



Public Document Pack

Melksham Town Council

Town Hall, Melksham, Wiltshire, SN12 6ES

Tel: (01225) 704187

Town Clerk and RFO Linda Roberts BA(Hons) PGCAP, FHEA,
FLSCC

To:

Councillor S Crundell (Town Mayor)
Councillor S Mortimer (Deputy Town Mayor)
Councillor P Alford
Councillor P Aves
Councillor G Cooke
Councillor J Crundell
Councillor G Ellis
Councillor C Forgacs
Councillor C Goodhind
Councillor C Houghton
Councillor J Hubbard
Councillor L Lewis
Councillor J Oatley
Councillor T Price
Councillor S Rabey

21 March 2023

Dear Councillors

In accordance with the Local Government Act (LGA) 1972, Sch 12, paras 10 (2)(b) you are summoned to attend the **Full Council** meeting of Melksham Town Council. The meeting will be held at the Town Hall on **Tuesday 28th March 2023** commencing at **7.00 pm**.

A period of public participation will take place in accordance with Standing Order 3(e) prior to the formal opening of the meeting. The Press and Public are welcome to attend this meeting in person, alternatively the public and press may join the meeting via Zoom.

In accordance with the Council's commitment to being open and transparent; all Town Council meetings are recorded and broadcast live. The right to do so was established under the Openness of Local Government Bodies Regulations.

Yours sincerely

Mrs L A Roberts BA(Hons), PGCAP, FHEA, FSLCC
Town Clerk and RFO

Melksham Town Council
Full Council
Tuesday 28 March 2023
At 7.00 pm at the Town Hall

Public Participation – To receive questions from members of the public.

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 and Equality 2010.

Virtual Meeting Access:

Please follow the joining instructions below for the virtual Zoom meeting

Join Zoom Meeting

<https://us02web.zoom.us/j/83669876198?pwd=WlAvY1ZsYVNyUIM3VktgajFzOHhtdz09>

Meeting ID: 836 6987 6198

Passcode: 481965

Participants will be directly let in the meeting by clicking on the above link. There is no waiting room

AGENDA

1. Apologies

To receive apologies for absence.

2. Declarations 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

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Facebook: facebook.com/melksham.town

declared on the Register, as well as any other registrable or other interests.

3. Investment Strategy - Revised (Pages 1 - 4)

To receive and approve the revised investment strategy attached. There is one small amendment highlighted in the document.

4. Financial Risk Assessment & Reserves Policy (Pages 5 - 10)

To receive and approve the revised Financial Risk Assessment & Reserves Policy. The changes are shown in track changes on the document. A copy will also be circulated by email to members.

5. Motion from the town Mayor, Councillor S Crundell Melksham House

To receive the Motion submitted by the Town Mayor, Councillor S Crundell, seconded by Councillor Aves. (Motion to follow)

6. Motion from Councillor Houghton - Dog Park - King George V Playing Field

To receive the Motion from Councillor Houghton, seconded by the Town Mayor Councillor Crundell. (Motion to follow)

Quotes attached as below:

Quote A - £18,990

Quote B - £13,730.82

Quote C - £15,128.57

Quote D - £18,500

Quote D Layout

Quote B and C are the same supplier.

7. Coronation Events - Budget (Pages 11 - 12)

Members are requested to resolve to approve the events listed in the Action Plan and recommended by the Events Working Group. The Events Working Group are also seeking approval for the virement of the £3000 funding set aside for Party in the Park to support the Coronation Events; which would increase the budget for the events to £7,000. (Action Plan and budget attached).

8. Confidential Session

Members are requested to make the following resolution in accordance with the Public Bodies (Admission to Meetings) Act 1960.

In view of the sensitive nature of the business to be transacted, it is advisable in the public interest that the public and press be excluded, and they are instructed to withdraw.

9. Claim against SG Manufacturing (SIDS)

Members are requested to consider the advice from the Town Council's solicitor and decide on the next steps and course of action.

9.1 Advice from Town Council's Solicitor (Pages 13 - 14)

9.2 Judgment against SG Manufacturing (Pages 15 - 16)

9.3 Correspondence from Town Council's solicitor to SG Manufacturing following the Judgment (Pages 17 - 18)



INVESTMENT STRATEGY AND POLICY

1. Introduction

Melksham Town Council (the Council) acknowledges the importance of prudently investing the temporary surplus funds held on behalf of the community as part of its fiduciary duty. This strategy complies with the revised requirements set out in the Department of Communities and Local Government Guidance on Local Government Investments and takes into account Section 15(1)(a) of the Local Government Act 2003 and guidance within Governance and Accountability for Local Councils Practitioner's Guide.

