WiFi - Pavilion	204	Cafe	88.96	
4304	Christmas Lights	302	Projects	57.08	
4308	CCTV	403	Economic Dev. and Planning	4,138.00	
4313	Holiday Activities	302	Projects	7.20	
4322	Age UK Project Worker	101	Central Costs	2,875.00	
4329	VE Day Celebration	302	Projects	1,645.99	
4332	Wiltshire Town Programme Exp	302	Projects	92.68	
4336	Sensory Garden	302	Projects	5,230.00	
4500	Solar Money Projects	405	Solar Farm Projects	10,000.00	
4903	Bar Stock Purchases	520	Assembly Hall Bar and Catering	3,002.99	
4905	Cleaning Materials	501	Assembly Hall Central Costs	230.11	
4908	Advertising	501	Assembly Hall Central Costs	30.00	
4911	Electricity	501	Assembly Hall Central Costs	2,731.40	
4912	Gas	501	Assembly Hall Central Costs	25.40	

Account Number Order

<u>A/c Code</u>	<u>Account Name</u>	<u>Centre</u>	<u>Centre Name</u>	<u>Debit</u>	<u>Credit</u>
4913	Water	501	Assembly Hall Central Costs	466.64	
4914	Rates	501	Assembly Hall Central Costs	1,719.75	
4917	Service Contracts	501	Assembly Hall Central Costs	250.48	
4918	Maintenance	501	Assembly Hall Central Costs	37.48	
4919	Films: expenses and contract	510	Assembly Hall Events	1.78	
4922	Publicity & Marketing	101	Central Costs		736.25
4922	Publicity & Marketing	501	Assembly Hall Central Costs	66.80	
4954	PA and Lighting Costs	510	Assembly Hall Events		838.00
4958	Event Security	501	Assembly Hall Central Costs		452.50
6000	Transfers from EMR	221	King George V Park/Splashpad		13,710.86
9245	Solar Money	901	Earmarked Reserves	12,000.00	
Trial Balance Totals :				2,308,045.83	2,308,045.83
Difference				0.00	

Melksham Town Council Current Year
Annual Budget - By Centre (Actual YTD Month 2)
Note: Budget 2025/2026

		Budget 2024/2025		Budget 2025/2026						Budget 2026/2027		
		Budget	Actual	Brought Forward	Net Virement	Agreed	EMR	Total	Actual YTD	Agreed	EMR	Carried Forward
101	Central Costs											
4000	Salaries ENI & Pension	225,000	452,982	0	0	384,500	0	384,500	55,514	0	0	0
4005	Temporary Staff	0	15,541	0	0	3,000	0	3,000	3,922	0	0	0
4016	Sundry Office Expenses	0	1,203	0	0	1,200	0	1,200	12	0	0	0
4021	Stationery	1,000	1,050	0	0	1,000	0	1,000	73	0	0	0
4023	Advertising	3,000	7,890	0	0	3,000	0	3,000	-854	0	0	0
4024	Equipment/furniture	1,000	24	0	0	500	0	500	0	0	0	0
4026	Photocopier/copying	1,000	1,141	0	0	1,100	0	1,100	50	0	0	0
4027	Telephones and Mobiles	2,500	3,855	0	0	3,600	0	3,600	713	0	0	0
4028	Postage	500	173	0	0	600	0	600	0	0	0	0
4029	Subscriptions	3,000	2,517	0	0	3,200	0	3,200	2,428	0	0	0
4032	Market Charter Anniversary	0	304	0	0	0	0	0	0	0	0	0
4040	Information Technology/Hardware	5,000	6,528	0	0	5,000	0	5,000	0	0	0	0
4042	Licences/Software	6,000	20,907	0	0	24,000	0	24,000	2,852	0	0	0
4050	Legal and Professional Fees	0	0	0	0	0	0	0	0	0	0	0
4058	Insurance	38,000	38,578	0	0	39,000	0	39,000	146	0	0	0
4061	Travel and Subsistence	300	5,241	0	0	3,000	0	3,000	683	0	0	0
4072	Platinum Jubilee	0	0	0	0	0	0	0	120	0	0	0
4075	Training	2,500	494	0	0	3,000	0	3,000	0	0	0	0
4322	Age UK Project Worker	0	0	0	0	0	0	0	2,875	0	0	0
4922	Publicity & Marketing	0	1,548	0	0	0	0	0	-736	0	0	0
	Overhead Expenditure	288,800	559,975	0	0	475,700	0	475,700	67,798	0	0	0
6000	plus Transfers from EMR	0	2,400	0	0	0	0	0	0	0	0	0

Continued on next page

Melksham Town Council Current Year
Annual Budget - By Centre (Actual YTD Month 2)
Note: Budget 2025/2026

		Budget 2024/2025		Budget 2025/2026						Budget 2026/2027		
		Budget	Actual	Brought Forward	Net Virement	Agreed	EMR	Total	Actual YTD	Agreed	EMR	Carried Forward
Movement to/(from) Gen Reserve		(288,800)	(557,575)			(475,700)		(475,700)	(67,798)	0		
110	Corporate Costs											
1026	Income Interest	1,000	16,230	0	0	25,000	0	25,000	5,186	0	0	0
1176	Precept Received	1,047,270	1,047,270	0	0	1,117,200	0	1,117,200	596,100	0	0	0
1195	Precept received - Topup GR	0	0	0	0	75,000	0	75,000	0	0	0	0
	Total Income	1,048,270	1,063,500	0	0	1,217,200	0	1,217,200	601,286	0	0	0
4017	Bank account fees	500	5,140	0	0	2,500	0	2,500	476	0	0	0
4043	HR consultancy	6,000	13,625	0	0	8,000	0	8,000	0	0	0	0
4050	Legal and Professional Fees	7,000	23,356	0	0	10,000	0	10,000	1,973	0	0	0
4057	Accountancy and Audit	5,000	3,497	0	0	4,000	0	4,000	0	0	0	0
4076	Health & Safety	3,500	6,240	0	0	3,500	0	3,500	0	0	0	0
	Overhead Expenditure	22,000	51,858	0	0	28,000	0	28,000	2,449	0	0	0
Movement to/(from) Gen Reserve		1,026,270	1,011,642			1,189,200		1,189,200	598,837	0		
115	Civic and Democratic											
1016	Receipts - Mayors Reception	0	3,853	0	0	0	0	0	510	0	0	0
	Total Income	0	3,853	0	0	0	0	0	510	0	0	0
4030	Town Crier's expenses	300	105	0	0	300	0	300	0	0	0	0
4034	Councillors' training	0	960	0	0	1,500	0	1,500	0	0	0	0
4062	Election Expenses	8,000	22,489	0	0	20,000	0	20,000	0	0	0	0
4070	Mayor's Allowance	1,000	84	0	0	2,000	0	2,000	0	0	0	0
4085	Civic and Ceremonial	3,000	8,766	0	0	6,500	0	6,500	-1,938	0	0	0

Continued on next page

Annual Budget - By Centre (Actual YTD Month 2)

Note: Budget 2025/2026

		<u>Budget 2024/2025</u>		<u>Budget 2025/2026</u>						<u>Budget 2026/2027</u>		
		Budget	Actual	Brought Forward	Net Virement	Agreed	EMR	Total	Actual YTD	Agreed	EMR	Carried Forward
4311	Remembrance Day	1,500	1,665	0	0	1,500	0	1,500	0	0	0	0
	Overhead Expenditure	13,800	34,068	0	0	31,800	0	31,800	-1,938	0	0	0
	Movement to/(from) Gen Reserve	(13,800)	(30,215)			(31,800)		(31,800)	2,448	0		
151	Grants											
4301	Grants	16,000	18,539	0	0	0	10,000	10,000	0	0	0	0
4303	Grant-4Youth	10,000	10,000	0	0	10,000	0	10,000	0	0	0	0
4306	Grant Party in the Park	3,000	0	0	0	0	0	0	0	0	0	0
4310	Grant Food and River Festival	5,000	5,000	0	0	5,000	0	5,000	0	0	0	0
4317	Grant Carnival	0	2,500	0	0	2,500	0	2,500	0	0	0	0
4322	Age UK Project Worker	0	12,000	0	0	11,500	0	11,500	0	0	0	0
4324	The Friends of Canberra Park	0	7,988	0	0	0	0	0	0	0	0	0
4330	Grant TIC	4,000	4,000	0	0	4,000	0	4,000	0	0	0	0
	Overhead Expenditure	38,000	60,027	0	0	33,000	10,000	43,000	0	0	0	0
6000	plus Transfers from EMR	0	7,988	0	0	0	0	0	0	0	0	0
	Movement to/(from) Gen Reserve	(38,000)	(52,039)			(33,000)		(43,000)	0	0		
201	Town Hall											
1034	Income Town Hall Bookings	2,000	3,185	0	0	2,000	0	2,000	1,357	0	0	0
	Total Income	2,000	3,185	0	0	2,000	0	2,000	1,357	0	0	0
4076	Health & Safety	0	0	0	0	0	0	0	995	0	0	0
4100	Gas	7,200	4,512	0	0	7,500	0	7,500	343	0	0	0
4101	Electricity	6,000	4,917	0	0	6,500	0	6,500	724	0	0	0

Continued on next page

Melksham Town Council Current Year
Annual Budget - By Centre (Actual YTD Month 2)
Note: Budget 2025/2026

		Budget 2024/2025		Budget 2025/2026						Budget 2026/2027		
		Budget	Actual	Brought Forward	Net Virement	Agreed	EMR	Total	Actual YTD	Agreed	EMR	Carried Forward
4102	Non Domestic Rates	11,000	10,604	0	0	11,000	0	11,000	2,124	0	0	0
4103	Water Rates	2,000	1,258	0	0	2,000	0	2,000	55	0	0	0
4104	Window Cleaning	1,800	1,492	0	0	1,500	0	1,500	-40	0	0	0
4106	Repairs and Maintenance	6,000	15,367	0	0	12,000	0	12,000	-1,168	0	0	0
4108	Service Contracts	8,000	6,217	0	0	8,500	0	8,500	301	0	0	0
Overhead Expenditure		42,000	44,367	0	0	49,000	0	49,000	3,333	0	0	0
Movement to/(from) Gen Reserve		(40,000)	(41,183)			(47,000)		(47,000)	(1,976)	0		
202	Asset and Amenities											
1027	Income - Amenity Services	4,500	10,425	0	0	6,000	0	6,000	310	0	0	0
Total Income		4,500	10,425	0	0	6,000	0	6,000	310	0	0	0
4000	Salaries ENI & Pension	275,000	289,147	0	0	232,000	0	232,000	45,183	0	0	0
4027	Telephones and Mobiles	1,500	0	0	0	0	0	0	0	0	0	0
4075	Training	3,000	0	0	0	3,000	0	3,000	0	0	0	0
4101	Electricity	0	0	0	0	0	0	0	34	0	0	0
4150	Uniform/PPE	1,000	250	0	0	1,000	0	1,000	32	0	0	0
4151	Tools and Equipment	2,000	1,960	0	0	2,000	0	2,000	326	0	0	0
4153	Vehicle Running Costs	6,000	5,664	0	0	6,000	0	6,000	729	0	0	0
4156	Vehicle Leasing	11,000	6,331	0	0	6,000	0	6,000	469	0	0	0
4163	Repairs and Maintenance	6,000	2,155	0	0	2,000	0	2,000	-215	0	0	0
4165	Maintenance play areas	0	634	0	0	0	0	0	-69	0	0	0
4167	Street Furniture and Signage	6,000	4,689	0	0	6,000	0	6,000	0	0	0	0
4168	Bus Shelters Cleaning	0	836	0	0	1,500	0	1,500	40	0	0	0

Continued on next page

Melksham Town Council Current Year
Annual Budget - By Centre (Actual YTD Month 2)
Note: Budget 2025/2026

		Budget 2024/2025		Budget 2025/2026						Budget 2026/2027		
		Budget	Actual	Brought Forward	Net Virement	Agreed	EMR	Total	Actual YTD	Agreed	EMR	Carried Forward
4177	Churchyard maintenance	1,000	0	0	0	1,000	0	1,000	0	0	0	0
4186	Defibrillators	4,000	1,100	0	0	4,000	0	4,000	0	0	0	0
4196	Container storage	1,500	0	0	0	0	0	0	0	0	0	0
Overhead Expenditure		318,000	312,765	0	0	264,500	0	264,500	46,529	0	0	0
Movement to/(from) Gen Reserve		(313,500)	(302,341)			(258,500)		(258,500)	(46,219)	0		
203	Allotments											
1045	Income	7,000	4,775	0	0	6,000	0	6,000	235	0	0	0
Total Income		7,000	4,775	0	0	6,000	0	6,000	235	0	0	0
4200	Water Rates	1,800	1,560	0	0	1,800	0	1,800	0	0	0	0
4201	Maintenance	4,000	0	0	0	500	0	500	890	0	0	0
4202	Community Allotments	0	0	0	0	500	0	500	0	0	0	0
Overhead Expenditure		5,800	1,560	0	0	2,800	0	2,800	890	0	0	0
Movement to/(from) Gen Reserve		1,200	3,215			3,200		3,200	(655)	0		
204	Cafe											
1046	Income - Pavilion	0	2,529	0	0	3,000	0	3,000	1,600	0	0	0
1090	Expenses Recovered	17,500	11,809	0	0	12,000	0	12,000	1,490	0	0	0
Total Income		17,500	14,337	0	0	15,000	0	15,000	3,090	0	0	0
4101	Electricity	0	0	0	0	0	0	0	1,693	0	0	0
4106	Repairs and Maintenance	0	0	0	0	0	0	0	270	0	0	0
4250	WiFi - Pavilion	1,000	889	0	0	1,300	0	1,300	89	0	0	0

Continued on next page

Melksham Town Council Current Year
Annual Budget - By Centre (Actual YTD Month 2)
Note: Budget 2025/2026

		Budget 2024/2025		Budget 2025/2026						Budget 2026/2027		
		Budget	Actual	Brought Forward	Net Virement	Agreed	EMR	Total	Actual YTD	Agreed	EMR	Carried Forward
4252	Electricity	12,000	19,805	0	0	12,000	0	12,000	0	0	0	0
4254	Water	2,500	1,860	0	0	2,500	0	2,500	0	0	0	0
4255	Fire Safety Checks	400	859	0	0	1,000	0	1,000	0	0	0	0
4256	Maintenance	2,000	2,040	0	0	2,500	0	2,500	0	0	0	0
4258	Pavilion Development	0	0	0	0	0	0	0	0	0	0	0
Overhead Expenditure		17,900	25,452	0	0	19,300	0	19,300	2,052	0	0	0
Movement to/(from) Gen Reserve		(400)	(11,114)			(4,300)		(4,300)	1,038	0		
205	<u>Public Toilets - Market Place</u>											
1060	Contribution - MWPC	5,000	0	0	0	5,000	0	5,000	5,000	0	0	0
Total Income		5,000	0	0	0	5,000	0	5,000	5,000	0	0	0
4101	Electricity	2,200	852	0	0	1,500	0	1,500	178	0	0	0
4103	Water Rates	3,000	969	0	0	2,000	0	2,000	270	0	0	0
4106	Repairs and Maintenance	1,000	1,734	0	0	1,500	0	1,500	-100	0	0	0
4180	Cleaning	7,000	7,112	0	0	7,500	0	7,500	800	0	0	0
Overhead Expenditure		13,200	10,667	0	0	12,500	0	12,500	1,148	0	0	0
Movement to/(from) Gen Reserve		(8,200)	(10,667)			(7,500)		(7,500)	3,852	0		
206	<u>Public Toilets - Bath Road</u>											
4101	Electricity	1,700	1,421	0	0	1,200	0	1,200	273	0	0	0
4103	Water Rates	2,000	3,369	0	0	2,000	0	2,000	-1,619	0	0	0
4106	Repairs and Maintenance	1,000	8	0	0	500	0	500	0	0	0	0
4180	Cleaning	7,000	7,870	0	0	8,000	0	8,000	430	0	0	0

Continued on next page

Melksham Town Council Current Year
Annual Budget - By Centre (Actual YTD Month 2)
Note: Budget 2025/2026

			<u>Budget 2024/2025</u>		<u>Budget 2025/2026</u>					<u>Budget 2026/2027</u>			
			Budget	Actual	Brought Forward	Net Virement	Agreed	EMR	Total	Actual YTD	Agreed	EMR	Carried Forward
Overhead Expenditure			11,700	12,668	0	0	11,700	0	11,700	-917	0	0	0
Movement to/(from) Gen Reserve			(11,700)	(12,668)			(11,700)		(11,700)	917	0		
210	Corporate Properties												
1040	Income 31 Market Place		7,000	7,075	0	0	7,000	0	7,000	1,167	0	0	0
1048	Income Art House Cafe		6,700	6,161	0	0	6,000	0	6,000	1,000	0	0	0
Total Income			13,700	13,236	0	0	13,000	0	13,000	2,167	0	0	0
Movement to/(from) Gen Reserve			13,700	13,236			13,000		13,000	2,167	0		
211	Art House Cafe												
4108	Service Contracts		0	905	0	0	600	0	600	1	0	0	0
4175	WiFi		750	476	0	0	225	0	225	40	0	0	0
Overhead Expenditure			750	1,381	0	0	825	0	825	41	0	0	0
Movement to/(from) Gen Reserve			(750)	(1,381)			(825)		(825)	(41)	0		
212	Round House												
4101	Electricity		400	388	0	0	400	0	400	26	0	0	0
4103	Water Rates		200	214	0	0	200	0	200	0	0	0	0
4106	Repairs and Maintenance		250	448	0	0	250	0	250	0	0	0	0
Overhead Expenditure			850	1,049	0	0	850	0	850	26	0	0	0
Movement to/(from) Gen Reserve			(850)	(1,049)			(850)		(850)	(26)	0		
213	31 Market Place												

