

**MINUTES OF THE MEETING OF THE ADMINISTRATION AND FINANCE COMMITTEE
HELD AT 7.30PM ON THURSDAY 3 MARCH 2016
AT THE VILLAGE HALL, STATION ROAD, BROUGHTON ASTLEY**

PRESENT: Councillors: R Gahan, Mrs S Hendy, D Howe and C Porter

01.16 **1. APOLOGIES**
Councillors C Grafton-Reed and A Rowe.

02.16 **2. DECLARATIONS OF MEMBERS' INTERESTS AND REQUESTS FOR DISPENSATIONS**
None were received.

COUNCIL MANAGEMENT

3. REVIEW THE FINANCIAL REPORT TO DATE FOR 2015/16

A financial report to 31 January 2016 was presented and reviewed by the Committee. Members were advised that an invoice for £1,222 had been received relating to Playground Inspections for 2014/15, which would be met by the current budget.

It was also noted by Members that the replacement windows and doors had been installed in the Parish Office and Village Hall, respectively. The invoice for £3,140 was to be paid in March 2016.

Outstanding rental income, including the ice cream franchise, was to be pursued to ensure payment was received prior to yearend.

03.16 **RECOMMENDED: Members note the income and expenditure to 31 January 2016, with no further action required.**

4. REVIEW THE REPORT ON THE ADHERENCE TO THE CODE OF CONDUCT

The Committee received a monitoring report to note whether Members of the Parish Council are adhering to the Code of Conduct, which requires them to complete and return a Register of Interest form and notify the Monitoring Officer of any changes to their registered interests within 28 days of this change becoming known to the Member.

The Code also requires Members to seek dispensations on matters which they wish to speak on at Parish Council, if they have a Disclosable Non-Pecuniary interest or if they have a Non-Disclosable Pecuniary interest.

Members were advised of the following, as at 23 February 2016:

- i. All Members of the Parish Council have completed and returned their Register of Interests forms;
- ii. Two Members have notified the Monitoring officer of any changes to their registered interests; and
- iii. Declarations of non-pecuniary interest were recorded from five Members over four agenda items during the course of the year to date.

04.16 **RECOMMENDED: Members note the monitoring report on the adherence to the Code of Conduct, as of 23 February 2016, with no further action required.**

5. REVIEW THE BROUGHTON ASTLEY PARISH COUNCIL RESERVES POLICY

Each year the Parish Council has resolved to invest £35,000 in to a high interest investment account, during the financial year, for the purchase of land or buildings for the future provision of recreational, community or leisure facilities.

The Committee, having reviewed the Parish Council's Management Accounts at minute 03.16, examined the Reserves Policy in order to decide whether the Parish Council should invest a further amount of £35,000 into a high interest investment account. Members considered reducing this amount by £5,000 to reflect the reduction in Council Tax Support Grant received from Harborough District Council in 2015/16, which has had to be offset by the Parish Council within its Precept.

The Parish Council invested £188,071 in a Fixed Rate Deposit account with the Co-Operative Bank Plc on 19 March 2015 which is due to mature on 18 March 2016.

The following three options are available to the Parish Council:

- i. Reinvest all funds with the Co-Operative Bank for either 3, 6 or 12 months, at a net rate of 0.27%, 0.40% or 0.90%, respectively;
- ii. Make a partial reinvestment and re-invest remainder in another account; or
- iii. Withdraw all Funds and re-invest amount in another account.

A brief investigation was made into other investment streams which included:

- i. Santander Fixed Rate Business Bond 0.75% net interest for 12 months;
- ii. Lloyds Fixed Term Deposit 0.92% net interest for 12 months; and
- iii. Nationwide Business 1 Year Saver 0.88% net interest for 12 months

All of these accounts are operated on-line and therefore will not be covered by Broughton Astley Parish Council's current Financial Regulations.

None of the accounts mentioned (including the Co-operative Bank) allow withdrawals of any kind during the investment period chosen and early account termination may incur a loss of interest.

The Parish Council also has an amount of £101,082.35, invested into a Treasurer's Account held at the Hinckley and Rugby Building Society, as at 30 November 2015. This is currently paying a net interest rate of 0.40%, has no fixed term and is easily accessible.

Members were also reminded that the amount covered under the Financial Services Compensation Scheme (FSCS) for all of its investments had been reduced from £85,000 to £75,000, as from 1 January 2016.