The Local Government Act 2003 states that a local authority may invest:

- For any purpose relevant to its functions under any enactment.
- For the purpose of prudent management of its financial affairs.

The council defines its treasury management activities as 'the management of the council's cash flows, its banking and money market transactions, the effective control of the risks associated with those activities, and the pursuit of best value performance consistent with those risks'.

2. Policy

This strategy establishes formal objectives, policies and practices and reporting arrangements for the effective management and control of the council's treasury management activities and the associated risks and should be read in conjunction with the council's Financial Regulations.

3. Investment Objectives

The council's investment priorities are:

- the security of its reserves, and
- the adequate liquidity of its investments, and
- the return on investment.

The council will aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity. The council will ensure it has adequate though not excessive cash resources, or standby facilities to enable it at all times to have the level of funds available which are necessary for the achievement of its service objectives.

All investments will be made in sterling.

The Department of Communities and Local Government maintains the borrowing of money purely to invest or to lend and make a return is unlawful and the council will not engage in such activity.

The council will monitor the risk of loss on investments by review of credit ratings on a regular basis. The council will only invest in institutions of high credit quality – based on information from credit rating agencies.

Investments will be spread over different providers where appropriate to minimise risk.

4. Specified investments

Specified investments are those offering high security and high liquidity, made in sterling and with a maturity of no more than a year. Such short-term investments made with the UK Government or a local authority or town or parish council will automatically be Specified Investments.

For the prudent management of its treasury balances, maintaining sufficient levels of security and liquidity, Melksham Town Council will use:

- Deposits with banks and building societies.
- Other approved public sector investment funds.

The choice of institution and length of deposit will be at the recommendation of the Town Clerk/ Responsible Financial Officer (RFO).

The council will aim to achieve the optimum return on its investments commensurate with the proper levels of security and liquidity.

5. Non specified investments

These investments have greater potential risk – examples include investment in the money market, stocks and shares. Given the unpredictability and uncertainty surrounding such investments the council will not use this type of investment.

6. Liquidity of investments

The Town Clerk/RFO will determine the maximum periods for which funds may prudently be committed so as not to compromise liquidity.

Investments will be regarded as commencing on the date the commitment to invest is entered into rather than the date on which the funds are paid over to the counterparty.

7. Long term investments

Long term investments are defined in the Guidance as greater than 12 months.

8. Investment strategy

The council will only invest in institutions of high credit quality – based on information from approved credit rating agencies (Moody's Investors Service Ltd, Fitch Ratings Ltd or Standard and Poor's). High credit quality is defined as a body or investment scheme with an 'A' or P1 rating.

When considering the investments to be made by the council, credit checks will be carried out and regard will be had to UK credit ratings as follows:

AAA - Extremely strong capacity to meet its financial commitments. AAA is the highest issuer credit rating.

AA - Very strong capacity to meet its financial commitments. It differs from the highest rated investment companies only in small degrees.

A - Strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than investment companies in higher-rated categories.

BBB - Adequate capacity to meet its financial commitments. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the investment company to meet its financial commitments.

The council will monitor the risk of loss on investments by a periodic review of credit ratings and assess the risk of loss before entering into, and whilst holding, an investment.

Melksham Town Council aims to invest in companies/ investments with a AAA or AA credit rating.

9. Banking Arrangements

The council will periodically review its banking arrangements by a competitive process which balances returns, high street presence, accessibility of funds, service level, bank charges and ethical credentials.

10. Review and amendment of regulations

At the end of the financial year, the Town Clerk/RFO will report on investment activity to Full Council. A statement of this will need to be created for council.

Review and amendment of regulations

The Investment Strategy and Policy must be reviewed annually by Full Council and revised if considered necessary.

The council reserves the right to make variations to the Investment Strategy and Policy at any time subject to the approval of Full Council. Any variations will be made available to the public.

11. Freedom of information

In accordance with the Freedom of Information Act 2000, the council's Investment Strategy and Policy will be published on the Town Council's website.