Continued on next page

Melksham Town Council Current Year
Annual Budget - By Centre (Actual YTD Month 2)
Note: Budget 2025/2026

		Budget 2024/2025		Budget 2025/2026						Budget 2026/2027		
		Budget	Actual	Brought Forward	Net Virement	Agreed	EMR	Total	Actual YTD	Agreed	EMR	Carried Forward
4106	Repairs and Maintenance	1,000	1,093	0	0	30,000	0	30,000	0	0	0	0
4108	Service Contracts	1,000	0	0	0	0	0	0	0	0	0	0
Overhead Expenditure		2,000	1,093	0	0	30,000	0	30,000	0	0	0	0
Movement to/(from) Gen Reserve		(2,000)	(1,093)			(30,000)		(30,000)	0	0		
215	<u>Depot</u>											
4058	Insurance	0	330	0	0	500	0	500	0	0	0	0
4101	Electricity	1,800	1,432	0	0	1,800	0	1,800	127	0	0	0
4102	Non Domestic Rates	5,000	6,278	0	0	5,000	0	5,000	1,076	0	0	0
4103	Water Rates	250	324	0	0	300	0	300	59	0	0	0
4106	Repairs and Maintenance	2,000	1,869	0	0	1,000	0	1,000	0	0	0	0
4159	Electric - Unit	0	0	0	0	0	0	0	79	0	0	0
4160	Leasing	15,600	12,350	0	0	15,600	0	15,600	2,058	0	0	0
4184	Fire security: Unit	300	96	0	0	300	0	300	0	0	0	0
Overhead Expenditure		24,950	22,679	0	0	24,500	0	24,500	3,399	0	0	0
Movement to/(from) Gen Reserve		(24,950)	(22,679)			(24,500)		(24,500)	(3,399)	0		
220	<u>Play Areas and Open Spaces</u>											
1050	Grants Received	0	58,182	0	0	0	0	0	0	0	0	0
Total Income		0	58,182	0	0	0	0	0	0	0	0	0
4157	Grasscutting and Ground Maint	25,000	39,104	0	0	32,000	0	32,000	1,454	0	0	0
4158	Replacement Play Equipment	0	74,431	0	0	0	64,000	64,000	500	0	0	0
4165	Maintenance play areas	10,000	835	0	0	10,000	0	10,000	1,096	0	0	0

Continued on next page

Melksham Town Council Current Year
Annual Budget - By Centre (Actual YTD Month 2)
Note: Budget 2025/2026

		Budget 2024/2025		Budget 2025/2026						Budget 2026/2027		
		Budget	Actual	Brought Forward	Net Virement	Agreed	EMR	Total	Actual YTD	Agreed	EMR	Carried Forward
4169	Maintenance of trees	4,000	0	0	0	2,000	0	2,000	0	0	0	0
4179	Tree Planting and Ecology	10,000	660	0	0	0	0	0	0	0	0	0
4193	Rospa checks: Play areas	1,600	0	0	0	1,600	0	1,600	1,120	0	0	0
	Overhead Expenditure	50,600	115,030	0	0	45,600	64,000	109,600	4,169	0	0	0
	Movement to/(from) Gen Reserve	<u>(50,600)</u>	<u>(56,849)</u>			<u>(45,600)</u>		<u>(109,600)</u>	<u>(4,169)</u>	<u>0</u>		
221	<u>King George V Park/Splashpad</u>											
4101	Electricity	7,000	926	0	0	5,000	0	5,000	274	0	0	0
4106	Repairs and Maintenance	1,000	18,828	0	0	2,000	0	2,000	13,711	0	0	0
4108	Service Contracts	5,500	11,724	0	0	12,000	0	12,000	458	0	0	0
4199	Chemicals	2,000	453	0	0	2,000	0	2,000	1,000	0	0	0
4913	Water	10,500	9,132	0	0	6,000	0	6,000	0	0	0	0
	Overhead Expenditure	26,000	41,064	0	0	27,000	0	27,000	15,443	0	0	0
6000	plus Transfers from EMR	0	0	0	0	0	0	0	13,711	0	0	0
	Movement to/(from) Gen Reserve	<u>(26,000)</u>	<u>(41,064)</u>			<u>(27,000)</u>		<u>(27,000)</u>	<u>(1,732)</u>	<u>0</u>		
302	<u>Projects</u>											
1050	Grants Received	0	69,124	0	0	0	0	0	32,483	0	0	0
1052	Christmas Market Stalls	2,000	-350	0	0	2,500	0	2,500	50	0	0	0
1059	Sponsorship	5,000	0	0	0	5,000	0	5,000	0	0	0	0
1174	Christmas Income	0	50	0	0	0	0	0	0	0	0	0
1179	Neighbourhood Plan	0	3,456	0	0	0	0	0	0	0	0	0
1189	Proms in Park (Vendors)	0	0	0	0	1,000	0	1,000	0	0	0	0
1193	Wiltshire Town Programme Grant	0	0	0	0	50,000	0	50,000	0	0	0	0

Continued on next page

Annual Budget - By Centre (Actual YTD Month 2)

Note: Budget 2025/2026

			<u>Budget 2024/2025</u>		<u>Budget 2025/2026</u>					<u>Budget 2026/2027</u>			
			Budget	Actual	Brought Forward	Net Virement	Agreed	EMR	Total	Actual YTD	Agreed	EMR	Carried Forward
Total Income			7,000	72,281	0	0	58,500	0	58,500	32,533	0	0	0
4074	Neighbourhood Plan		0	13,472	0	0	2,825	0	2,825	11,452	0	0	0
4078	Community Projects		4,000	6,957	0	0	2,000	0	2,000	860	0	0	0
4080	Melksham Garden Competition		250	305	0	0	350	0	350	0	0	0	0
4092	Park Yoga		0	1,400	0	0	1,400	0	1,400	0	0	0	0
4304	Christmas Lights		20,000	17,882	0	0	19,000	0	19,000	57	0	0	0
4313	Holiday Activities		0	1,030	0	0	0	0	0	7	0	0	0
4329	VE Day Celebration		0	933	0	0	1,500	0	1,500	1,646	0	0	0
4332	Wiltshire Town Programme Exp		0	12,008	0	0	50,000	0	50,000	93	0	0	0
4333	Carole Round the Tree		0	0	0	0	1,000	0	1,000	0	0	0	0
4334	Youth Council		0	0	0	0	1,500	0	1,500	0	0	0	0
4336	Sensory Garden		0	0	0	0	0	11,000	11,000	5,230	0	0	0
Overhead Expenditure			24,250	53,987	0	0	79,575	11,000	90,575	19,345	0	0	0
Movement to/(from) Gen Reserve			(17,250)	18,293			(21,075)		(32,075)	13,188	0		
303	Events												
1005	Deposits		0	-917	0	0	0	0	0	0	0	0	0
Total Income			0	-917	0	0	0	0	0	0	0	0	0
4093	Proms in Park		0	0	0	0	0	10,000	10,000	0	0	0	0
4313	Holiday Activities		5,000	4,964	0	0	0	5,000	5,000	0	0	0	0
4335	Town Events		0	0	0	0	0	10,000	10,000	0	0	0	0
4337	General Events		0	0	0	0	0	5,000	5,000	0	0	0	0

Continued on next page

Melksham Town Council Current Year
Annual Budget - By Centre (Actual YTD Month 2)
Note: Budget 2025/2026

			<u>Budget 2024/2025</u>		<u>Budget 2025/2026</u>					<u>Budget 2026/2027</u>			
			Budget	Actual	Brought Forward	Net Virement	Agreed	EMR	Total	Actual YTD	Agreed	EMR	Carried Forward
	Overhead Expenditure		5,000	4,964	0	0	0	30,000	30,000	0	0	0	0
	Movement to/(from) Gen Reserve		(5,000)	(5,881)			0		(30,000)	0	0		
310	<u>East Melksham Community Hall</u>												
4050	Legal and Professional Fees		2,500	0	0	0	0	50,000	50,000	0	0	0	0
	Overhead Expenditure		2,500	0	0	0	0	50,000	50,000	0	0	0	0
	Movement to/(from) Gen Reserve		(2,500)	0			0		(50,000)	0	0		
403	<u>Economic Dev. and Planning</u>												
1089	Income-Hanging Baskets		1,300	1,222	0	0	1,500	0	1,500	3,012	0	0	0
	Total Income		1,300	1,222	0	0	1,500	0	1,500	3,012	0	0	0
4071	Town Floral Displays		6,000	6,004	0	0	6,500	0	6,500	110	0	0	0
4308	CCTV		0	31,745	0	0	8,000	0	8,000	4,138	0	0	0
4309	Newsletter		2,000	9,790	0	0	5,000	0	5,000	0	0	0	0
4354	Parking Scheme		1,000	1,115	0	0	1,000	0	1,000	0	0	0	0
4356	LHFIG		5,000	0	0	0	5,000	0	5,000	0	0	0	0
	Overhead Expenditure		14,000	48,654	0	0	25,500	0	25,500	4,248	0	0	0
	403 Net Income over Expenditure		-12,700	-47,432	0	0	-24,000	0	-24,000	-1,236	0	0	0
6000	plus Transfers from EMR		0	31,262	0	0	0	0	0	0	0	0	0
	Movement to/(from) Gen Reserve		(12,700)	(16,170)			(24,000)		(24,000)	(1,236)	0		
405	<u>Solar Farm Projects</u>												

Continued on next page

Melksham Town Council Current Year
Annual Budget - By Centre (Actual YTD Month 2)
Note: Budget 2025/2026

		Budget 2024/2025		Budget 2025/2026						Budget 2026/2027		
		Budget	Actual	Brought Forward	Net Virement	Agreed	EMR	Total	Actual YTD	Agreed	EMR	Carried Forward
1182	Solar money received	40,000	49,405	0	0	50,000	0	50,000	0	0	0	0
	Total Income	40,000	49,405	0	0	50,000	0	50,000	0	0	0	0
4500	Solar Money Projects	40,000	0	0	0	50,000	0	50,000	10,000	0	0	0
	Overhead Expenditure	40,000	0	0	0	50,000	0	50,000	10,000	0	0	0
	405 Net Income over Expenditure	0	49,405	0	0	0	0	0	-10,000	0	0	0
6001	less Transfers to EMR	0	49,405	0	0	0	0	0	0	0	0	0
	Movement to/(from) Gen Reserve	0	0			0		0	(10,000)	0		
501	<u>Assembly Hall Central Costs</u>											
1000	Income-Assembly Hall Lettings	30,000	32,917	0	0	30,000	0	30,000	11,841	0	0	0
1172	Tickets : private events	0	831	0	0	0	0	0	0	0	0	0
	Total Income	30,000	33,748	0	0	30,000	0	30,000	11,841	0	0	0
4000	Salaries ENI & Pension	85,000	104,409	0	0	100,000	0	100,000	15,193	0	0	0
4075	Training	0	125	0	0	600	0	600	115	0	0	0
4106	Repairs and Maintenance	0	174	0	0	0	0	0	0	0	0	0
4163	Repairs and Maintenance	0	175	0	0	0	0	0	0	0	0	0
4900	Uniforms	1,000	945	0	0	500	0	500	0	0	0	0
4903	Bar Stock Purchases	0	0	0	0	0	0	0	0	0	0	0
4905	Cleaning Materials	2,000	3,002	0	0	2,500	0	2,500	230	0	0	0
4907	Stationery/Printing/Postage	150	113	0	0	150	0	150	0	0	0	0
4908	Advertising	0	0	0	0	0	0	0	30	0	0	0
4909	Licences	3,500	5,400	0	0	5,500	0	5,500	0	0	0	0

Continued on next page

Annual Budget - By Centre (Actual YTD Month 2)

Note: Budget 2025/2026

		<u>Budget 2024/2025</u>		<u>Budget 2025/2026</u>						<u>Budget 2026/2027</u>		
		Budget	Actual	Brought Forward	Net Virement	Agreed	EMR	Total	Actual YTD	Agreed	EMR	Carried Forward
4911	Electricity	17,000	13,927	0	0	17,000	0	17,000	2,731	0	0	0
4912	Gas	100	161	0	0	100	0	100	25	0	0	0
4913	Water	3,000	2,461	0	0	3,000	0	3,000	467	0	0	0
4914	Rates	9,500	8,608	0	0	9,500	0	9,500	1,720	0	0	0
4915	Equipment	5,000	4,126	0	0	2,500	0	2,500	0	0	0	0
4916	Maintenance-Equipment	7,000	1,810	0	0	5,000	0	5,000	0	0	0	0
4917	Service Contracts	8,400	7,284	0	0	8,400	0	8,400	250	0	0	0
4918	Maintenance	13,000	3,224	0	0	5,000	0	5,000	37	0	0	0
4922	Publicity & Marketing	6,000	7,190	0	0	6,000	0	6,000	67	0	0	0
4927	Stocktaking	600	520	0	0	600	0	600	0	0	0	0
4954	PA and Lighting Costs	0	0	0	0	0	0	0	0	0	0	0
4958	Event Security	0	608	0	0	0	0	0	-453	0	0	0
4960	Live entertainment:	0	0	0	0	0	0	0	0	0	0	0
Overhead Expenditure		161,250	164,262	0	0	166,350	0	166,350	20,413	0	0	0
Movement to/(from) Gen Reserve		(131,250)	(130,514)			(136,350)		(136,350)	(8,572)	0		
510	<u>Assembly Hall Events</u>											
1004	Film shows	300	4	0	0	300	0	300	12	0	0	0
1172	Tickets : private events	0	335	0	0	0	0	0	0	0	0	0
1173	Live Shows - Hall Hire	20,000	14,257	0	0	20,000	0	20,000	235	0	0	0
Total Income		20,300	14,597	0	0	20,300	0	20,300	247	0	0	0
4903	Bar Stock Purchases	0	0	0	0	0	0	0	0	0	0	0
4919	Films: expenses and contract	220	2	0	0	0	0	0	2	0	0	0

Continued on next page

Melksham Town Council Current Year
Annual Budget - By Centre (Actual YTD Month 2)
Note: Budget 2025/2026

		Budget 2024/2025		Budget 2025/2026						Budget 2026/2027		
		Budget	Actual	Brought Forward	Net Virement	Agreed	EMR	Total	Actual YTD	Agreed	EMR	Carried Forward
4954	PA and Lighting Costs	4,500	5,965	0	0	0	0	0	-838	0	0	0
4958	Event Security	0	1,307	0	0	0	0	0	0	0	0	0
4960	Live entertainment:	0	3,078	0	0	2,500	0	2,500	0	0	0	0
	Overhead Expenditure	4,720	10,352	0	0	2,500	0	2,500	-836	0	0	0
	Movement to/(from) Gen Reserve	15,580	4,245			17,800		17,800	1,083	0		
520	<u>Assembly Hall Bar and Catering</u>											
1001	Income-Assembly Hall Bar	43,500	56,778	0	0	43,500	0	43,500	4,975	0	0	0
	Total Income	43,500	56,778	0	0	43,500	0	43,500	4,975	0	0	0
4903	Bar Stock Purchases	22,000	21,289	0	0	22,000	0	22,000	3,003	0	0	0
	Overhead Expenditure	22,000	21,289	0	0	22,000	0	22,000	3,003	0	0	0
	Movement to/(from) Gen Reserve	21,500	35,488			21,500		21,500	1,972	0		
901	<u>Earmarked Reserves</u>											
1180	CIL Received	0	640,520	0	0	0	0	0	0	0	0	0
	Total Income	0	640,520	0	0	0	0	0	0	0	0	0
9202	Unplanned Maintenance	10,000	16,612	0	0	10,000	0	10,000	0	0	0	0
9244	Major Projects Reserve	50,000	4,089	0	0	50,000	0	50,000	0	0	0	0
9245	Solar Money	0	255	0	0	0	0	0	12,000	0	0	0
9248	CIL	0	7,076	0	0	0	0	0	0	0	0	0
	Overhead Expenditure	60,000	28,032	0	0	60,000	0	60,000	12,000	0	0	0
	901 Net Income over Expenditure	-60,000	612,488	0	0	-60,000	0	-60,000	-12,000	0	0	0

Continued on next page

Melksham Town Council Current Year
Annual Budget - By Centre (Actual YTD Month 2)
Note: Budget 2025/2026