Further to a discussion, Members felt it would be prudent to recommend the transfer of £30,000 into a high interest investment account for 2015/16. Also, recommend that an instruction is given to the Co-Operative Bank on 18 March 2016, that the Parish Council is to reinvest the total fixed rate deposit amount held with the Co-Operative Bank into a new 12 month fixed term account at a net interest rate of 0.90%. Members recommend that the Parish Council retains the balance of £101,082.35, invested in the Treasurer's Account held at the Hinckley and Rugby Building Society, as at 30 November 2015.

Members acknowledged that the Parish Council's Financial Regulations would require a robust review prior to the operation of an on-line bank account and with this in mind it was further recommended that during the following 12 months Members undertook this review.

Councillor Porter proposed and Councillor Mrs S Hendy seconded that the proposals are accepted; a show of hands carried this unanimously.

RECOMMENDED:

- i. **Transfer £30,000 into a high interest investment account for the 2015/16 financial year, subject to the finalisation of the yearend accounts;**
- ii. **An instruction is given to the Co-Operative Bank on 18 March 2016, that the Parish Council is to reinvest the total fixed rate deposit amount held with the Co-Operative Bank and a further £35,000 as resolved in June 2015, into a new 12 month fixed term account, at a net interest rate of 0.90%; and**
- iii. **The Parish Council retains the balance of £101,082.35, invested in the Treasurer's Account held at the Hinckley and Rugby Building Society, as at 30 November 2015.**
- iv. **A robust review of the Parish Council's Financial Regulations during the following 12 months to enable the operation of an on-line bank account.**

6. REVIEW AND CONSIDER THE REPORT ON ELECTRONIC PAYMENT SYSTEMS

Members were reminded that at the Parish Council meeting held in June 2015 they resolved to defer a decision on the installation of an Electronic Payments System until the September 2015 meeting, when a further report would be issued giving information collated by the Chairman of the local branch of the Society of Local Council Clerks, who has been asked to look into Electronic Payment Systems.

To date, no further information has been available due to the Branch Chairman's workload, which has prevented him from carrying out his investigations into Electronic Payment Systems.

At minute 639 of the Parish Council meeting held on 19 February 2015, Members considered the options for accepting electronic payments to the Parish Council by casual village hall users and other; and whilst various systems such as BACs, Apple Pay, Zapp Pingit and Worldpay were discussed, they accepted that changes to software and processes would be required to accommodate these.

Members were also concerned that the Parish Council would be responsible for the cost of the transactions, however accepted that staff time would be saved against aspects such as the time of transactions and banking of payments. Councillor Oliver requested that bank charges should also be monitored and any significant changes reported.

Councillor Bateman proposed that the adoption of a Paypal account and the purchase of a Paypal Card Reader at a one off cost of £69.95 would be the most appropriate method to provide better access to electronic payments for more residents. Councillor Porter seconded the proposal. On a show of hands 8 Members were in favour, 1 against and there were 3 abstentions.

The Committee revisited the initial report produced by the Deputy Clerk and were requested to make recommendations to the Parish Council on whether to proceed with this initiative.

Requirements

Pay via the office or the telephone:

PayPal Card Reader Device	£69.95
Charge applicable for each transaction	2.75%
Android / ipad / iphone required for application for Card Reader Device (this would need to be purchased or obtained on contract)	
No fee / no contract / no set up costs	

Pay via the website:

Charge applicable for each transaction	3.40% + 20p
Tracked for one month and if revenue greater than £1,500 the percentage is reviewed and	

client rewarded.

PayPal Business Account required for receipts which are then transferred to BAPC Co-operative Bank Account.

PayPal Integration Team will work with BAPC third party website provider (Erud IT) to set up website page, where payment can be made via debit / credit card or PayPal.

Estimated Income 2015/16

Broughton Matters Advertising Income	£1,000
Cemetery Income	£4,800
Scouts / Cricket / Police Rent	£310
Regular Lettings	£23,000
Casual Lettings	£8,000
Allotments Income	£2,550
Recreation Ground Income	£2,100
TOTAL	£41,760

£41,760 @ 2.75% = £1,148.40 fee if card reader used for each transaction

£41,760 @ 3.40% = £1,419.84 fee if payment received via the website, excludes additional 20p per transaction fee

Members considered whether to continue with the introduction of an Electronic Payments System, taking into account the purchase / contract of an android telephone and the charges that will be made to the Parish Council for each transaction, against the saving in staff time in receiving payments by cash or cheque, banking, reconciliation and recording the payments as well as offering a more convenient and safe method of payment for the hall users.

In addition, Members discussed retaining cash and cheque payments for any transaction undertaken at the Parish Office, under the established guidelines and procedures.

