

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