		Budget 2024/2025		Budget 2025/2026						Budget 2026/2027		
		Budget	Actual	Brought Forward	Net Virement	Agreed	EMR	Total	Actual YTD	Agreed	EMR	Carried Forward
6000	plus Transfers from EMR	0	28,032	0	0	0	0	0	0	0	0	0
6001	less Transfers to EMR	0	640,520	0	0	0	0	0	0	0	0	0
Movement to/(from) Gen Reserve		(60,000)	0			(60,000)		(60,000)	(12,000)	0		
902	Sinking Funds											
9233	Play Area Replacement Fund	25,000	0	0	0	0	0	0	0	0	0	0
9234	Splashpad - KGV	5,000	0	0	0	5,000	0	5,000	0	0	0	0
Overhead Expenditure		30,000	0	0	0	5,000	0	5,000	0	0	0	0
Movement to/(from) Gen Reserve		(30,000)	0			(5,000)		(5,000)	0	0		
Total Budget Income		1,240,070	2,039,125	0	0	1,468,000	0	1,468,000	666,563	0	0	0
Expenditure		1,240,070	1,627,245	0	0	1,468,000	165,000	1,633,000	212,595	0	0	0
Net Income over Expenditure		0	411,880	0	0	0	-165,000	-165,000	453,968	0	0	0
	plus Transfers from EMR	0	69,682	0	0	0	0	0	13,711	0	0	0
	less Transfers to EMR	0	689,925	0	0	0	0	0	0	0	0	0
Movement to/(from) Gen Reserve		0	(208,362)			0		(165,000)	467,679	0		

Budget template 1 – Rialtas report – currently presented to Council

The councils accounting software produces the budget as follows:

16/06/2025

Melksham Town Council Current Year

Page 7

18:11

Annual Budget - By Centre (Actual YTD Month 2)

Note: Budget 2025/2026

		Budget 2024/2025		Budget 2025/2026					Budget 2026/2027			
		Budget	Actual	Brought Forward	Net Virement	Agreed	EMR	Total	Actual YTD	Agreed	EMR	Carried Forward
Overhead Expenditure		11,700	12,668	0	0	11,700	0	11,700	-917	0	0	0
Movement to/(from) Gen Reserve		(11,700)	(12,668)			(11,700)		(11,700)	917	0		
210	Corporate Properties											
1040	Income 31 Market Place	7,000	7,075	0	0	7,000	0	7,000	1,167	0	0	0
1048	Income Art House Cafe	6,700	6,161	0	0	6,000	0	6,000	1,000	0	0	0
Total Income		13,700	13,236	0	0	13,000	0	13,000	2,167	0	0	0
Movement to/(from) Gen Reserve		13,700	13,236			13,000		13,000	2,167	0		
211	Art House Cafe											
4108	Service Contracts	0	905	0	0	600	0	600	1	0	0	0
4175	WiFi	750	476	0	0	225	0	225	40	0	0	0
Overhead Expenditure		750	1,381	0	0	825	0	825	41	0	0	0
Movement to/(from) Gen Reserve		(750)	(1,381)			(825)		(825)	(41)	0		
212	Round House											
4101	Electricity	400	388	0	0	400	0	400	26	0	0	0
4103	Water Rates	200	214	0	0	200	0	200	0	0	0	0
4106	Repairs and Maintenance	250	448	0	0	250	0	250	0	0	0	0
Overhead Expenditure		850	1,049	0	0	850	0	850	26	0	0	0
Movement to/(from) Gen Reserve		(850)	(1,049)			(850)		(850)	(26)	0		

Budget template 2 – Simple Excel spreadsheet

This is a template budget that many councillors prefer in my experience as it is simple yet contains the information most councillors require, and highlights any revisions that need council consideration. *NB: This is made up data.*

Area	Nom Codes	Budget agreed 25/26	Income to date	Expenditure to date	Budget remaining	Variance	Comments
ADMIN							
Salaries	1000/101	£200,000	-	£33,333	£166,667	17%	
Stationery	1002/101	£1,000	-	£15	£985	2%	
Postage	1004/101	£1,000	-	£5	£995	1%	
Subs	1009/101	£2,300	-	£0	£2,300	0%	NALC £460, SLCC £520, ICO £60, Rialtas £1,260
		£204,300	-	£33,353	£170,947	16%	
TOWN HALL							
Room hire	2001/102	£8,000	£250	-	£7,750	3%	
Electricity	2004/102	£5,000	-	£828	£4,172	17%	
Gas	2005/102	£7,000	-	£5,500	£1,500	79%	Gas prices risen, colder weather, will go over budget, Council to review and increase budget. Suggest increasing to £33k.
Cleaning	2007/102	£2,000	-	£850	£1,150	43%	Under budgeted. Council to review and increase budget. Suggest increasing to £5,100.
		£22,000	£250	£7,178	£14,572	31%	
PROJECTS							
Blue Pool	8000/209	£0	£100,000	£100,000	£0	100%	Grant received from Wilts Council for renovation. Need to increase income from £0 to £100,000. Grant obtained after budget was set.
Youth services	8001/210	£25,000	£25,000	£1,500	£23,500	6%	Grant received from Biffa for youth service provision.
		£0	£125,000	£101,500	£23,500	19%	
	TOTALS	£226,300	£125,250	£142,031	£209,019	95%	
Cash at bank		£1,203,456					
VAT Reclaim due		£5,677					
Income expected		£7,750					
Expenditure expected		£201,269					
Balance- General Reserve		£1,015,614					

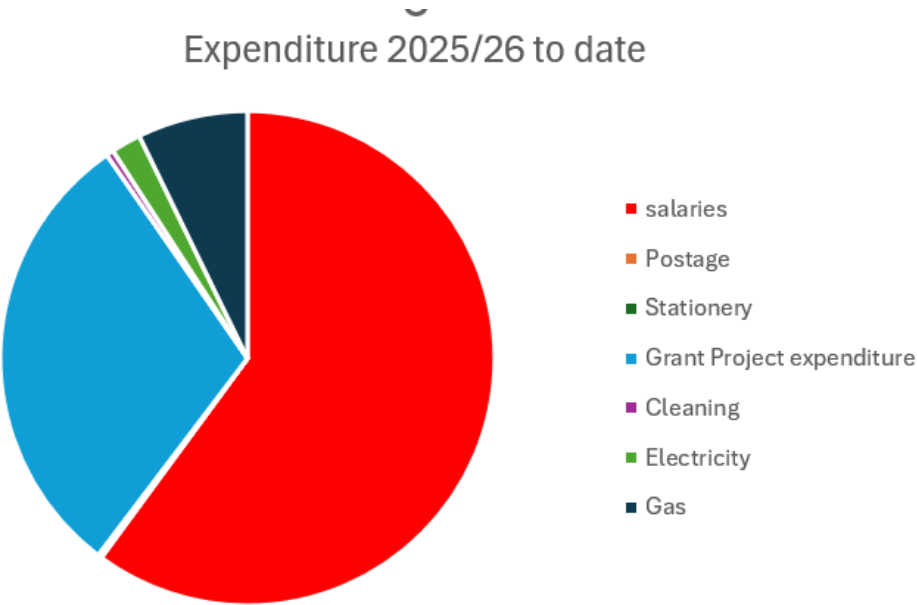
Budget template 3 – More detailed Excel spreadsheet

This is a sample budget with a lot more detail that committee may wish to consider.

Starting Period		February 2024										
BUDGET OVERVIEW	FEBRUARY 2024			MARCH 2024			APRIL 2024			MAY 2024		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
Total Income	\$1,260,656	\$1,290,440	\$29,784	\$1,269,558	\$1,237,292	-\$32,266	\$1,215,407	\$1,242,304	\$26,897	\$1,260,656	\$1,290,440	\$29,784
Total Expenses	\$158,500	\$137,961	\$20,539	\$156,256	\$154,848	\$1,408	\$159,266	\$133,057	\$26,209	\$158,500	\$137,961	\$20,539

INCOME	FEBRUARY 2024			MARCH 2024			APRIL 2024			MAY 2024		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
SALES REVENUE												
Product A Sales	\$53,654	\$65,116	\$11,462	\$59,141	\$69,005	\$9,864	\$67,662	\$68,754	\$1,092	\$53,654	\$65,116	\$11,462
Service B Revenue	\$57,091	\$64,754	\$7,663	\$56,153	\$56,997	\$844	\$50,125	\$54,254	\$4,129	\$57,091	\$64,754	\$7,663
Online Sales	\$67,899	\$53,779	-\$14,120	\$69,035	\$58,425	-\$10,610	\$60,384	\$64,140	\$3,756	\$67,899	\$53,779	-\$14,120
In-Store Sales	\$51,349	\$65,139	\$13,790	\$57,907	\$61,412	\$3,505	\$60,531	\$68,416	\$7,885	\$51,349	\$65,139	\$13,790
Subscription Fees	\$60,953	\$64,938	\$3,985	\$58,035	\$64,721	\$6,686	\$50,740	\$68,617	\$17,877	\$60,953	\$64,938	\$3,985
Wholesale Revenue	\$67,333	\$50,264	-\$17,069	\$69,993	\$53,931	-\$16,062	\$53,550	\$59,143	\$5,593	\$67,333	\$50,264	-\$17,069
International Sales	\$50,600	\$60,946	\$10,346	\$63,176	\$56,217	-\$6,959	\$54,237	\$50,685	-\$3,552	\$50,600	\$60,946	\$10,346
TOTAL SALES REVENUE	\$408,879	\$424,936	\$16,057	\$433,440	\$420,708	-\$12,732	\$397,229	\$434,009	\$36,780	\$408,879	\$424,936	\$16,057
OTHER OPERATING INCOME												
Investment Income	\$59,514	\$64,657	\$5,143	\$52,008	\$54,358	\$2,350	\$55,328	\$54,045	-\$1,283	\$59,514	\$64,657	\$5,143
Capital Gains	\$51,399	\$55,621	\$4,222	\$53,677	\$53,517	-\$160	\$65,936	\$52,072	-\$13,864	\$51,399	\$55,621	\$4,222
Rental Income	\$67,233	\$69,974	\$2,741	\$67,014	\$57,750	-\$9,264	\$54,368	\$67,539	\$13,171	\$67,233	\$69,974	\$2,741
Dividend Income	\$50,447	\$52,313	\$1,866	\$62,848	\$57,958	-\$4,890	\$54,212	\$53,943	-\$269	\$50,447	\$52,313	\$1,866
Sale of Assets	\$67,295	\$60,541	-\$6,754	\$67,992	\$50,541	-\$17,451	\$66,196	\$65,950	-\$246	\$67,295	\$60,541	-\$6,754
Insurance Proceeds	\$50,980	\$62,360	\$11,380	\$67,769	\$50,411	-\$17,358	\$66,135	\$62,652	-\$3,483	\$50,980	\$62,360	\$11,380
Grant Income	\$51,694	\$67,651	\$15,957	\$53,351	\$57,900	\$4,549	\$50,630	\$63,225	\$12,595	\$51,694	\$67,651	\$15,957

Committee may also wish to consider if simple visuals would be preferred such as :



The council accounting software does not currently offer this option but there are many improvements being made in July and it is hoped that this is one of them. If not, they could be manually produced.

Samantha Haywood, Locum RFO

FINANCIE COMMITTEE MEETING 7TH JULY 2025

RFO REPORT

2024/25 YEAR END / AUDITS / ASSET REGISTER

The internal auditor report has now been received so the financial year end is complete. A response has been provided to the internal auditor recommendations and presented to Council. As the auditor has answered 'no' to three sections of the AGAR I have also compiled a response as to how we will address those issues.

We finally managed to get Cambridge Building Society to send us a statement. The interest received in 2024/25 has been added to the 2024/25 financials.

Due to the cancellation of the 23rd June Finance, Governance & Performance Committee meeting, the financials and AGAR has been presented to the 30th June Full Council meeting. Hopefully, Council will approve the AGAR and I can then submit to the external auditor before the deadline of 1st July.

A lot of work has been done on the Asset Register over the past year and I have continued that work. You will see that the Register as at year end has been presented to the Full Council meeting on 30th June. It now includes a comments column where I have stated all the corrections and queries. This has resulted in restating last years' figure. There is still a lot more work to be done. I have recommended previously that an Asset Management Software system is purchased as we have circa £6m in assets and information needs to be recorded appropriately. I will source quotes and present to Committee for consideration. A complete review of assets is needed, along with photos of each, serial numbers, model numbers etc. We also need to action further disposals as we seem to have defunct equipment that has not physically been disposed of so still has to appear on the Register. This is a huge piece of work that will take some time to complete. I will inform the external auditor of such to make it clear that this is work in progress.

PAYROLL

Issues are still being had with the payroll provider. One issue that has come to light recently is that annual leave is being calculated based on the amount paid for the additional/ casual hours and multiplied by 12.03%. However, we offer an increased annual leave allowance, and officers also have increased annual leave after 5 years' service. I am liaising with the Peoples Officer and the payroll provider to get this corrected.

The payroll provider has not submitted the pension data to Wiltshire Pension Fund for the past couple of months. The payroll provider has advised that they are aware of this and have some internal issues which they are addressing.

RFO VACANCY

Applications are being received and the next round of recruitment interviews has been scheduled for 8th July.

FINANCIAL REPORTING - BUDGET

I have spoken to officers and some members of the Finance, Governance & Performance Committee regarding how they wish to see the budget information presented. There are different views so at the suggestion of a Committee Member, I have added the Rialtas budget to date to this agenda pack, plus some other templates for committee to consider.

CIL / FOIs

Due to other priorities and only working two days per week, I have not had time to look at CIL much further in order to confirm what CIL income and expenditure we have.

I recently had a meeting with MWOPC. Notes from the meeting:

CIL Meeting with MWOPC

12th June 2025

Present: Samantha Haywood, Locum RFO, MTC
Teresa Strange, Clerk/RFO, MWOPC
Marianne Rossi, Finance & Amenities Officer, MWOPC

Purpose

The purpose of the meeting was to ascertain what the shared 10% CIL figure is between the councils, and to move forwards to arrange a meeting between the two councils to recommend priorities and projects for the joint fund to be spent on.

CIL (Community Infrastructure Levy)

CIL is a mandatory levy on new development, with a pre-determined tariff, while Section 106 agreements are negotiated, bespoke obligations tailored to specific development proposals.

The current Wiltshire rate is 15% contribution (capped) or 25% contribution if the council has a Neighbourhood Development Plan (NDP) in place. MTC and MWOPC have a joint NDP so receive 25%. CIL does not apply to all housing e.g. affordable housing. Sometimes, developments are approved but do not start for many years, or at all, so there is no guarantee of receiving the CIL stated by Wiltshire Council as owing.

The NDP was adopted on 8th July 2021 so 25% CIL has only been applied for planning applications approved since that date. Before July, it would have been 15% contribution.

Wiltshire Council website states that CIL can be spent as follows:

“CIL Regulations state that this proportion of 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.

This gives Parish and Town Councils considerable freedom to spend their proportion of CIL on things that address the impacts of developments on the area. Examples include:

- *Improvements to village halls, playparks, footpaths, streetlights etc.*
- *Preparation of a Neighbourhood Development Plan (providing it addresses the demands that development places on the area)*

- *Planning Application Fees – monies can be used towards a planning application fee that relates to community proposals.”*

MWOPC

MWOPC have concerns that they have been trying to liaise with MTC for some time but do not receive responses.

In the current NDP (July 21) and more recently reviewed NDP 2 (June 2025) it states that:

“The Neighbourhood Plan cannot direct how Community Infrastructure Levy (CIL) raised through housing development and held by Wiltshire Council is spent. However the community infrastructure levy receipts passed to either Melksham Town Council or Melksham Without Parish Council will be used to address the increased demands that new development places on the civic infrastructure, for the benefit of the Joint Neighbourhood Plan area, focusing on the facilities/infrastructure and communities most impacted by the new development.

Memorandum of Agreement

A Memorandum of Agreement is in place between Melksham Without Parish Council and Melksham Town Council setting out the terms for the sharing of CIL funds, or any replacement funding system. The Memorandum of Agreement will include a Statement of Priorities for infrastructure needs and civic amenity projects which will be reviewed annually and agreed jointly between the Town and Parish Councils. Interdependence can therefore follow through into the appropriate distribution of CIL monies.”

Despite requests since Winter 2023, the town council have not agreed to meet as the CIL working party. MWOPC are frustrated that they have not agreed priorities and projects for spend, and have some £71k in their reserve for joint spend at the end of 24/25 that they have not been able to progress. In the past, both parties have agreed that the RTI (Real Time Information) in bus shelters would be a priority for spending but have not met to agree the spend level from this reserve on the assets purchased by both councils in 24/25. This is now beyond the ability for the parish council to allocate correctly in their year end accounts as being approved on 16th June.

MWOPC paid MTC c£315k towards the East Melksham Community Centre but despite chasing since 2021 a response has not been received from MTC as to whether MTC are proceeding with the community centre. The £315k is the CIL from the 450 housing development in 2021 known as Acorn Hunters Wood that the parish council had received before the transfer of the housing development in the Community Governance Review in April/May 2021; the remainder of the funding will have been paid to MTC.

MWOPC are at the stage of asking MTC what their intention for the community centre is, as they have now secured land for a community centre in the east of Melksham, in their parish and have asked for discussions on the use of the £315k and the s106 agreement. It was agreed at the MTC meeting on 31st March 25 that it would be an agenda on the first council meeting of the new council. They are also frustrated about the lack of progress on the shared reserve projects, and if this is not resolved relatively quickly will be moving to seek an end to the agreement, with some alternative suggestions to how that could work.

MWOPC have paid all the invoices due to MTC but have not yet paid the recent invoice for Christmas 2025 event and lights, because it's very early in the year yet and not retrospectively claimed and under the current circumstances of over £10k owed to the parish council since January they are not rushing to pay for events in Christmas. . MTC confirmed that the invoices have now been paid and there are no monies outstanding. MTC will ensure that future invoices are paid promptly.

