

Background Report for Parish Council meeting August 2011

Item 3 To receive reports from:

b. Food Action Group – nothing to report

f. Parish Clerk's report:

Correspondence received:

Community First – spring/summer newsletter, AGM papers for meeting to be held on 14th September at 4.00pm in the Corn Exchange, Devizes.

Wilts Assoc of Local Councils – July & August newsletters, including information about 3 training days for new councillors, on Saturday 17th September in Dinton, or Saturday 8th October in Wootton Bassett, or Saturday 19th November in Lyneham & Bradenstoke, all at £55.00 each. There are also 2 councillor refresher evenings arranged, Tuesday 18th October at Manger Barn, Lacock or Tuesday 15th November at Shrewton, both at £25.00 each.

Please let me know a.s.a.p if you wish to attend.

Wilts Rural Housing Association – summer newsletter.

The next Area Board meeting is to be held on Thursday 25th August at 6.30pm for a 7.00pm start at Alderbury Village Hall.

Item 4 – Matters raised by the public

A request from the Farley Coronation Field playing Field trustees for financial assistance in respect of the recently enlarged play area.

Councillors will recall that this item was discussed in March, and councillors declined to help. At the time, it was anticipated that the Council would have to pay Employer's National Insurance contributions, thus absorbing a lot of the contingency sum set aside for 2011/12, and that by heeding an informal 60:40 split in expenditure between the two villages, such a commitment would prevent the Council spending in other parts of Farley. The already requested precept figure for 2011/12 also incorporated a sum of money requested for the new Farley bus shelter. However, the PC *did* agree to absorb the cost of the RoSPA inspection for 2010 in the sum of £63.00 net for the previous smaller play area.

The Council has now been requested to reconsider its decision.

At the time of writing, the amount requested will be possibly in the sum of approx. £600 to contribute towards the cost of the annual insurance premium, but the amount and item of expenditure is to be confirmed.

Since March, it has become clear that the Council does not need to pay Employer's National Insurance, as the amount of the Clerk's salary does not meet the minimum level required. Expenditure on the new bus shelter has occurred as anticipated and budgeted. There is, at present, £305 available in the contingency pot, with a further £50 to cover election expenses, which could be reallocated.

The trustees have asked that the Parish Council continues to arrange the annual RoSPA inspection.

It is hoped that by the meeting, a breakdown of the Trust's latest accounts will be available to help the discussion. However, nothing has changed since March, other than that the PC

does not have to pay Employer's NI, thus making some or all of the contingency sum available. Nothing has been mentioned, either, about who is to pay for the RoSPA inspection of the Farley play area for 2011 and subsequently, which will be more expensive as it is now a larger area with far more pieces of equipment.

- Councillors could confine the extent of assistance to the specific payment of this inspection every year, which would allow it to spend elsewhere in the village, whilst helping to support the trustees whilst funding is built up to take on this expenditure independently.
- Councillors could decline to help this financial year, whilst taking this request into consideration for the next financial year, and raising money via the precept, designating this as grant expenditure under s137 of the 1972LGA (The Parish Council can raise up £6.44 per head of population via the precept for such expenditure. For 2011/12, the PC could therefore have requested an additional £4830 to the precept figure).

Item 5 Finance

c I was asked to research the recording of fixed assets – please see the following extract from “Governance & Accountability for Local Councils – accounting guidance for local councils”

Accounting for Fixed Assets

3.61 This section covers the arrangements in respect of the acquisition, maintenance and eventual replacement of those items of a capital nature where values tend to be high and which have a useful life of more than one year. These items are usually described as fixed assets (or more frequently now as non-current assets) and comprise the sum of land, buildings, play equipment, plant, office equipment and vehicles etc. Long-term investments which are capital expenditure (see paragraph 2.29 to 2.35) create a non-current asset which must also be accounted for in the asset register. See paragraph 3.43 to 3.49 on how to report long-term investments.