Members expressed concern as to the security of making electronic payments and the ability to provide reassurance to users that a robust system was in place to secure their payment details. Also, it was acknowledged that the majority of Broughton Matters Advertising Income, Cemetery Income and Regular Lettings were already paid via BACS; the remaining income was predominately casual lettings, with the bookings made by local residents who regularly visited the Village Hall. The Deputy Clerk confirmed that to date only a small number of enquiries had been received for the ability to pay electronically.

It was also noted by members that the cash and cheque payment facility would need to be retained and therefore the existing procedures, including petty cash reconciliation, banking, etc. would exist in addition to the reconciliation and accounting of individual card payments. The Cash Damage Deposit of £150.00 for evening hire would still be applicable.

The Committee again acknowledged that the Parish Council's Financial Regulations would require a robust review prior to the operation of an Electronic Payments System.

Councillor Porter proposed and Councillor Howe seconded a proposal to retain cash and cheque payments for any transaction undertaken in the Parish Office, under the established guidelines and procedures, with a robust review of the Parish Council's Financial Regulations during the following 12 months to enable the operation of an Electronic Payments System in the future. A show of hands carried this proposal unanimously.

06.16

RECOMMENDED:

- i. To retain cash and cheque payments for any transaction undertaken in the**

This document is also available in large print.

- ii. **Parish Office, under the established guidelines and procedures; and**
A robust review of the Parish Council's Financial Regulations during the following 12 months to enable the operation of an Electronic Payments System in the future.

7. CONSIDER THE ADOPTION OF A POLICY ON THE COMMERCIAL USE OF FROLESWORTH ROAD RECREATION GROUND AND THE HIRE CHARGES RELATED TO SUCH USE

Members were advised that in April 2015 the Parish Office was approached by Karl Green who wished to use a small portion of the recreation ground to run a fitness class. At the time and from his description, this was going to be a relatively small number of people due to him just starting out, so permission was given for him to use the grounds without charge.

It has since transpired that he runs a company called 'Instafit' as a commercial boot camp venture which can see in excess of 40 people using the recreation ground (including parts of the MUGA court). Once the Parish Office had carried out investigations, Mr Green was approached and requested to make official bookings and pay a pitch hire charge of £35.00 per week.

He responded by stating that he did not think this to be a fair fee, as although he uses the ground each Saturday morning, he sometimes only has six to eight people attend. Mr Green was invited into the Parish Office to discuss this matter further.

During the meeting it was explained to him that all commercial ventures should be paying towards the upkeep of the recreation ground and it was suggested that the current fee of £35.00, which is applied to the football and rounder's teams, is charged to cover the costs of safety inspections, grounds maintenance, etc.

Mr Green has since written to the Parish Council requesting that they consider charging his company less than the recommended £35.00 per session. He enclosed a copy of an invoice from Brockington College who charge him £10.00 per session and has requested that the Parish Council consider this to be a reasonable amount to charge for the use of the recreation ground, which by his admission could be up to three times a week.

Enquiries have been made with Thomas Estley Community College, another venue used by Instafit, as to their charges. The person in charge of bookings was not available at the time of enquiry, but we were informed that they believe the charge is in the region of £20.00 per session.

Members needed to consider whether a charge should be made for commercial use, the level of charge to be applied and whether to adopt a policy to cover the commercial use of the recreation ground. Members also considered a Draft Policy prepared by the Parish Manager. The Committee were asked to consider a charge of £15.00 per session, to cover the wear and tear of the ground and contribute to grounds maintenance, inspection fees and security costs. This fee will not include the use of the changing room or toilet facilities.

Further to a discussion, Councillor Porter proposed and Councillor Mrs Hendy seconded a recommendation to charge £20.00 per 1 ½ session for commercial use, which would include use of the recreation ground for 1 hour plus ½ hour set up / close down. They also recommended that the draft policy for the Commercial Use of the Frolesworth Road Recreation Ground was adopted and reviewed annually, which excludes the terms and conditions already in place for football/rounder's use.

A show of hands carried this proposal unanimously.

07.16

RECOMMENDED:

- i. **To charge £20.00 per 1 ½ session for commercial use, which would include use of the recreation ground for 1 hour plus ½ hour set up / close down; and**
- ii. **The draft policy for the Commercial Use of the Frolesworth Road Recreation Ground was adopted and reviewed annually, which excludes the terms and conditions already in place for football/rounder's use.**

The meeting closed at 8.20pm

Minutes approved and accepted as correct

.....Chairman

.....Dated