CIL Recording

Wiltshire Council have a Con 29 document on their website which details all the CIL for Wiltshire. MWOPC have studied this document and found several errors, which have been reported to Wiltshire Council. For example, CIL is occasionally listed under village names instead of MWOPC, CIL calculations are incorrect, CIL is paid to the wrong council etc. Wiltshire Council only list the 100% CIL due to them so councils have to work out their percentage. MTC will ask Wiltshire Council to add columns which state the council contribution. Large CIL sums are paid in tranches so this can make it more difficult to calculate when and how much CIL will be received especially for sites that built in phases giving multiple payments.

MWOPC have spent a lot of time reconciling the CIL and have sent MTC their documents. As MWOPC are very knowledgeable of Melksham geography and CIL they have kindly offered to let us MTC know if they spot anything that is incorrect for MTC. The offer was greatly accepted.

Wiltshire Council sent MTC a list of the CIL they believe council have received or is due. This does not seem to reflect MTCs very limited records and it is suspected that there are errors on both sides (MTC and Wiltshire Council).

Joint CIL Expenditure To Date

MWOPC believe that only bus stop RTIs (Real Time Information) have been purchased to date.
Agreed by MTC at the Council meeting held on 22.10.22.

Sandridge Solar Farm Fund

This fund was also spoken about as this is also a community benefit revenue. A £1m fund has been awarded over 25 years which equates to £44k p.a. As with CIL, there are restrictions on what the fund can be spent on but it is similar to CIL in that it can be spent on projects that benefit the community. MWOPC receive c£18k of the £44k.

MTC informed MWOPC that the fund has to be spent on communities within a 2.75 radius of the farm but this is not correct as per the MWOPC legal agreement, it can be spent anywhere within the town or parishes.

Actions Required by MTC:

- Improve communications and the relationship between the two councils.
- A meeting to be set up between the two councils consisting of the relevant councillors responsible for CIL. In the case of MTC, this is the CIL Working Group. The initial agreement states that meetings were to be held quarterly but they have not happened.
- Continue to improve CIL records and reporting.

- Ascertain the CIL received to date and ensure it is recorded on the accounts clearly e.g. EMR CIL, EMR CIL – East Melksham Community Centre £315k.
- 3-Year Plan (or equivalent) to be drafted for MTC so that CIL can be allocated to projects agreed by Council.
- Once records are in place, CIL expenditure report to be updated, published on the website, and submitted to Wiltshire Council.
- Pay MWOPC invoices promptly.

As the next step, I will ask the CIL Working Group for their availability so a meeting can be arranged with MWOPC. I am also liaising with Wiltshire Council to check the expiry dates of the CIL.

I think the only way forward is to draw a line and go with the balances we have within the accounts. I would recommend that Council have a 3-year plan (or equivalent) which will then help Council allocate the CIL monies to projects.

INVESTMENTS / BANK BALANCE

Due to other priorities, I have not yet been able to compile an investment strategy. However, in order to reduce risk to Council, a savings account has been opened with Unity Bank. £100k has been transferred from the current account to the savings account so far. Due to the cancellation of the 23rd June Committee meeting, a motion has been added to the 30th June Full Council meeting for Council to consider approving the RFO having delegated responsibility to transfer between the two accounts as needed. This will help to ensure funds are invested more securely and earn the best return possible.

EVENTS – TICKETSOURCE

Last meeting, I reported *“It appears that Council receive ticket revenue for events from Ticketsource which is passed onto the event performer organisation. However, VAT has not been taken into account. This has now been rectified.”* My apologies as this was reported incorrectly. It should have read that the ticket monies are passed directly to the band, however, when the payments come through Ticketsource, we are liable for Ticketsource’s costs/charges - which Council have been paying. So, in effect we could be seen as subsidising a private business which a council cannot do.

I have had a meeting with the Assembly Hall Manager to discuss this further. More investigation is needed as it appears we historically charge 0.02% for ticket fees yet Ticketsource fees are 6% + 45p, plus we have card charges for tickets that the council sell. There is also no administration charge e.g. for the Finance Officer time. I have asked the Assembly Hall Manager to produce a report. Once I have this, I will draft a report for Committee consideration. It would be helpful for Council to confirm whether they want the Assembly Hall to be subsidised as a community asset, break even, or make a profit.

There are also other options that could be considered in the future and may be beneficial such as making the Assembly Hall a separate charity with the Council as trustees. This would open the door to a lot more grant funding.

SALARY BUDGET / SALARY RECHARGES

A lot of my time has been spent on compiling employee information and a salary budget as I could find very little information and needed to ensure that payroll is correct. I have worked with the Clerk and Peoples Officer on this and now feel more confident on the information we have in place.

There does not appear to be any salary recharges within the accounts which I would like to introduce so we have a true reflection on what each area costs us. This can also be beneficial when reviewing revenue sources, for example, Assembly Hall room hire fees – include a percentage of the Finance Officer time for processing invoices.

ACCOUNTING SOFTWARE

Council use Rialtas software. Rialtas have informed me that major improvements to the software will be launched in July. Rialtas have arranged webinars for users to see what changes are being made. Details of these have been circulated to all users with a recommendation that they attend one of the webinars.

PURCHASE ORDERS (POs) / PROCUREMENT PROCESS

Council use the Rialtas PO software. POs are being raised but I not confident that they are being raised for all committed spend which I need to investigate further.

I have spoken with the Officers who have access and raise the POs. The feedback is that they have had very little training on the system which I will address. I circulated details of a Rialtas PO webinar on 25th June but sadly no officers attended. It should be noted that two were on annual leave that day. I will look to either train Officers myself, or maybe consider Rialtas training.

Procurement – I need to investigate whether the procurement process is always being followed, for example, obtaining 3 quotes. I have heard comments that if Council approved a budget then orders can be placed within that budget which is not correct as quotes still need to be obtained to ensure best value, accountability, and that we are following our policies and procedures.

OUTSTANDING INVOICES

When I joined the Council I was informed that there were many invoices outstanding and Council have a bad reputation for paying on time. I worked closely with the Finance Officer before year end was closed down to ensure all outstanding invoices had been received and processed. It was confirmed that all invoices received were up-to-date, however, I am constantly receiving chasers on outstanding invoices. I will investigate further as to what is happening as this needs to be addressed as a matter of priority. We did ascertain that one supplier had been sending invoices to an incorrect email address so we were not receiving them.

PREFERRED SUPPLIERS

I am concerned that Council have many preferred suppliers, a lot of which have not been reviewed for many years. Please see separate agenda item and supporting information.

We need to undertake a review of all preferred suppliers. This is a large task but we will start work on it and present recommendations to future meetings.

One quick win I will start with is that there are companies who will look at all our utility bills and send us a report with recommendations on who to change supplier to for best value. This is all free of charge. They will also handle all the switches for us free of charge so it doesn't only save Council money, it also saves a tremendous amount of officer time.

SUMMARY

There is an awful lot to do and I will continue to work through the actions needed in order of priority. Can I please ask that people remember I only work two days per week.

My next major priority is to review the budget / reserves and present recommendations to Committee.

Samantha Haywood, Locum RFO

PAYMENT APPROVAL PROCESS

Committee members have asked for confirmation of the payment approval process:

Currently, the hard copies and schedule of payments are left in the Town Hall for 2 councillors to agree/sign the payments. If they are happy, then a councillor authorises the payments online in order to release the payments. If they are not happy with any of the payments then they can refuse to pay and cancel the invoice from the bank. Only the signatories can cancel a payment on the bank.

Council currently have no online signature process in place so this needs investigating.

The Financial Regulations state:

- 7.1. The bank mandate agreed by the council shall identify a number of councillors who will be authorised to approve transactions on those accounts and a minimum of two people will be involved in any online approval process. The Clerk may be an authorised signatory, but no signatory should be involved in approving any payment to themselves.
- 7.4. The Service Administrator shall set up all items due for payment online. A list of payments for approval, together with copies of the relevant invoices, shall be sent by email to two authorised signatories.
- 7.6. Two councillors who are authorised signatories shall check the payment details against the invoices before approving each payment using the online banking system.

The procedure has not been adhered to as unfortunately, Cllr A. Westbrook has been the only person registered for bank access for a long time. An application for Cllr Cleary is being processed.

We desperately need more councillors to become bank signatories so we have a pool we can call upon.

My recommendation would be that all members of the Finance, Governance & Performance Committee are approved as bank signatories. I have added this to the June Full Council meeting agenda for consideration.

Samantha Haywood, Locum Clerk

Outstanding Finance Resolutions				Outstanding
				In progress
as at 26.06.2025				Completed
Meeting date	Meeting	Subject	Resolution	Action(s)
12/05/2025	Full Council	Investment Report	Request a detailed report to come to Finance, Administration and Performance with proposals for short term re-investment in interest bearing account(s), which can be implemented within 24 hours. New RFO then to look at long-term investments.	RFO will draft an Investment Strategy. A new deposit acct has been opened with Unity as the current acct balance is far too high (over £1m), high risk, and not earning interest. Money will be moved into this new acct to help reduce risk and gain a return, until a longer term investment strategy has been drafted / approved by Council. Motion added to 30 June FC meeting for RFO delegated responsibility.
12/05/2025	Full Council	Committee Names (Finance)	Finance, Administration and Performance to be renamed Finance Governance and Performance.	Documents have started to be changed and will continue until all updated.
12/05/2025	Full Council	Budget Working Group	No appointments	Clerk to action.
02/06/2025	Full Council	Amendment to Terms of Reference	Responsibility for the allocation of grants be moved to Community Development Committee and the Terms of Reference be updated accordingly.	Need to check if this has been actioned.
27/05/2025	Finance	Credit card limits	Increase the limit on the card of the Clerk to £2,500, Assembly Hall Manager and Amenities Manager to £1,000. Governance docs to be updated accordingly.	Credit limit increase requests have been submitted to the bank. Awaiting confirmation.
27/05/2025	Finance	Credit Card Policy	Request the Clerk to formulate a new policy on Corporate Cards, to come before the meeting on 23rd June if possible.	On the 30th June FC meeting agenda for approval due to 23rd June Finance meeting being cancelled.
27/05/2025	Finance	Insurance	Delegate authority to the Clerk to make arrangements for insurance cover for the next 12 months.	Locum Clerk has renewed the insurance for the year. Comparison quotes are being obtained for a 3-year option.
27/05/2025	Finance	KGV Toilets	Choose idVerde for cleaning the KGV toilets. The Clerk was delegated to look at the possibility of combining contracts to obtain a better rate.	This will be done as part of the review of the entire contracts / preferred suppliers as it is believed a lot have not been reviewed for several years.
31/03/2025	Full Council	Payroll Provider	Council deferred until a permanent RFO is in post.	

31/03/2025	Full Council	Financial Reporting	That when the new RFO is appointed it is anticipated that they will get Council to the point where they would:- a) Comply in full with the public disclosure requirements contained in Local Government Transparency Code 2015. b) Publish enhanced financial reports including at least a summary Income & Expenditure Account and Balance Sheet with appropriate notes, together with a narrative report of the financial performance for the year, and including comparative numbers for the previous year.	All data, unless restricted data, is published in the agenda pack and on the website. All financial statements are being added to the agenda packs / website, along with detail of payments, powers to spend etc. Sample budget reporting is included on this agenda for Committee to determine the exact format they would like to see data - templates added to the 7th July committee meeting.
13/01/2025	Finance	Interim Audit 2024/25	A written report that goes through the deficiencies identified in the audit report with an explanation as to the steps that have been taken to resolve the issues and gives assurance that they have been addressed to ensure they don't happen again to be brought to the committee.	On 30th June FC agenda. See internal audit. Also published on website.
08/07/2024	Finance	Signatories & Payment Processes	It was agreed that a rota would be produced for councillors to sign. When on rota councillors would have access to the Town Hall from 6:15 on the day of council meetings. If a councillor on the rota was unable to attend it would be their responsibility to arrange alternative cover.	Need to check if this has been actioned.
04/11/2024	Finance	Lloyds Bank Account	Give authority to the Clerk to rearrange Council's bank arrangements, if necessary opening up a No2 account with Unity Bank.	Deposit savings account opened with Unity.

AGENDA ITEM - PREFERRED SUPPLIERS

MOTION: Committee to approve the preferred suppliers list.

SUPPORTING INFO:

It is recommended and good practice for Council to have a list of Preferred Suppliers, and to review the list annually to ensure that Council continue to be transparent and receive best value. I have been informed that this has not previously happened.

A Preferred Suppliers list can:

- Help streamline procurement.
- Support consistent quality and pricing.
- Build up good relationships with contractors/suppliers.
- Provide pre-approved contractors/suppliers.
- Reduce the administration burden for lower-value purchases and supplies.

I asked the relevant Officers to draft a list of Preferred Suppliers, which they have kindly done.

Council's current preferred supplier list that I ask Committee to approve:

PREFERRED SUPPLIERS

As at June 2025

Direct Debits

SUPPLIER	DETAILS	Cost pm	CONTRACTED
BT Group	Wifi – KGV Park	£82.40	N/K
Fuel Genie	Fuel	Varies	No
Hills Waste	Waste collection – TH/AH & KGV	Varies	Possibly?
British Gas	Electricity & gas across all properties	Varies	Yes – date?
Mainstream Digital	Phones & mobiles	Varies	Possibly
Water2Business	Water across all properties	Varies	Yes – date?
Office Evolution	Photocopier/photocopying	Varies	Yes – date?
Castle Water	Water – Standpipe & Bath Rd toilets	Varies	Yes – date?
Zen	WiFi – Art House	£22.80	Out of contract?
West Mercia Energy	Electricity – Bath Rd toilets & KGV Park	Varies	Yes – date?

Rentokil	Pest control	Varies	Out of contract?
Enterprise	Vehicle leasing	£562.90	Yes – date?
Daisy Communications	WiFi - Pavilion	£53.38	Possibly

INVOICED

SUPPLIER	DETAILS	Cost pm	CONTRACTED
Air Conditioning Services	AH – air condition system	Varies	No
Best Connection	Temporary staff	Varies	No
Comax	Cleaning products	Varies	No
Houseman Environmental	Water hygiene testing	£570.00	No
Hunt Management Solutions	Stocktaking	£156.00	No
Paul Seemayer	Lighting – AH shows	Varies	No
Soundcat	Sound system – AH shows	Varies	No
Tolchards	Bar stock	Varies	No
Wired Publishing	Advertising - AH	£96.00	No
Avon IT	Computer assistance/hardware	Varies	No
Cobblers Bench	Trophies/engraving etc	Varies	No
Worknest	HR services	Varies	No
Embroidery UK	Workwear	Varies	No
ID Verde	Cleaning – toilets – Mkt Pl & Bath Rd	£1475.38	Yes – date?
Light Fantastic	Lighting	Varies	No
Melksham Tyre Supplies	Vehicle maintenance	Varies	No
Playsafety Ltd	Play equipment	Varies	Possibly
Prosec Consultancy	Security – shows/events	Varies	No
Rialtas Business Solutions	Programmes – Omega/Allotments/Bookings etc	Varies	Possibly
Trade UK (Screwfix)	Tools/equipment	Varies	No
Stannah	Lift maintenance/service	Varies	Yes – date?
TH White Ltd	Alarm maintenance/service across all properties	Varies	No
Travis Perkins	Tools/equipment	Varies	No
Wiltshire Publications	Advertising – TH & AH	Varies	No
Aquaid	Water cooler	Varies	Yes – date
Boels	Tool hire	Varies	No
Community Heartbeat Trust	Defibrillators	Varies	Yes – date
Unique Signs	Signage across town/TH/AH	Varies	No
SplashPad Enterprises	SplashPad - maintenance	Varies	Possibly?
Shiners	Window & Bus Shelter cleaners	Varies	No
Rigg Construction	Major building works KGV	Varies	No

Right Directions (Management)	Training	Varies	No
RB Poolman	Plumbing repairs across all properties	Varies	No
Golden Coast	SplashPad chemicals	Varies	No
Microsoft	Licences	Varies	No??
JH Jones	Grasscutting	Varies	Yes – date
Industrial Gate & Solutions	Gates/doors across all properties	Varies	No
James Hallam	Insurance	Varies	Yes – date?
MOT Centre	Vehicle repairs/MOTs	Varies	No
Exponential	Back up Cloud	£113.00	Possibly
EFA Training	Training	Varies	No
Your Wiltshire	Advertising – AH	£36.00	No

You will see from the list that Council has many suppliers and it will take more time to source all the contract information. We are continuing to work on this but I ask that you approve the list of suppliers as it stands as a starting point.

It appears that some contractors/suppliers have not been reviewed for several years. In order to ensure Council always receive best value we will commence an exercise to review all contractors/suppliers which will be presented to a future meeting for consideration.

One quick win I will start with is that there are companies who will look at all our utility bills and send us a report with recommendations on who to change supplier to for best value. This is all free of charge. They will also handle all the switches for us free of charge so it doesn't only save Council money, it also saves a tremendous amount of officer time.

Samantha Haywood, Locum RFO



2025

THE GOOD COUNCILLOR'S GUIDE TO FINANCE



CHAIR'S INTRODUCTION

It gives me great pleasure to introduce the second edition of *The Good Councillor's Guide to Finance*, aimed specifically at councillors and prospective councillors to local councils.