3.62 Fixed assets acquired in any year must be added to the asset register for management purposes. For accounting purposes, however, acquisitions and disposals of fixed assets must be treated as any other purchase or sale and recorded as part of annual receipts or payments, expenditure or income. Commercial concepts of depreciation, impairment adjustments, etc are not appropriate for local councils. For reporting purposes therefore, the 'book' value of fixed assets will usually therefore stay constant until disposal.

3.63 If assets are not being managed properly the Council is exposed to the risk of financial loss relating to:

- improper asset management – without the right management information, outdated patterns of use may run on unchallenged or unnoticed;
- improper asset usage and maintenance – assets may not be fit for purpose, be underused or so out-of-date as to be incapable of satisfactory modernisation. Equally they may be capable of alternative, additional or more intensive use or be readily saleable. These opportunities may be missed where no comprehensive information on assets is available; and
- asset ownership – the continued ownership of assets may be overlooked altogether and risks unmanaged.

3.64 These risks are most likely to be realised when information is poor. In particular where information about assets is not available or access to information about assets is denied by being out-of-date or non-existent. The risk of financial loss can be greatly reduced by setting up an asset register which holds all the information needed.

3.65 An asset register is the starting point for any system of financial control over assets as it:

- provides the information that enables the Council to make the most cost effective use of its capital resources;
- ensures that no asset is overlooked or underutilised and is therefore used most efficiently;
- pools all the information about each asset
- provides a record of the sources of evidence used to support the existence and valuation of assets to be covered by insurance;
- supports the annual return entry for capital assets by collecting the information or cost or value of assets held; and
- forms a record of assets held for insurance purposes.

3.66 The key information needed in the asset register is

- dates of acquisition, upgrade and disposal (it is useful to keep a record of disposed assets as an asset management tool);
- costs of acquisition and any expenditure which increases the life of the asset; useful life estimate;
- location;
- responsibility (it may be appropriate to assign responsibility for each asset to members of staff);
- present use and capacity, for example in terms of site area, internal floor areas, and measures
- corresponding periodic measures of usage or occupation; any available indications of asset value
- charges for usage or occupancy.

3.67 Most assets will be first recorded in the asset register at their purchaser cost. In some cases this may not be known and a proxy cost substituted, usually the insurance value or, where the asset is land or is not insured, a value estimated by the council based on external advice. Whatever valuation basis is adopted, it is essential that the basis is applied consistently. If for some reason the council decides that the basis of valuation is to be changed, the figures shown on the annual return the previous year should also be changed to the same new basis and marked as 'RESTATED'. The council must provide an explanation for the change to the external auditor.

I am taking advice from our insurance company, and will report further. Does the council wish to insure the play equipment in The Close separately? If there are any questions, please ask.

Item 6 Highway/Parish Steward/Footpath matters

- a. At the time of writing, *the autumn visit dates have been requested* but not received. Parish Stewards are supposed to be on ragwort pulling duties.
- b. *Tasks completed in May & June* – the record sheet has been circulated – most jobs requested seem to have been completed, but please advise if this is not the case. I am chasing the request for white verge marker posts outside Parsonage Farm in Pitton.

Item 7 Planning

- a. *Farley House* – concerns regarding the possible flouting of planning conditions were referred to the Enforcement Officer, who investigated and advised that there was no breach.

Item 8 Other ongoing matters

- a. *Common land in the parish* – the clerk has contacted Highways for help in establishing whether there are any utilities running under Aymers Pond, and the Environment Agency to find out what is involved with applying for consent.
- b. *Pitton/Firsdawn boundary* – the Firsdawn clerk advises that they are waiting to hear from Wilts Council re maintenance task and costs, and Cllr Lowndes has visited the site.
- c. *Litter picking* – a notice has been placed on the website and in the Dun Valley News requesting volunteers. Volunteers will be covered by the PC's insurance, but risk assessments must be undertaken and health & safety guidelines observed. The clerk will contact colleagues for guidance.
- d. *Refurbishment of Farley noticeboards* – the clerk is pressing hard for these to be done.
- e. *Feral cats in Pitton* – regrettably nothing to report, other than the number of cats seen seems to have reduced.
- f. *Change in the electricity supplier* – Cllr Lowndes to give a verbal report.