Reviewed and Adopted by Full Council on 24 January 2022

Reviewed and Re-adopted by Full Council DD/MM/YYYY

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Agenda Item 4

Financial Risk Assessment Master
Financial Risk Assessment January 2023

Risk Identification	Risk	Risk Monitoring and Mitigation	Measurement L/M/H
<u>Accounting System:</u> Rialtas Omega Accounting/Bookings Software.	Run data check routine daily - any discrepancy indicates data corruption.	Report to software provider for correction. Covered by software maintenance agreement.	L
<u>Income</u>			
Precept. Set annually via Town Council Budget.	Represents 90% of the Councils income. Collected on behalf of the Council by Wiltshire Council via the Council Tax and paid in two equal instalments in April and September.	See Appendix 2 for Reserves Policy. Report to the Town Clerk and Chair of the Council if not received by 30 th April and 30 th September each year, contact Wiltshire Council for current situation. Maintain General Fund at three and twelve months operating costs as a minimum. (See budget process).	Normally Low Risk. However shortage of funds in Principal Authorities due to current Pandemic could increase to Medium Risk.
Commercial Property Lettings	Non- payment of rent by tenants. Premises kept in poor repair by the tenant.	All commercial property rentals secured by formal repairing leases with regular rent reviews. Arrange regular landlord inspection to ensure in good internal repair. Rental invoices raised on monthly/quarterly cycle as defined in lease. If not paid within 30 days standard debt collection routines as defined in accounting procedures come into force.	L/M
Facility Lettings	Non-payment of fees by hirers. Damage to premises by hirers.	Casual Hirers-No credit given - payment in advance. Booking secured by deposit. Regular Hirers with approved credit, if not paid within 30 days standard debt collection routines as defined in accounting procedures come into force. No further hiring allowed until debt cleared in full. For large parties etc. damage deposit taken and not refunded until facility inspected after the event.	L/M
Allotments- Managed on the Rialtas Allotments Computer Package.	Allotment agreement not signed. Non-Payment of fees by holder. Non cultivation of allotment.	Allotment Invoices raised March annually If not paid within 30 days standard debt collection routines as defined in accounting procedures come into force. Allotments inspected regularly and tenant warned if not cultivated to acceptable standard.	L

Risk Identification	Risk	Risk Monitoring and Mitigation	Measurement L/M/H
Income (Cont'd)			
Events/Market Income	Non-payment of stall rental at events	All rentals payable in advance of event	L
	Protection of Cash taken at Bars	Minimum of two bar operatives. Supervisor must record the amount of the float and sign. All cash MUST be recorded through till at the point of sale. At the end of the event tills are cashed up and physical cash checked against till roll. Any overs or unders must be noted at the event. Supervisor must note and sign discrepancy report. Float must be returned separately to safe and signed back in.	H
Deposit of funds with financial institutions.	Financial Institution bankrupt. Misappropriation of funds.	Deposits controlled by Finance and Admin Officer and RFO. All deposits reported to and authorised by the Finance, Admin and Performance Committee. All Financial Institutions should be checked with either Moody's or Fitch and have the top credit rating available. No Investment is to be for more than 12 months. Investment in Stocks, Shares or similar is not allowed	L

Risk Identification	Risk	Risk Monitoring and Mitigation	Measurement L/M/H
Expenditure			
Budget setting/Monitoring	<p>Failure to project expenditure accurately.</p> <p>Setting business Income at an unattainable level.</p> <p>Failure to include projects in the budget.</p> <p>Failure to include capital expenditure.</p> <p>Inclusion of non-budgeted expenditure during the year.</p> <p>Failure to identify and report overspends in a timely manner.</p> <p>Failure to identify shortfall in income and report in a timely manner.</p>	<p>Budgets prepared by RFO in conjunction with senior managers. Initial approval by Finance, Admin and Performance Committee authorised by relevant committee and passed by Full Council.</p> <p>Maintain an Earmarked Reserve to support the Precept.</p> <p>Maintain General Fund at between three and twelve months of net revenue expenditure 40 and 50% of Precept. I would suggest 6 months</p> <p>Produce monthly Budget Monitoring Reports distributed to Finance, Admin and Performance Committee. All budget discrepancies investigated by RFO and reported to Finance, Admin and Performance Committee.</p> <p>Each spending committee presented with Budget Monitoring Report on a 3 monthly basis with discrepancy report. All budget overspends approved by the relevant committee by resolution.</p> <p>Ascertain reason for shortfall in income and whether it can be recovered in the financial year. If not take appropriate steps to support the General Fund by cutting expenditure or allocating shortfall from Earmarked Reserves</p>	L/M – H for level of General Reserve