It dovetails with the updated Good Councillor's Guide 2024 but focuses on the financial, audit and publication requirements of the council as it is important that councillors fully understand their responsibilities in relation to the finances of the council.

This revised and updated guide provides an overview of the various aspects of local council finance written with the new councillor in mind, although for more experienced members it covers various topics that have evolved over time, noting that many areas of local council finance are different to those of principal authorities.

As local councils have grown and taken on additional responsibilities, budgets have increased to fund these extra services and therefore it is now even more important that councillors are able to plan, discuss, approve and monitor the finances of their council with a level of understanding and knowledge. Whilst the clerk and Responsible Financial Officer will manage the budget and finances, it is councillors who set and agree the budgets, overview and monitor the financial position through the year and confirm the required governance assertions at the end of the financial year.

The local council sector now collects nearly £800 million annually in precept income and invests around £2 billion annually in local communities. This is a significant amount

of money for which local councils and councillors are responsible for spending and investing for the benefit of their communities.

Local council funds are public money, much of which is raised through a precept or tax on local electors, therefore it is the responsibility of all councillors to understand and be pro-active guardians of council funds, ensuring their council complies with the various legislation and government codes, spending the money in accordance with the needs and aspirations of their local community, and publishing documents to enable local electors to see where funds are being spent.

Whilst there are relatively few financial mismanagement issues in the sector, it only takes a couple of high-profile cases and the consequent adverse publicity to damage the reputation of the sector, which can detract from the excellent work being undertaken around the country by the majority of councils and councillors.

More detailed advice is available from your clerk and/or finance officer, who are tasked with advising the council and producing the financial information you need to make informed decisions on council income and expenditure. They are also able to call upon the advisory services and training of sector membership organisations such as your local County Association of Local Councils and NALC.

I trust that you find the guide useful in gaining greater understanding of the financial responsibilities of local councils and councillors, further developing your role as a good councillor.

Cllr. Keith Stevens, Chair of the National Association of Local Councils

CONTENTS

GLOSSARY & ACRONYMS	7
INTRODUCTION	8
1. FINANCIAL MANAGEMENT AND ADMINISTRATION	10
Responsible Financial Officer (RFO)	10
Standing Orders	12
Financial Regulations	13
Budget	14
Council tax precept	17
Referendum principles	19
Reserves	21
2. ACCOUNTING PRACTICE	22
3. ANNUAL GOVERNANCE AND ACCOUNTABILITY RETURN (AGAR)	24
Governance	25
What are the accounting statements?	28
Publication	29
4. AUDIT	30
Internal audit	30
External audit	31

5. DISCLOSABLE PECUNIARY INTERESTS (DPIS)	36
Dispensations	39
Failure to disclose	39
6. BANKING AND PAYMENTS	40
Bank mandate and signatories	40
Approval of payments	42
Financial Services Compensation Scheme	44
7. SPENDING POWERS	45
General power of competence	45
Section 137 expenditure	46
8. INVESTMENT AND CAPITAL RECEIPTS	47
Investments	47
Capital receipts	48
9. PROCUREMENT	49
10. CAPITAL EXPENDITURE AND BORROWING	51
Public Works Loan Board (PWLB)	52
11. GRANTS	54
Making grants	54
Receiving grants	55
12. DEVOLUTION OF ASSETS AND SERVICES	56
13. PLANNING AGREEMENT FUNDS AND LEVIES	58
Section 106 agreements	58
Community Infrastructure Levy (CIL)	59

14. VALUE ADDED TAX (VAT) 61

15. RISK MANAGEMENT 63

Risk assessment 64

Risk register 65

16. INSURANCE 66

Public liability 66

Employers' liability 66

Property 67

Business interruption 67

Libel and slander 68

Motor 68

Fidelity guarantee 68

Hirers' Indemnity 69

Other insurances 69

17. CHARITABLE TRUSTS 70

Custodian trustee 70

Sole or joint managing trustee 71

Councillors appointed as a trustee 72

APPENDICES 73

FURTHER READING 80

TRAINING 82

GLOSSARY & ACRONYMS

Local council: Town, Parish or Community Council

Principal authority: District, Borough, County or Unitary Authority

Billing authority: principal authority that issues precept and collects council tax

AGAR	Annual Governance and Accountability Return
CALC	County Association of Local Councils
CIL	Community Infrastructure Levy
DMO	UK Debt Management Office
DPA	Data Protection Act
DPI	Disclosable Pecuniary Interest
FSCS	Financial Services Compensation Scheme
GPC	General Power of Competence
HSE	
IL	Infrastructure Levy
JPAG	Joint Panel on Accountability and Governance (<i>now SAPPP</i>)
LGA	Local Government Association
LPA	Local Planning Authority
MHCLG	Ministry of Housing, Communities and Local Govt.
NALC	National Association of Local Councils
NAO	National Audit Office
PWLB	Public Works Loan Board
RFO	Responsible Financial Officer
SAAA	Smaller Authorities' Audit Appointments
SAPPP	Smaller Authorities' Proper Practices Panel
SLCC	Society of Local Council Clerks
VAT	Value Added Tax

INTRODUCTION

This guide is divided into sections and whilst it can be read in its entirety, it is also designed to enable councillors to refer to individual sections when events or the need arises or at specific times of the year e.g. budget setting, audit.

Throughout the guide the term 'local council' refers to all parish, town, city, community or neighbourhood councils as they all have the same level of authority and duties.

A local council is a corporate body, a separate legal entity from its members, and a local authority. Decisions are the responsibility of the whole council and all councillors share collective responsibility for financial management of the council.

Local councils have been given statutory powers by government including the authority to raise money through taxation (the precept) and a range of powers to spend public money. Financial rules and procedures set by government through various statutes and regulations are designed to protect the council and ensure that it takes no unacceptable risks with public money. The rules protect community assets and aim to make best use of public money.

Every local council is required to make suitable arrangements for the proper administration of its financial affairs. It is responsible for ensuring that its financial management is adequate and effective, and that it has a sound and robust system of internal control and record keeping, including arrangements for the management of risk and an effective

system of internal audit. This makes financial management and regular financial oversight one of the most important tasks for the council and councillors.

The financial accounting year for a council runs from 1 April to 31 March in line with the government and other public authorities' financial year.

Local councils are not subject to income, corporation or capital gains tax.



1. FINANCIAL MANAGEMENT AND ADMINISTRATION

Local councils are required to comply with “proper practices”, which have statutory force and are set out in the publication *Governance and accountability for smaller authorities in England*, also known as the “Practitioners’ Guide” which the clerk/RFO should use as reference.

Councillors should ensure they have an up-to-date knowledge of the financial position throughout the year, as all councillors generally have the right to question any item of expenditure or payment and the council has to be satisfied with the explanation.

Some larger councils have established a ‘Finance Committee’ which examines and decides on financial matters; however, this committee must then report to the full council. Many councils have a finance report as a standing item on the council meeting agenda.

RESPONSIBLE FINANCIAL OFFICER (RFO)

The council must ensure that one of its officers has responsibility for financial matters and is an employee accountable to the council; that officer is appointed by the council and is legally known as the **Responsible Financial Officer (RFO)**. The RFO role is usually carried out by the clerk in smaller councils, whilst in larger councils it is usually a separate post and officer.

The RFO:

- acts under the policy direction of the council;
- administers the council’s financial affairs in accordance with all legislation and ‘proper practices’;
- determines its accounting records and control systems;
- ensures the accounting control systems are observed;
- ensures the accounting records are kept up to date;
- seeks economy, efficiency and effectiveness in the use of council resources; and
- produces financial management information as required by the council.

The RFO ensures that the records and accounts of the council are prepared in accordance with the specified **proper practices** and kept up to date. Councillors continue to be accountable for ensuring that the council does not spend beyond its means, but the RFO designs and implements the accounting arrangements to assure members that finances are being properly managed.

Throughout the year the council needs to satisfy itself that expenditure is both lawful and in line with council decisions, and that proper controls are in place to prevent

The council should ensure that the RFO acts properly and efficiently to avoid the risk of loss, fraud or bad debt, whether through deliberate or careless actions.

any possibility of fraud. No council wants to risk being the subject of local media coverage relating to financial mismanagement, lack of control or poor budgeting.

The clerk/RFO will be able to provide general advice on finance and should have access to advice from the sector membership organisations. However, for more complex or large projects, it is important to ensure that specialist advice is obtained, especially in relation to areas such as VAT.

The council's financial system should set out the general rules applicable at council and committee meetings and for carrying out council business. These rules are covered in **Standing Orders** and **Financial Regulations**.

STANDING ORDERS

Standing Orders are the rules of procedure that describe how the council conducts its business and meetings including committees and sub-committees. They are used to confirm the council's internal organisational, administrative and procurement procedures.

They must include guidelines for the purchasing and procurement of goods and services, including how tenders are invited. The aim of the purchasing process is to obtain best value for money for the council, although the best value may not necessarily be the cheapest quote.

To comply with these requirements, councils should set within their Financial Regulations a limit for the purchase of goods and services above which estimates or quotes should be invited. Standing Orders will state a higher value above which competitive tenders should be invited. The council can determine its own limits appropriate to local circumstances.

There are **model standing orders** published by the National Association of Local Councils (NALC) which can be adopted and/or adapted to suit the needs of the council.

FINANCIAL REGULATIONS

Financial Regulations are one of the council's governing documents and must be observed in conjunction with the council's Standing Orders. They guide and protect the council and councillors in decision making to make best use of public money.

Financial Regulations govern the financial management and accounting procedures of the council, set out in detail how the financial affairs of the council will be managed and controlled and give instructions to the clerk/RFO on how to conduct the financial administration of the council. For instance, they will set out the process for making and approving payments, should set out the procedure for purchasing goods and services above a certain value and may delegate certain expenditure, within limits, to the clerk/RFO.

Financial regulations are approved by the full council and can only be amended by full council. They should be reviewed annually.

The council must not delegate any decision regarding:

- setting the final budget or the precept;
- the outcome of a review of the effectiveness of its internal controls;
- approving accounting statements;
- approving the annual governance statement;
- borrowing;

- declaring eligibility for the General Power of Competence; and
- addressing recommendations from the internal or external auditors

All councils should have adopted a set of 'Financial Regulations'. If the council has not adopted a set of financial regulations, then it is open to considerable risk and these should be put in place immediately.

There are **model financial regulations** which can be adopted and/or adapted to suit the needs of the council – NALC has recently published updated model financial regulations (April 2024) that are available from the NALC website or local county association of local councils (CALC).

These updated model financial regulations enable local councils to modernise financial practices by focusing on digital transactions and processes and aim to enhance operational efficiency and transparency.

BUDGET

The preparation of an annual budget is one of the key statutory tasks undertaken by the council, irrespective of its size. The budget:

- results in the council setting the precept for the year;
- gives the clerk and other officers overall authority to make spending commitments in line with decisions of the council;
- enables progress monitoring during the year by comparing actual spending against planned spending.

It is important that councillors understand how the budget is put together and how it should be used. The budget is an essential tool for controlling the council's finances and demonstrates that the council will have sufficient income to meet its objectives and carry out its activities.

The key stages in the budgeting process are:

- review of current year budget and spending;
- determine the cost of spending plans;
- assess levels of anticipated income;
- provide for contingencies and the need for reserves;
- approve the budget;
- set the precept

The council should also consider consulting the local community for their views and priorities on spending, which will enable the council to evidence community support for any plans and/or proposed increases. Community consultation and support can also be useful as evidence to government if it is considering extending referendum principles to local councils.

Any member with council tax unpaid for more than two months is prohibited from voting on the budget or precept by Section 106 of the Local Government Finance Act 1992 and must disclose at the start of the meeting that Section 106 applies to them.

The Responsible Financial Officer (RFO) will prepare a draft budget for councillors to consider, discuss and amend and then the detailed final budget will be brought to a full council meeting for approval, usually in January. The budget and precept amounts should be specified in the minutes.

The agreed budget then provides a basis for monitoring progress during the year by comparing actual spending and income against what was planned.

In recent years many principal authorities have sought to devolve various assets and services to local councils, and the potential and funding implications of taking on these assets and services should be considered in the budgeting process.

Some larger councils consider a three-year budget forecast to provide continuity and a longer term plan on how they intend to meet their objectives. As larger assets and more significant services are taken on, then longer term budgets increase in importance.

If large or long-term projects are being undertaken, then these should also have their own separate budgets, financial plans and monitoring arrangements.

It is possible to delegate some budgets to either officers or a committee if they have responsibility for a specific project, such as the running of a sports facility or the organisation of an event. Committees with devolved budgets should also feed into the budget-setting process setting out future requirements and plans.

During the year the clerk/RFO should produce at meetings budget monitoring documents, bank reconciliations, and draft accounts which will enable progress against the budget to be regularly monitored. Councillors should be aware of any variances and the reasons for these variances.

By reviewing the budget against actual expenditure on a regular basis at council meetings, the council can control and monitor its finances which will provide early warning of any potential shortfall and what action may need to be taken.

The budget and budget monitoring are important as it is not unknown for some councils to overspend and run out of money prior to the year end, or for the precept to have been miscalculated. If this or other unforeseen events should occur, then it is important that the council holds sufficient reserves.

Unspent budgets for completed projects should not be carried forward to a subsequent year; unspent funds for partially completed projects may be carried forward by placing them in an earmarked reserve.

Any unspent balances at the year end will be transferred to the general reserve.

Some local councils may budget to minimise spending to keep the local precept as low as possible, which may sometimes result in the council appearing to do little for their local community. However, there is evidence that local taxpayers are willing to pay an increased local precept if they can see results in terms of better services at local level. Local electors will often be prepared to contribute more for tangible local community benefits, rather than pay an amount where it appears that the council is not active on behalf of the community and is merely administering itself.

COUNCIL TAX PRECEPT

The precept is the local council tax required from local electors to meet the council's budget. Every local council has the power to levy a precept each financial year as

a **local precepting authority**. The local council precept is a component of the total council tax levied on local government electors in the local council area.

Local councils do not receive any direct funding from central government therefore are reliant on the local precept and any other income they generate from the services or facilities that they provide.

The council tax requirement is the shortfall after the council has deducted its predicted income from its planned and estimated expenditure for the upcoming year. However, the council may decide to use some of its existing reserves to reduce the council tax requirement, or it may decide to increase its reserves to build up funds to enable future expenditure to be planned or to allocate to a longer term project.

The budget and precept both need to be approved at a full council meeting and minuted; the council must then manage its activities within budget.

The precept must be set by the council **before 1st March** of the preceding financial year and the RFO must advise the precept to the billing authority (district, borough or unitary council) no later than the end of February, although many

Before setting a precept, the council must calculate its council tax requirement by preparing and approving a budget.

billing authorities will request the information earlier. The local billing authority will add this amount to the council tax bills in the local council area, and then pay that amount over to the local council.

The amount is paid by the billing authority either at the beginning of the financial year in April, or paid in two instalments usually in April and September. Once the precept has been notified there is no provision for it to be increased for that year.

There is also a calculation for what is referred to as the **Band D Equivalent**. This is the middle band of council tax and aims to illustrate the amount of council tax paid on an average property in the area. It aims to provide a measure which enables average precepts across councils of different sizes to be compared. However, this measure may be less representative for councils that have a majority of houses towards the lower or upper ends of the bandings.

REFERENDUM PRINCIPLES

The Localism Act 2011 introduced statutory controls to restrict “excessive” increases in council tax by precepting authorities. Principal authorities are subject to referendum principles (often referred to as ‘capping’) for increases above a certain percentage determined as “excessive” by the government each year. This amount can often be as low as a 2% increase.

This then limits the council to a maximum % council tax increase for the year unless a referendum is held and the proposed increase is approved by electors.

So far local councils have had an unlimited power to precept. This is for several reasons including closeness to their local

electorate, the relatively low total precept as a proportion of overall council tax bills, the large % change that can result from a relatively small monetary increase, the cost of a referendum, and the fact that many local councils have needed to increase the precept to enable them to take over assets and services previously run by principal authorities.

However, the government has previously consulted on proposals to extend these referendum principles to local councils, particularly those “larger spending” councils with the highest total precepts and Band D equivalents, and the position is reviewed annually in the local government policy finance statement.

Whilst referendum principles have not been imposed on the local council sector at the time of writing, the government has previously stated that they expect local councils to “exercise restraint” and it is a measure that will be kept under review. Therefore the possibility remains that this restriction could be introduced at some future date especially for larger spending councils.

The introduction of referendum principles would be a major restriction on the ability of local councils to operate in line with the wishes of their local community, therefore it is important that councillors are able to explain and justify any large precept increases and demonstrate they have the support of the local community through consultation and communication.

This will also enable local councils to respond to any future government consultation on such measures with substantive evidence, facts and community engagement results relating to any past increases and specific issues restrictions may cause to future plans and objectives.

RESERVES

Local councils need to hold an amount in reserves to meet unexpected expenditure, otherwise they could run out of money before the end of the year.

A council should typically hold between three and 12 months' expenditure as a general reserve. If the general reserve is too low then it may not be enough to cover unexpected expenditure or emergencies, whilst if the general reserve is too high then local electors have paid a tax which is not being used for the benefit of the local community.

Local councils have no legal powers to hold revenue reserves other than for reasonable working capital or for specifically earmarked purposes, therefore the year-end general reserve should not be significantly higher than the annual precept.

The council may have ‘earmarked reserves’ for specific projects, where money is allocated for a specific purpose but may not be spent in that financial year. This may include reserves to purchase or renovate a building, develop a sports facility or community centre.

Many councils also hold an **election reserve**, as all reasonable costs of holding local council elections can be fully recharged by the district or unitary council to the local council. In the case of contested elections for a local council with several wards then these costs can be relatively high.

If the amount of reserves at the year end is more than twice the precept for that year, then the council must advise the external auditor as to why this level of reserves is required.

2. ACCOUNTING PRACTICE

Local councils are required to prepare a summary income and expenditure account and a statement of balances in the format set out in the annual governance and accountability return.

Where a council's gross income or expenditure is £200,000 or less for the current financial year (or for either of the previous two financial years), then it may simply prepare a summary record of **receipts and payments**.

Receipts and payments is a simple form of accounting which just records the 'cash' transactions when income is received and payments made during the financial year. It records transactions on the dates they were received or paid without considering the period to which they relate.

However, **if the council's gross income or expenditure exceeds £200,000** then the accounts must be prepared on an **income and expenditure** basis.

Income and expenditure accounting is a summary of all items of income and expenditure which relate to a financial year, which means income and expenditure owed or spent but which may not yet have been paid. It records transactions by the date or period to which they relate, rather than the date when they were received or paid. Adjustments are then made at the end of the year to take account of timings. This is similar to a profit and loss account in a commercial organisation.

The clerk/RFO must calculate what items should have been paid as at the year end (creditors/accruals), what has been paid in advance (prepayments), what income was owing (debtors) or what income has been received in advance.

Statutory accounting guidelines, termed **proper practices**, are available to the clerk/RFO in the publication *Governance and accountability for smaller authorities in England* which is also known as the "Practitioners' guide".

This is a technical guide providing extensive guidance for the clerk/RFO to support the preparation of statutory annual accounting and governance statements found in the Annual Governance and Accountability Return. It sets out the appropriate standard of financial and governance reporting for local councils and best practice guidance.

The guide is issued by the sector Joint Panel on Accountability and Governance (JPAG), published jointly by NALC and SLCC and available on their websites. It is updated annually, and the council should ensure it is using the latest version.

From March 2025 the guide will be issued by the Smaller Authorities' Proper Practices Panel (SAPPP), the new name for JPAG.

3. ANNUAL GOVERNANCE AND ACCOUNTABILITY RETURN (AGAR)

It is a statutory requirement to complete and publish the summary accounting statements contained in the Annual Governance and Accountability Return (AGAR), although most larger councils will also produce and publish a more detailed set of accounts.

This document needs to be completed by **every** local council regardless of size at the end of the financial year. It is the principal means of reporting to the public and forms the basis for both the internal audit, and if required, the external audit. It includes required templates for the Annual Internal Audit Report, Annual Governance Statement and Accounting Statements.

Legislation requires a council to prepare accounting statements for each financial year, which then must also be externally audited for **all councils with an annual turnover over £25,000**. This is a further audit carried out so that local taxpayers can be assured that risks to public money have been managed.

Councils with turnover of £25,000 or less that meet the exemption criteria from external audit must still complete and publish an annual governance and accountability return. However, only a **certificate of exemption** needs to be agreed, signed, published and submitted to the appointed external auditor.

All income (such as grants) and expenditure must be included when assessing the £25,000 threshold – if a council wrongly

certifies itself as exempt from external audit, then a public interest report with costs will be issued by the external auditor.

GOVERNANCE

Governance provides the necessary structure for the efficient running of the council. It demonstrates to the public, partners and stakeholders that the council is acting responsibly and transparently within the current legislation. It minimises the risk of the council being non-compliant or unlawful in its operations and the risk of fraud or corruption.

The council must approve an **annual governance statement** by resolution of the full council, and then needs to consider and formally approve its statement of accounts and the annual return before 30th June each year.

WHAT ARE THE ANNUAL GOVERNANCE ASSERTIONS?

The annual governance statement forms part of the AGAR and contains a list of **annual governance assertions**, with which the council, as a corporate body, needs to assert that it has complied. To be able to confidently make these assertions councillors need to have sound information about the operation of internal controls.

These assertions acknowledge the responsibility of councillors for ensuring a sound system of internal control and governance arrangements during the past year, confirming as the members of the council that they have:

- *put arrangements in place for effective financial management during the year, and for the preparation of the accounting statements.*

This means that the council has prepared its accounting statements in accordance with the legislation (detailed in the practitioners' guide) and in the correct format.

- *maintained an adequate system of internal control, including measures to prevent and detect fraud and corruption and reviewed its effectiveness.*

This means that the council has made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.

- *taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and proper practices that could have a significant financial effect on the ability of this council to conduct its business or manage its finances.*

This means that the council has only done what it has the legal power to do and has complied with Proper Practices.

- *provided proper opportunity for the exercise of electors' rights in accordance with the requirements of the legislation.*

This means that during the specified period the council provided the opportunity for local electors to inspect the council's accounts and ask questions if necessary. The council must publish a notice on its website stating the time period during which electors can view the accounts and ask questions – this is a period of 30 working days which must include the first 10 working days of July.

- *carried out an assessment of the risks facing this council and took appropriate steps to manage these risks, including the introduction of internal controls and/or external insurance cover where necessary.*

This means that the council considered and documented the financial and other risks it faces and dealt with them properly. For example, the council has a risk register which is regularly reviewed, considered risk management reports during the year, or includes a risk section in all council reports.

- *maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.*

This means the council arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of the council. This would include the appointment of a suitable independent internal auditor and consideration of the internal audit report.

- *taken appropriate action on all matters raised in reports from internal and external audit.*

This means that the council considered the internal and external audit reports and responded to any matters brought to its attention by internal and external audit.

- *considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year end, have a financial impact on this authority and have included them in the accounting statements.*

This means the council has disclosed everything it should have about its business activity during the year including any events taking place after the year-end. For example, such as an impending claim against the council.

The final assertion is only for councils that manage trust funds including charitable trusts:

- *as the sole managing trustee, discharged our accountability responsibilities for the funds/assets, including financial reporting and, if required, independent examination or audit.*

This means the council met all its responsibilities where, as a corporate body, the council is a sole managing trustee of a local trust or trusts. For example, a council may be the sole managing trustee of a village hall. (More information on trustees can be found in section 17).

The annual governance statement must be approved by the council and signed by the chair and clerk of the meeting where approval was given. This must be completed **before** approving the accounting statements.

WHAT ARE THE ACCOUNTING STATEMENTS?

The AGAR also includes **accounting statements** which are a summary of income and expenditure, specifically including the precept, staff costs, loan interest and capital repayments, value of cash and short-term investments, total fixed assets and long-term investments, and total borrowings.

These should have been prepared by the clerk/RFO in accordance with the practitioners' guide and present fairly the financial position of the council.

The figures required are for the previous two financial years and explanations provided for any significant variances.

Following completion of the accounts at the close of the financial year (31st March), the accounting statements must be certified by the RFO **before** being presented to a full council meeting for approval and signed by the chair of the meeting. This approval meeting must take place **before 30th June**, following which the AGAR or Certificate of Exemption must immediately be sent to the external auditor.

PUBLICATION

The approved and signed Annual Governance Statement and Accounting Statements must be published on the council website/webpage **before 1st July**.



4. AUDIT

Councils must ensure that they have adequate and effective financial management, with a sound system of internal control. They are required by legislation each financial year to conduct a review of the effectiveness of internal controls and approve an annual governance statement in accordance with “proper practices” in relation to accounts.

There is a dual system of independent annual audit, namely ‘internal audit’ and ‘external audit’, which fulfil different purposes.

INTERNAL AUDIT

Every local council must undertake an effective internal audit to evaluate the effectiveness of its system of internal control, risk management, and governance processes.

Internal auditing is an independent, objective assurance designed to improve the operations of the council. It brings a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. It places more emphasis on systems and processes than the accuracy of figures.

The purpose of internal audit is to review, evaluate and report to the council on whether its systems of financial and other internal controls over its activities and operating procedures are working effectively. It **does not** involve the detailed inspection of all records and transactions of an authority to detect error or fraud.

The council arranges for an internal audit by appointing a competent person, acting independently of the council, to check the council's financial systems and internal controls. The internal auditor could be a local competent individual, a firm of accountants or auditors, or a principal authority service. It **must not** be a councillor, or an officer involved with the finances of the council.

There is a best practice guide for internal audit in the “Practitioners’ guide” which sets out the basic requirements for the conduct of an effective internal audit.

The auditor will carry out tests focusing on areas of risk and produce an internal audit report for the council which should focus on key internal control objectives covering key financial and accounting systems. The findings of the internal auditor are reported to the council.

The internal auditor must confirm and report on the internal control objectives and sign the annual internal audit report which forms part of the Annual Governance and Accountability Return. It is recommended as best practice to publish the Annual Internal Audit Report in the AGAR and any other report of the internal auditor. The council must respond to any matters reported to them with actions recorded in the minutes.

EXTERNAL AUDIT

Local councils are subject to a ‘light touch’ system of external audit known as a **limited assurance review**, rather than a full audit if annual turnover does not exceed £6.5 million.

HOW IS THE EXTERNAL AUDITOR APPOINTED?

External auditors are appointed for the council by Smaller Authority Audit Appointments (SAAA), which is a not-for-profit sector-led body established by the sector membership organisations to provide a compliant and cost-effective auditor procurement and appointment service for local councils and other smaller authorities. Local councils are automatically opted-in to this central procurement service unless they specifically choose to opt-out and undertake the complex procurement process to appoint their own external auditor.

External auditors (usually large national accountancy and audit firms) are appointed for a five-year period and the council will be advised by SAAA of their appointed auditor (appointments are usually made on a county basis).

SAAA also sets the fees for the external audit based on the turnover of the council and publishes a fee scale.

WHAT IS THE ROLE OF THE EXTERNAL AUDITOR?

The appointed auditors review the **annual governance and accountability return (AGAR)**, which is the principal means by which the council is accountable to its electorate. All members of the council have responsibility for making sure that the AGAR accurately presents the financial management information of the council.

The audit work that the external auditor is required to undertake is set by the National Audit Office in a published auditor guidance note "Specified procedures for assurance engagements at smaller authorities."

The external audit firm will review the governance assertions, check that the accounting summary is consistent and

reconciles with the bank account, and that year-on-year variances are explained.

They review the AGAR for a fixed scale fee dependent on the annual turnover of the council and provide an independent opinion on the council's financial statements.

The amount of testing work undertaken by the external auditor increases at various income/expenditure thresholds; councils with income or expenditure exceeding £200,000 are subject to an 'intermediate audit', with further testing undertaken at the thresholds of £500,000 and £2,000,000.

The annual audit process requires the council to advertise the availability of its accounts and supporting documents for inspection by "interested persons" (usually local electors) for **a six-week (30 working days) period which must include the first 10 working days of July**. This is known as the **inspection period** or "period for the exercise of public rights."

The documents that can be inspected are the accounts to be audited and all books, deeds, contracts, bills, vouchers and receipts relating to them for that financial year. The inspection must be about the accounts or relate to an item in the accounts – documents that are unrelated to the accounts, include personal information about staff, or information which is protected by commercial confidentiality cannot be inspected.

During this six-week period, interested persons can ask the auditor questions about the accounts for that year, and a local elector can raise an objection with the external auditor if they believe an item of expenditure is unlawful or there are serious matters of wider concern, for instance around corporate governance, arising from the authority's finances. The objection cannot be for reasons such as disagreeing with

a lawfully taken decision of the council, and the auditor is only obliged to consider the objection and may decide not to investigate further.

If all is in order and the council has acted properly during the year then it will receive the signed external auditor's certificate and an "unqualified opinion" on the annual return. This means that nothing has come to the external auditor's attention that gives cause for concern, although the external auditor may wish to bring some minor matters to the attention of the council ("other matters").

Finance questions for a new councillor to ask

- What is the total income of the council and how much is the precept?
- What are the largest items of expenditure in the budget?
- What level of reserves does the council have and for what purpose?
- What were the key findings and any recommendations from the latest internal audit and external audit reports?
- Where on the local council website are the financial documents published?
- What finance training is available for councillors?

If the external auditor has any cause for concern that relevant legislation or regulatory requirements have not been met, then the auditor will 'qualify' the accounts ("except for matters") on the external auditor report and certificate, which are serious issues that must be addressed by the council.

PUBLICATION

The council must then publish on its website a notice stating that the audit has been completed, the external auditor's report and certificate, and the annual governance statement and accounting statements. These must be published by **no later than 30th September**.



5. DISCLOSABLE PECUNIARY INTERESTS (DPIs)

A **disclosable pecuniary interest** or DPI is basically any relevant financial or business interest that a councillor should be open about in relation to council business.

It is considered essential that there is confidence that all councillors are putting the public interest first and not benefiting their own financial affairs from being a councillor. Accordingly, there are national rules about councillors' interests.

The basic principle is that a councillor should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare any interests and relationships.

The national rules require a council to adopt a code of conduct for its members and to have a register of members' interests. For a local council, the monitoring officer of the district, borough or unitary council must establish and maintain the local council's register of members' interests.

DPIs include employment, trade, contracts, ownership of land and assets, and business interests in the local council area.

Other interests are usually non-pecuniary or personal interests. The council's code of conduct will determine what actions must be taken in respect of personal interests.

A councillor must disclose to the monitoring officer of the principal authority any DPIs and any other disclosable interests referred to in the council's code of conduct

within 28 days of becoming a member of the council. The monitoring officer will compile a register of interests which is available to the public, usually on the principal authority website.

This rule on disclosure also applies to councillor's spouses, civil partners or cohabitees, as if their interests were those of the councillor. The register of interests does not distinguish between a councillor's interests and those held by a partner.

If the monitoring officer decides that, by making a disclosable interest public, a councillor might be subject to a threat of violence or intimidation, the interest can be registered but with the details withheld from the public register. This is known as a sensitive interest.

A copy of disclosable interests should be given to the clerk for the local council's website, or it can be published on the website of the principal authority with a link on the local council website to where the information is located.

If a councillor (or their partner) has a DPI in any matter to be considered on the meeting agenda, then they must declare that interest and not take part in the discussion or vote on the matter without a dispensation.

If the DPI is not recorded in the register and relates to any business considered at a meeting where you are present, you must disclose this to the meeting and tell the monitoring officer about it so that it can be added to the register within 28 days.

For instance, if a planning application is made by a councillor relating to their own property, then the councillor clearly has a financial interest in the outcome of that planning application. Therefore taking part in discussion and voting on their own planning application is clearly a DPI.

However, liability to pay council tax does not create a DPI, as it is a decision affecting the general public in the council area rather than an individual.

The declaration of interests' item on meeting agendas gives councillors an opportunity to declare an interest early in a meeting and is intended to give the public confidence in council decision making.



Sincerely Media/unsplash

DISPENSATIONS

The local council can decide that a councillor with a DPI can participate and vote on a council motion by granting a dispensation if it is thought appropriate. A councillor who has a DPI but thinks they should be able to participate in the discussion and vote on the matter, should make a request in writing to the council through the clerk.

Dispensations are a safe way of removing any doubt or any theoretical risk of prosecution.

If you cease to have an interest, that interest can be removed from the register. If you cease to be a member of the council, all your interests can be removed from the register.

FAILURE TO DISCLOSE

There are a number of potential criminal (rather than civil) offences associated with the failure to register or disclose a DPI and discussion and/or voting on a DPI.

If you have a DPI and you fail to register it or participate in a meeting without dispensation, then under the Localism Act you have committed a criminal offence. The aim of the offence is to sanction those very few councillors at all levels who might deliberately abuse public office for their own financial benefit.

Sanctions are a fine of up to £5,000 and disqualification for five years from the local council and other local authorities.

6. BANKING AND PAYMENTS

BANK MANDATE AND SIGNATORIES

The council should have a bank current account for its day-to-day banking requirements either with one of the traditional providers or a smaller community orientated bank. The clerk/RFO is responsible for setting up the banking arrangements as approved by the council.

The bank mandate and list of authorised signatories must be approved by the council. It is sensible to have several councillors as signatories to allow for absences and changes, and whilst not all councillors will be a signatory to the bank account, all councillors remain responsible for the council finances. It is important to remove a councillor from the bank mandate as soon as they cease to be an elected member.

The bank mandate should require at least two councillors to authorise all payments and/or sign all cheques; the clerk/RFO should only be a signatory in conjunction with two other councillor signatories.

The council may make payments either electronically or by cheque, and there should be a system in place to reduce the risks of error or fraud. All payments must be authorised by the council or under authority delegated by the council. Even where a purchase has been authorised, the payment must also be authorised to allow the funds to leave the council's bank account.

Electronic banking has now become more widespread and provides an easier and more efficient way of making council

payments; adopting electronic payment systems improves the efficiency and traceability of transactions. However, it is important to ensure that proper controls are in place and that payments are always authorised by two signatories.

If the council uses internet banking the clerk/RFO should be appointed as the 'Service Administrator'. The bank mandate should be agreed by the council and identify councillors authorised to approve transactions with a minimum of two people involved in any online approval process. The clerk may be an authorised signatory, but no signatory should be involved in approving any payment to themselves.