Expenditure	<p>Expenditure in breach of Financial Regulations.</p> <p>Expenditure exceeds officer authority.</p> <p>Payment to incorrect supplier</p> <p>Payment to non-genuine supplier-hacked supplier account.</p>	<p>All managers have copy of Financial Regulations and understand contents.</p> <p>All expenditure must be the subject of a purchase order.</p> <p>All purchase orders must be authorised by relevant manager.</p>	L
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	Expenditure not correctly authorised. Expenditure not allocated to correct Budget. Not genuine council expenditure.	All purchase orders must be allocated to the relevant budget heading All approved suppliers to be recorded in the accounts system Purchase Ledger section.	
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Risk Identification	Risk	Risk Monitoring and Mitigation	Measurement L/M/H
Expenditure – Continued.	Change of supplier banking information from fraudulent emails-supplier account hacked. Inclusion of ghost suppliers as bonafide suppliers. Change of supplier details on cheque after signature.	<p>All approved suppliers to be paid within 30 days on periodic payment runs.</p> <p>All supplier payments to be approved by at least two Councillors.</p> <p>All supplier payments to be in line with the payment procedure protocol.</p> <p>All payments by Direct Debit to follow the above procedures.</p> <p>All payment listings to be presented to periodic meetings of Full Council for consideration.</p> <p>Any changes to supplier banking information must be confirmed by a telephone call to the number stated on the supplier invoice.</p> <p>All supplier accounts more than 60 days old to be reported to Finance, Admin and Performance Committee.</p>	L
Use of Council Debit or Credit Card	Misuse of Cards. Use by non-authorised staff.	<p>Cards to be kept in safe by Finance and Admin Officer</p> <p>Only senior managers the Town Clerk, the Deputy Town Clerk, and the Head of Operations permitted to use cards.</p> <p>Debit/Credit cards to be signed for by the user.</p> <p>After use card must be returned to the safe. Finance and Admin Officer/ senior manager with</p> <p>Details of expenditure and backup documentation must be prepared.</p> <p>Card expenditure to be included in authorisation documentation approved by councillors signing off the payment run.</p>	L

Non-budgeted Expenditure	Impact on General Fund balances.	Approved by relevant committee by resolution. Source of funding: a) From General Fund Balance. b) From Earmarked Reserve. c) By transfer from alternative Budget Code with predicted underspend.	L/M
Risk Identification	Risk	Risk Monitoring and Mitigation	Measurement L/M/H
Payroll	Inclusion of ghost employees on payroll. Falsification of time sheet records. Incorrect calculation of employee pay. Payment of incorrect salary rates. Use of incorrect PAYE/Ni data. Unauthorised changes in employee details. Incorrect or fraudulent expenses claims. Breach of confidentiality of employee details (GDPR).	<div>Have Internal Audit conduct a periodic check of payroll function to verify correctness of payments and that employees being paid still work for the Council</div> <div>Create a tracking log and record changes to employee details when made.</div> <div>All time sheets to be authorised by senior managers.</div> <div>All automatic, cost of living scale point changes in pay scale to be authorised by senior managers and counter signed by the Town Clerk.</div> <div>All changes to salaries to be approved by Staffing Committee and signed by the Chair as part of the minutes. This doesn't include inflationary increases.</div> <div>All employee records to be kept under lock and key when not in use.</div>	L/M
Insurance	Danger of under insurance. Danger of over insurance. All Council Assets not included in insurance schedule. Insurance premiums too high.	Ensure Insurance Values included in Asset Register. Periodical review of Plant and Equipment to ensure replacement values are realistically reflected in the Insurance Value. Every five years revalue buildings at insurance value and check against insurance policy. Ensure Consequential Loss Insurance adequately covers all Council Liquid Assets. Insurance re-quoted every 3 years.	L

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Budget for Coronation events

Saturday 6 and 7 May 2023

EXPENSES	
Item	Cost ex vat
Security and Road Closure	
Marshals 6 x 6 hrs	£577.50
Barriers x 30	£60.00
Road Sign changes	£200.00
First aid Sunday, 12-5.30	£110.00
First aid Saturday	£100.00
Entertainment	
Music 1	£100.00
Music 2	£100.00
Music 3	£100.00
PA system	£450.00
Stilt-walkers	£400.00
Facepainting x2	£280.00
big screen	£1,000.00
confetti battle	£200.00
Advertising	
Advertising	£300.00
Picnics	
Giveaway picnics x 300 at £3.50 each	£1,050.00
giveaway picnic blankets x 100 at £5 each	£500.00
Misc	
Cherry Picker Licence for bunting	£85.00
Event Insurance	£500.00
49 Tables x £3.50	£171.50
Toilet hire	£250.00
King projection on Town Hall	£500.00
Misc	£500.00
TOTAL EXPENSES	£7,534.00
TOTAL INCOME	£0.00

Total Cost of Event	£7,534.00
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