The Service Administrator can set up items due for payment online, and send a list of payments for approval, together with copies of the relevant invoices, to authorised signatories to approve each payment using the online banking system.

Direct debits and standing orders are permitted if approved by the council. Regular payments (such as gas, electricity, telephone, broadband, water, rates, HMRC payments) may be made by variable direct debit, provided that the instructions are approved by two authorised signatories. The approval of the use of each variable direct debit should be reviewed at least every two years.

Fund transfers within the banking arrangements can be delegated with the payments submitted to the next appropriate meeting.

A full list of all bank payments made in a month should be provided to the next council meeting.

Any cash and cheques received should be entered into the accounting records on the date of receipt and banked

promptly, without any of the cash being kept back for spending.

The council may also have separate interest-bearing bank accounts to hold funds either for general reserves or ear-marked reserves for specific projects.

APPROVAL OF PAYMENTS

The council must have safe and efficient arrangements for making payments to safeguard against the possibility of fraud or error.

Invoices for payment should be checked and verified to confirm that the work, goods or services were received, and represent expenditure previously authorised by the council. Where invoices are certified as a batch or listing, they should include a statement by the RFO that all invoices listed have been 'examined, verified and certified' by the RFO.

It is usual for the clerk/RFO to have delegated authority to authorise payments in certain circumstances. For instance, this may include smaller payments within an agreed budget, and larger payments where there is a risk to safety or delivery of services, or to comply with contractual terms where payment is due before the next meeting. The payment amounts under delegated authority should be commensurate with the income and budget of the council and any limits can be defined in the financial regulations

Any Debit Card issued should be restricted to the clerk/RFO with a single transaction maximum value. A pre-paid debit card may be issued to employees with varying limits set by the council. Any corporate credit card opened by the council may be specifically restricted to use by the clerk/RFO and

any balance should be paid in full each month. Transactions and purchases made should be reported to the council.

Personal credit or debit cards of officers or councillors should not be used under any circumstances. As well as not complying with financial regulations, this may also prevent the council recovering any VAT due.

Payments should be supported by invoices and/or receipts, and councillors should never sign blank cheques as this presents a very high risk of fraud. Cheques should not be passed through any other bank account, nor should the council account be used to pass cheques for other local organisations.



The RFO must ensure that all salary and associated payments for council employees comply with HMRC PAYE rules.

The latest accounting records, including all payments for approval and any payments made since the last meeting, bank statements and a bank reconciliation should be available at every council meeting and should be signed and certified as correct by the chair of the meeting.

In cases where a fraud has been discovered having gone undetected for some time, it is usually because matters have been taken on trust and accounting records not properly examined, particularly actual bank statements.

FINANCIAL SERVICES COMPENSATION SCHEME

The Financial Services Compensation Scheme (FSCS) extended its protections in 2015 to include 'small local authorities', which are defined as authorities with an annual budget of less than €500,000 (currently £430,000, updated annually). This means that small councils with an annual budget under this limit have the same protections as individuals, and deposits of up to £85,000 per UK bank or building society are fully protected if a UK authorised financial services firm fails.

For larger councils with budgets over this limit there is no FSCS protection and an investment strategy should be agreed to establish set formal criteria for any investments.

7. SPENDING POWERS

In addition to having a power to levy a precept each year, the council has the power to incur expenditure.

Legislation permits local councils to exercise a wide range of discretionary statutory powers to provide additional services and/or amenities in their area. These powers include a wide variety of things such as providing litter bins, lighting, transport, public toilets, and recreation facilities.

However, the council must have the legal power to act and use a specific statutory power to undertake an activity and incur expenditure on specific activities or items. If there is no legal power to act then that decision and expenditure could be legally challenged as being 'unlawful'. The clerk should be able to advise on the statutory powers available for expenditure.

GENERAL POWER OF COMPETENCE

A local council may be eligible to use the "general power of competence" (GPC) if it can meet certain conditions, which gives it the power to do anything that an individual can do (unless specifically prohibited) and does not have to rely on specific powers. The conditions for eligibility are that the council must pass a resolution, have a 'qualified' clerk who has passed a specified sector qualification, and have two-thirds of councillors elected or have stood for election, even if unopposed (but not co-opted or appointed).

The aim of providing eligible local councils with the general power of competence is to enable them to take on an enhanced role and allow them to do things they had previously been unable to do under existing powers.

This general power is useful and should give local councils adopting it confidence in their legal capacity to act for their communities, and to provide cost-effective services and facilities to meet the needs of local communities.

If a council does not have the general power of competence, then it either must rely on a specific power or the power under s.137 of the Local Government Act 1972.

SECTION 137 EXPENDITURE

This refers to a section of the Local Government Act 1972, usually known simply as “Section 137”, which enables a local council to spend a limited or capped amount of money for purposes for which they have no other specific statutory power.

Section 137 is used when there is no other specific power and confers powers to make grants to voluntary bodies, organisations providing not-for-profit public services, fund raising events and to contribute to charities and disaster appeals. Examples of s.137 expenditure include village histories, plaques, prizes, flood relief, landscaping and flower shows.

Section 137 expenditure is limited to a specified amount each year, which is then multiplied by the number of electors in the parish. The set amount is increased for inflation and advised by Ministry of Housing, Communities and Local Government (MHCLG) annually.

8. INVESTMENT AND CAPITAL RECEIPTS

INVESTMENTS

A local council has the power to invest surplus funds for “any purpose relevant to its functions or for the purpose of prudent financial management.”

The Ministry of Housing, Communities and Local Government (MHCLG) issues guidance for councils which can be considered and adopted where investments may exceed £10,000 at any time during a financial year, and this statutory guidance must be followed where investments exceed £100,000.

The guidance recommends that the council prepares an investment strategy which should be approved by full council before the start of each financial year, setting out policies for the prudent investment of funds that it holds on behalf of the local community. The strategy should give priority firstly to the security of those investments and, secondly, to their liquidity (availability).

Specified investments are defined as those with relatively high security and high liquidity and must be in sterling with a maturity of no more than a year. Investments with the UK government and those with financial institutions with high credit ratings of under one year would fall into this category.

If the council is considering investments that are non-specified investments, then it should consider obtaining independent professional advice. If it is considering fixed or longer-term investments then the council should be clear

on future spending plans as obtaining early repayment can be costly.

The council should identify the procedures for monitoring, assessing and mitigating the risk of loss of invested sums and for ensuring that such sums are readily accessible for expenditure whenever needed.

CAPITAL RECEIPTS

A capital receipt is generally a receipt arising from the disposal of an interest in a capital asset. A receipt of under £10,000 is not treated as a capital receipt, but as income; therefore only receipts over £10,000 can be capital receipts, and then only if they arise from the disposal of an interest in a capital asset (such as land or buildings) or a long-term investment.

Grants received by the council are not capital receipts and neither are Community Infrastructure Levy receipts.

Local councils can only use capital receipts to meet capital expenditure, or to repay debts or other borrowings.

Capital receipts cannot be mixed with the council's general funds or used for grants; therefore they should be held in a separate bank account. In the accounts they are not treated as income but as 'other receipts'.

9. PROCUREMENT

A local council must make provision for the competitive tendering for contracts for the supply of goods and services or execution of works (procurement) in both its standing orders and financial regulations. However, it can set a limit below which a competitive tendering exercise is not required, which will be influenced by the size of the council, level of precept and likely contracts.

Financial regulations should then set out the procedure for purchasing goods and services above a certain value.



Members and officers are responsible for obtaining value for money at all times. Any officer procuring goods, services or works should ensure, as far as practicable, that the best available terms are obtained, usually by obtaining prices from several suppliers.

For **contracts over £30,000** (including VAT) local authorities are required by legislation to publish information on contracts they intend to award on the government “contracts finder” service if they have undertaken an open competitive tender process. They must also publicise the award of contracts over £30,000 regardless of whether they were advertised.

The requirement to obtain competitive prices need not apply to contracts that relate to items such as specialist services, legal professionals acting in disputes; repairs to existing machinery or equipment; extensions of an existing contract; goods or services that are only available from one supplier.

It will be generally appropriate to exclude members of the public from the meeting when discussing tenders and awarding contracts.



10. CAPITAL EXPENDITURE AND BORROWING

Capital expenditure means expenditure on the acquisition or improvement of a capital asset such as land and buildings, vehicles or machinery expected to be of benefit to the council or its area or its inhabitants for more than a year. Unlike with capital receipts, expenditure of any amount can be capital expenditure

Major capital projects such as the purchase of land or construction of buildings should not be embarked upon without a detailed feasibility report and a full financial appraisal being considered, covering funding sources, cashflow forecast, revenue and future budget implications.

Procedures for the management of large capital projects should be covered by Standing Orders. These should require payments to be against certified completions under a planned and approved programme of works, governed by a properly negotiated contract, and supervised by a named authority officer.

These larger projects which the council wishes to undertake are unlikely to be financed by the precept or other income in a single year, which then may require the council to borrow funds for the capital expenditure to be repaid over several years.

Local councils have the power to borrow money for statutory functions or for prudent management of their financial affairs, but it should only be for capital expenditure.

Any decision to borrow money must be taken by the full council, not a committee or officer.

PUBLIC WORKS LOAN BOARD (PWLb)

Local councils usually borrow from the PWLB which is a government lending facility operated by the UK Debt Management Office (DMO) on behalf of HM Treasury and provides loans to local authorities from the National Loans Fund, operating within a policy framework set by HM Treasury who also set the interest rates. This borrowing is for capital projects.

Loans to local councils are automatically secured on the revenues of the council rather than on any property or specific assets.

The council needs to obtain a borrowing approval from the Ministry of Housing and Communities and Local Government (MHCLG); an application form should be submitted through the local county association of local councils (CALC). If the application is agreed, MHCLG will send the council a borrowing approval letter which will set out the purpose of a loan, the amount, the maximum period and various conditions that need to be fulfilled. It will specify how much the council can borrow, and the maximum term of the loan period.

When a council decides to borrow from the PWLB the interest rate will reflect the cost of government borrowing to finance the loan; rates are set by statute and not at the discretion of the PWLB. Setting rates with reference to government borrowing rates allows councils to share the low rates at which the government can borrow. There is an arrangement fee payable.

Two types of loan are available from the PWLB:

- **Fixed-rate loans**, where the interest rate is fixed for the term of the loan, minimum term 12 months and maximum of 50 years, half-yearly repayments;
- **Variable-rate loans**, where the interest rate is variable at one-, three- or six-monthly intervals, minimum term 12 months and maximum of 10 years, half-yearly repayments.

Local councils may also borrow from other lenders including banks, other local councils or principal authorities, public trusts and foundations.

Temporary borrowing by way of a bank overdraft is permitted without government approval only where funds are needed quickly and funds are expected but have not yet reached the council. It is not permitted pending receipt of a promised grant or pending receipt of funds from the sale of land.



11. GRANTS

MAKING GRANTS

Grant applications will often be made to the council by local bodies, societies and clubs such as sports clubs, residents associations, conservation groups, charities, allotment holders etc.

It is useful for the council to agree and publish a grant making policy setting out the type of funding and organisations that the council will consider assisting, provide a standard grant application form, and an indication of the decision-making process and timescales.

The clerk should check that the council has the statutory power to make the grant. Local councils are empowered to make grants to voluntary bodies, charities, disaster appeal funds, and where in the council's opinion the grant will benefit any part of its area or any of the inhabitants.

The council can also make a capital grant or loan to a non-profit making voluntary organisation to provide recreational facilities which the council would also have power to provide, such as a sports centre or playing field. The advantage of providing such grants or loans is that a voluntary organisation can often also apply for other grants and loans for a project that are not available to local councils.

If the value of a grant exceeds £2,000 in any one year the council must make it a condition that a written report is provided on how the money has been used, although this is generally good practice for all grants.

The council can attach whatever conditions it chooses to a grant or loan; it is also good practice to ask applicants to produce financial statements and details of other fund-raising activities.

RECEIVING GRANTS

Local councils may apply for a range of grants from various sources such as lottery funding for a number of specific purposes. Grants can be a useful addition to council income or can enable projects that may not otherwise be possible. These could range from a grant towards a new playground or the village hall, to a large National Lottery Heritage Fund application to purchase and restore a significant community asset.

Councils can often access central government funding to support specific initiatives such as neighbourhood planning, with such opportunities being publicised by the sector membership organisations.

Various organisations and government departments often publicise the availability of funding, county associations and principal councils can provide advice, and the clerk/RFO should be aware of various potential sources of additional funding.

12. DEVOLUTION OF ASSETS AND SERVICES

Due to funding pressures, many principal authorities have sought to devolve assets and services to local councils to operate and fund. These may often appear attractive as it can mean that the asset or service can be better managed by the local council at the most local level for the benefit of the community, the local council may be able to provide better value for money, or sometimes there may be the threat that the service will simply cease to operate if the local council is not prepared to take it over.

Whilst there are many examples where this devolution of services has worked very well for the local council and community, they will usually result in increased costs and therefore require an increase in budgets and the local precept.

Local councils should therefore ensure that they have full information and undertake due diligence as to the likely/potential costs and impacts on budgets both in the short term and the longer term. For instance, if a large building or open space is being taken on, what are the ongoing maintenance costs and what is the state of repair of any building where the council will become liable for maintenance and repairs. It is important to ensure that surveys are obtained otherwise the local council may find itself liable for unexpected costs e.g. a new roof or major structural repairs. These potential costs can then be factored into any negotiations with the principal authority prior to any transfer.

If the new assets and services are likely to result in a large precept increase then it is important that the council consults with the local community on its plans setting out the likely costs against the community benefits.



Troy Mortier / unsplash

13. PLANNING AGREEMENT FUNDS AND LEVIES

Planning agreements are designed to fund infrastructure to support local developments.

SECTION 106 AGREEMENTS

Section 106 of the Town and Country Planning Act 1990 allows a Local Planning Authority (LPA) to enter into a legally binding agreement or planning obligation with a landowner as part of the granting of planning permission. The obligation is termed a 'section 106 agreement.'

Developers are charged a contribution by the LPA depending on the size and number of dwellings being built. This money is used to develop facilities to support the additional residents living in the community.

These agreements aim to address issues that are necessary to make a development acceptable in planning terms. They can be used to support the provision of services and infrastructure, such as highways, recreational facilities, health and affordable housing.

Local planning authorities should work with local councils to deliver community benefits and improvements in the parish, ward, town or area relating to the location of the development from which the contribution was received.

COMMUNITY INFRASTRUCTURE LEVY (CIL)

The Community Infrastructure Levy (CIL) runs in tandem with s.106 agreements and is a charge which, if adopted, can be levied by local authorities on new development in their area. It is an important tool for local authorities to help them deliver the infrastructure needed to support development in their area.

A Local Planning Authority (LPA) does not have to adopt CIL, but it is the government's preferred means of securing funding from developers for community infrastructure. The money can be used to fund a wide range of infrastructure that is needed as a result of development.

CIL came into force as a new way of securing developer contributions towards infrastructure provisions and can be a replacement for individually negotiated Section 106 agreements. It allows local planning authorities to raise funds from developers undertaking new building projects in their area.

CIL is a non-negotiable charge (based on a charging schedule set by a planning authority for its area) on the amount of new floor space created by development. There are some exceptions where it is not charged, such as small residential extensions and social housing.

The levy is also designed to incentivise communities to welcome and promote new development in their area. The regulations require the LPA to pass a proportion of CIL funds raised in a particular area to the relevant local council. The figure is 15%, subject to an annual cap or maximum amount (the cap is £100 multiplied by the number of council tax dwellings in the parish).

When a development liable for CIL is built in an area covered by an adopted Neighbourhood Plan (a local development plan for a specific place), then the relevant local council will receive 25% and there is no annual cap.

Whilst principal authorities can only spend CIL on infrastructure projects, local councils can spend their CIL funds more widely on anything concerned with addressing the demands that development places on an area. The funds cannot be used for everyday expenditure, but infrastructure can include physical, social and green infrastructure e.g. cycleways, community halls, parks and play areas.

The monies must be spent within five years of receipt.

The Levelling Up and Regeneration Act 2023 contains provisions and sets out a general framework for a new Infrastructure Levy (IL) to replace CIL and reduce the use of s.106 agreements. However, its detailed design will be delivered through future Regulations.



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14. VALUE ADDED TAX (VAT)

VAT can be a complex area for local councils and many have found themselves in breach of HMRC regulations through a lack of understanding.

The basic premise is that a local council can recover the VAT paid for non-business activities without being VAT registered, where the council acts as a public authority and provides free services (such as children's play areas or street lighting). For many smaller councils, this may just mean submitting a VAT reclaim form.

However, a local council may need to register for VAT if it charges people in furtherance of a business, for instance by charging for sports facilities. Councils are required to register for VAT if the amount of VAT that would be charged is over £1,000 annually. The council needs to understand whether it is making taxable supplies (which attract VAT) or not, as not all charges are subject to VAT.

Charging for the supply of goods or services is normally a taxable business activity. Examples include café sales, advertising, car parking and admission to events such as firework displays. A council that is not VAT registered (with a VAT number) must not charge VAT and it is not entitled to reclaim VAT incurred on costs relating to its taxable business activities.

To recover the VAT attributable to its non-business activities, a local council must order the goods or services, receive the

supply of goods or services, receive a VAT invoice addressed to the council and pay from its own funds.

A common area where councils find themselves in breach of the regulations is where a local organisation or trust requests that the local council purchase some equipment on its behalf so it can then reclaim the VAT for them.

If the council is not purchasing the equipment for itself and will not own the asset, then it cannot pass the invoice through its books to reclaim the VAT for another organisation. This is unlawful and could result in a VAT investigation and a fine or penalty.

However, if the council purchases equipment using its own funds and then chooses to donate the equipment to a local organisation then it is allowed to reclaim the VAT as it has purchased the items with its own public funds.

The adverse consequences of VAT mistakes can be severe if the council is undertaking a large building or development project and could potentially involve the council in thousands of pounds of unbudgeted expenditure.

Detailed guidance on VAT is published by HMRC, but it is sensible to seek written professional advice on the VAT implications before any major project is commenced. The council should not assume that it will simply be able to claim back any VAT paid.

15. RISK MANAGEMENT

The council must ensure that it has a sound system of internal control, which delivers effective financial, operational and risk management.

The accounting control systems determined by the RFO must include measures to:

- ensure that risk is appropriately managed;
- ensure the prompt, accurate recording of financial transactions;
- prevent and detect inaccuracy or fraud;
- allow the reconstitution of any lost records;
- identify the duties of officers dealing with transactions, and
- ensure division of responsibilities.

Local councils face a variety of risks, therefore it is important to have a risk management policy in place, then identify and assess key risks in terms of the likelihood and severity of any potential occurrence.

The clerk/RFO should prepare, for approval by the council, a risk management policy covering all activities of the council. This policy and risk management arrangements should be reviewed by the council at least annually.

The clerk/RFO should also prepare a risk assessment including risk management proposals when considering any new activity.

At least once a year the council must review the effectiveness of its system of internal control, which is a requirement before the annual governance statement can be approved at the end of the financial year.

RISK ASSESSMENT

It is important to ensure that all identified risks have been formally assessed and that written assessments are completed and kept on record, as this will assist and may be used in evidence in case of any claims.

All individual events organised by the council should have a risk assessment undertaken, especially for higher risk events such as firework displays. This should include checking that any contractors have appropriate insurance in place. An insurance company or broker is usually willing to offer advice before events and would rather be contacted in advance for guidance than afterwards following a claim.

An important part of risk assessment is in relation to health and safety risks. It is essential that all council equipment such as mowers etc. are properly maintained and regularly checked in accordance with all health and safety guidelines. Employees must have undertaken the required training and been provided with the correct safety and personal protection equipment.

A breach of health and safety responsibilities is a serious matter and may lead to an investigation by the Health and Safety Executive (HSE), who have a range of sanctions available including prosecution. In extreme cases involving a fatality a corporate manslaughter charge could be brought against the council if it is considered to have been grossly negligent.

RISK REGISTER

The council should maintain a risk register which should be reviewed and updated every year as part of the annual governance review.

The register should ideally specify and describe the risk, assess numerically the likelihood and the severity of the risk, which when multiplied together give a total risk score. In smaller councils it may be sufficient to assess the risk as low/medium/high. The council should then look at any risk mitigation measures that are already in place, and any additional measures that would further reduce the risk.

For instance, an identified risk may be an injury caused by council play equipment. Mitigation measures could include weekly inspections by a council official or councillor, annual inspections by a qualified engineer and a contact point for members of public to report any damage. These measures would assist a council in defending any public liability claim as they could demonstrate that the council had not been negligent.

To reduce the risk, a risk transfer mechanism would be to have adequate public liability insurance in place, which would transfer the financial risk to an insurance company who would seek to defend any claims and cover any compensation and legal costs awarded against the council.

16. INSURANCE

It is important that every local council is adequately insured through a reputable insurance company given the litigious nature of society today.

Key areas of risk that should be covered through insurance by the council are:

PUBLIC LIABILITY

Public liability is vital to protect the council against any legal liability for injury to people and/or damage to their property on any land or buildings for which the council is legally responsible. For example, if a child is injured on the council's play equipment, someone trips over in a park, or injures themselves in the village hall then the council may face a large compensation claim.

Seemingly minor incidents and injuries can sometimes lead to very high awards for damages and legal costs if it can be shown that the council has been negligent in some way. Therefore, it is important to ensure the sums insured are sufficient.

EMPLOYERS' LIABILITY

Employers' liability is a compulsory insurance if the council has any employees, such as the clerk. It covers the council against any injury or illness sustained by employees, councillors and volunteers whilst undertaking council business.

PROPERTY

If the council owns any property or physical assets these should be insured on a reinstatement or replacement basis. For buildings, it is important to ensure the sums insured are correct and would cover the rebuilding of the property. Professional valuations should be obtained where necessary.

Contents, including items such as computer equipment, should be covered on a 'new for old' basis to ensure they can be replaced if lost or damaged. Items of equipment should be recorded on an inventory list.

The council should maintain an asset register listing all the assets it owns. This should record the date and cost of acquisition, and a value for insurance purposes.

To ensure value for money, consideration should be given to the level of 'excess', or the initial sum of any claim that the council is prepared to pay; this will ensure the council is insuring significant losses and not small everyday minor losses.

BUSINESS INTERRUPTION

If the council runs an office or other facilities then this would provide cover for renting alternative accommodation whilst premises are repaired following an insured loss, such as a fire or flood. Loss of revenue can also be included if the council generates an income from a property, such as sports facilities, which is important if the revenue is being relied on to balance the budget.

LIBEL AND SLANDER

Libel and slander cover has become more important in recent years with the increased use of e-mail and social media. It provides protection against verbal or written comments made by the council which a member of the public considers to be both incorrect and damaging and causes financial loss. For instance, a derogatory comment by a councillor in an e-mail or recorded at a council meeting about a local tradesman could lead to a compensation claim for loss of business. Therefore it is important that councillors do not make damaging statements in any e-mail correspondence or on social media platforms, especially as e-mail trails are often circulated and forwarded on to others.

It does not cover councillors libelling each other.

It is advisable for a council to adopt a social media policy to ensure all councillors are clear on what is 'acceptable' to publish on social media platforms.

MOTOR

Motor insurance is compulsory under the Road Traffic Acts if the council owns any vehicles driven on a public road such as ride-on mowers etc. Cover is not compulsory if a tractor never leaves the council playing fields, but it is still advisable to cover third-party risks in respect of all council vehicles and equipment.

FIDELITY GUARANTEE

Fidelity guarantee covers the council against fraud or dishonesty by any official of the council including loss of property. Employment references must have been

obtained for all employees, therefore it is important to follow correct recruitment procedures if the council wishes to ensure it is covered.

HIRERS' INDEMNITY

This covers legal liability for hirers of council property should injury or damage occur. It gives the hirer cover against accidental damage to third party property and compensation for accidental injury to third parties during the period of the hire.

OTHER INSURANCES

There are other covers that can be purchased including money, terrorism, personal accident, legal expenses and cyber insurance.

The council should ensure that any contractors or event organisers have appropriate liability insurance in place.

Insurance will not cover health & safety fines; any criminal prosecution or sanction for a breach of health and safety legislation is the responsibility of the council.

If the council is unsure then it should discuss its policy with its insurance broker or insurance company; it is good practice to review the cover and sums insured annually.

Insurance Premium Tax cannot be recovered by the council.

17. CHARITABLE TRUSTS

A local council may find itself in the position of being a trustee of a charity. The charity can only operate in accordance with its objects and trustees must always act in the best interests of the beneficiaries.

Many local councils are trustees of community buildings such as village halls, whereby the council as a corporate body holds the property and oversees its application as charity trustee, either as sole trustee or joint trustee together with individual trustees. A local council can act as:

CUSTODIAN TRUSTEE

Unincorporated charities do not have their own legal identity, therefore when an unincorporated charity owns property or land it might appoint a custodian trustee to hold the title deeds on their behalf in perpetuity.

Many charities find it convenient to appoint the local council as custodian trustee because the council has a perpetual legal status and identity, therefore it is capable of holding charity property forever. The situation contrasts with individual trustees who may die or retire and, consequently, new trustees are then required and the charity property needs to be transferred into the name of the new trustees.

The custodian trustee holds the title to all property on behalf of the charity, and possibly any capital funds which are owned by the charity. However, it takes no decisions

on their use and has no responsibility for the day-to-day management and operation of the charity. The custodian trustee must act in accordance with the instructions of the managing trustees.

A local council does not have to be a custodian trustee – the Official Custodian for Charities is a corporation created by the government to hold land on behalf of charities.

SOLE OR JOINT MANAGING TRUSTEE

Managing trustees are responsible under the charity governing document for controlling the charity's management and administration.

The deed which created the charitable trust will usually specify how the managing trustees are to be appointed, which may give the local council the power to appoint one or more representatives. It is important to note that these representatives become trustees and therefore owe a duty to the beneficiaries of the trust rather than the council which appointed them.

If a council is the sole trustee, it should set up a committee with clear terms of reference as this will ensure that the charity business is kept separate and distinct.

The individual committee members are not charity trustees, it is the council as a corporate body which is the managing trustee. The committee will be governed in accordance with charity law and decisions made in the best interests of the charity, not the council.

Where the council is sole managing trustee of a charitable body the clerk/RFO must ensure that separate accounts are kept of the funds held on charitable trusts and separate

financial reports made, in accordance with Charity Law and legislation or as determined by the Charity Commission.

Charity funds must not be mixed with council funds.

Conflicts of interest between the council and the charity can often occur as well as the council not understanding that it must deal with the charitable property in accordance with the charitable trusts.

There is an additional governance assertion on the Annual Governance and Accountability Return that must be completed by local councils that are a sole managing trustee:

In our capacity as the sole managing trustee, we discharged our accountability responsibilities for the funds/assets, including financial reporting and if required independent examination or audit.

COUNCILLORS APPOINTED AS A TRUSTEE

Local councils may have the right (under the governing document) to appoint trustees. A council may appoint a councillor to be a trustee of a charity. If so:

- you, rather than the council, are responsible for the administration of the charity, along with your fellow trustees.
- you and your fellow trustees are personally liable for the decisions you make.
- you must act in the interests of the charity, not those of the council.
- you do not 'represent' the council on the trustee board.

APPENDICES

TRANSPARENCY CODE FOR SMALLER COUNCILS

A Transparency Code (the Code) was issued by the government for all smaller local councils with an annual turnover not exceeding £25,000 which came into force from April 2015.

The Code was developed to meet the government aim to give more power to citizens and to increase democratic accountability. Transparency aims to give local electors the information they may need to hold local councils to account.

It requires the online publication of certain information to allow local electors to access relevant information about council finances and provide taxpayers with a clear picture of council activities, spending, and governance.

The audit framework means that smaller councils with an annual turnover not exceeding £25,000 can exempt themselves from routine external audit. In its place, these councils are subject to the transparency requirements laid out in the Code.

COMPLIANCE WITH THE CODE

The data and information specified in this Code must be published on a website which is publicly accessible and free of charge.

Members and officers are responsible for obtaining value for money at all times.

For example, this requirement could be achieved by publishing the data on the council's own website or that of the billing authority in its area. It could also be achieved by publication on a community or village website that has a section for the local council.

The information should be published under separate headings as set out in the Code.

If the information is only displayed on local notice boards, then this is not sufficient to comply with the Code – it is required to be available on a website.

The provisions below apply to all councils with annual income or expenditure not exceeding £25,000.

PUBLICATION OF EXPENDITURE

Smaller councils are required to publish annually the details of each individual item of expenditure above £100.

Publishing a complete list of all expenditure transactions will meet this requirement, or alternatively a separate document of those items above £100 needs to be published. Information for each individual spending transaction above £100 rather than each item bought should be published.

For each item of expenditure above £100 the following information must be published:

- date expenditure was incurred;
- purpose of the expenditure;
- amount;
- VAT that cannot be recovered.

Councils should consider whether the Data Protection Act 1998 imposes any restrictions or constraints on publication and whether personal information should be withheld from publication.

PUBLICATION OF END OF YEAR ACCOUNTS

Smaller councils must publish their statement of accounts according to the format included in the annual return form (the annual return is covered in the audit section of this guide). The relevant page of the completed annual return form will meet this requirement.

The statement of accounts must be approved and signed by the Responsible Financial Officer and the chair of the meeting approving the statement of accounts.

The statement of accounts must be accompanied by:

- copy of the bank reconciliation for the relevant financial year;
- explanation of any significant variances (e.g. more than 10–15%, over £200) in the statement of accounts between the current year and previous year;
- explanation of any differences between 'balances carried forward' and 'total cash and short-term investments'

PUBLICATION OF ANNUAL GOVERNANCE STATEMENT

Councils must publish their annual governance statement according to the format included in the annual return form. The relevant page of the completed annual return form will meet this requirement.

The annual governance statement should be signed by the chair of the meeting at which it was approved and the clerk of the council. Where the governance statement contains any negative responses, these should be explained fully, including how any weaknesses will be addressed.

PUBLICATION OF INTERNAL AUDIT REPORT

Councils must publish their annual internal audit report according to the format included in the annual return form. The internal audit report must be signed by the person who carried out the internal audit. The relevant page of the completed annual return form will meet this requirement but should not be confused with the external auditor certificate and report.

If the internal audit report contains any negative response to the internal control objectives, these should be explained fully, including how any weaknesses will be addressed. Where the response to any internal controls objectives is 'not covered', an explanation of when the most recent internal audit work was completed in this area and when it is next planned should be provided.

PUBLICATION OF LIST OF COUNCILLOR RESPONSIBILITIES

Councils must publish a list of councillor or member responsibilities.

The list should include the following information:

- names of all councillors;
- committee membership and function (if chair or vice-chair) of each councillor;
- representation on external local public bodies (if nominated to represent the council) of each councillor

PUBLICATION OF LAND AND BUILDING ASSETS

Smaller local councils should publish details of all public land and building assets.

Where this information is included in the council asset and liabilities register, this register may be published in its entirety or as an edited version displaying only public land and building assets.

The following information should be published for each land and building asset:

- description (what it is, including size/acreage);
- location (address or description of location);
- owner/custodian, e.g. the council manages the land or asset on behalf of a local charity;
- date of acquisition (if known);
- cost of acquisition (or proxy value);
- present use

If no land and buildings are owned then it is useful to state this fact.

PUBLICATION OF MINUTES, AGENDAS AND PAPERS OF FORMAL MEETINGS

Councils must publish the draft minutes from all formal meetings (i.e. full council, committee and sub-committee meetings) not later than one month after the meeting has taken place. Even if the minutes have not been finalised the draft minutes should be published.

Councils must also publish meeting agendas, which are as full and informative as possible, and associated papers not later than three clear days before the meeting is taking place.

TRANSPARENCY CODE FOR LARGER COUNCILS (OVER £200K)

The Local government transparency code 2015 is recommended as best practice for local councils with either gross annual income or expenditure exceeding £200,000.

This code is not a mandatory requirement for a parish council whose gross annual income or expenditure is £6.5 million or less, as a statutory instrument (2015/480) created a dispensation for town and parish councils from the code.

However, larger councils may wish to follow the principles of the code to demonstrate transparency, and for those councils with over £6.5 million annual turnover the code is mandatory.

FURTHER READING

Transparency code for smaller authorities (gov.uk/government/publications/transparency-code-for-smaller-authorities)

Local government transparency code 2015
(gov.uk/government/publications/local-government-transparency-code-2015)

Openness and transparency on personal interests: guidance for councillors (gov.uk/government/publications/openness-and-transparency-on-personal-interests-guidance-for-councillors)

Local authorities (or councils) as trustees of charities
– a guide for councillors (gov.uk/government/publications/local-authorities-as-charity-trustees/local-authorities-or-councils-as-trustees-of-charities)

Statutory Guidance On Local Government Investments.
(3rd Edition) (https://assets.publishing.service.gov.uk/media/5a81fe0ee5274a2e87dc0946/Draft_guidance_on_Local_Government_Investments.pdf)

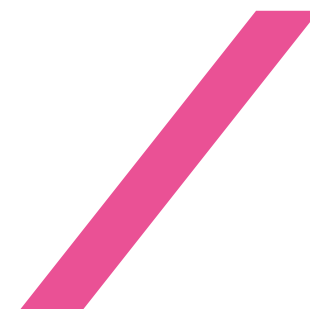
Local authority accounts: A guide to your rights. National Audit Office (www.nao.org.uk/wp-content/uploads/2022/08/Council-accounts-a-guide-to-your-rights.pdf)

Governance and Accountability for Smaller Authorities in England (Practitioners' Guide – updated annually) – available on NALC website www.nalc.gov.uk

The Good Councillor's guide 2024. NALC. (www.nalc.gov.uk/resource/the-good-councillors-guide.html)

Local councils explained. NALC.

Talyor, R (2022) *Arnold-Baker on Local Council Administration* (13th edition) LexisNexis Butterworths: London



TRAINING

Training for councillors, online and in person, is available through the County Association of Local Councils (CALC).

The clerk should receive regular notifications of upcoming courses and events – it is advisable to include a training budget in the overall council budget.

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Guides in this series include:

The Good Councillor's guide

The Good Councillor's guide to community business

The Good Councillor's guide to cyber security

The Good Councillor's guide to finance

The Good Councillor's guide to neighbourhood planning

The Good Councillor's guide to transport planning