

Raglan Community Council
Minutes of the Special Meeting held on Wednesday
4 May 2022. This meeting was conducted electronically
at 7:00 pm

Present

Cllr Richard Moorby
Cllr Adrian Merrett (Chair)
Cllr Brian Willott

5096 In attendance:

Adrian Edwards, Clerk to the Council

5097 Agenda item 1:- Apologies for absence

Cllr Penny Jones, Cllr Sylvia Price

5098 Agenda item 2:- Declarations of interest.

No declarations of interest were submitted, but members will make a declaration when and identified under the relevant minute.

5099 Agenda item 3:- To consider a draft Governance Document presented by Gwehelog Fawr Community Council.

The chair invited the Clerk to give some background information following the meeting that was convened with the chair and Clerk of Gwehelog Community Council on the 28 April 2022. The Clerk explained that the chair from Gwehelog made the opening remarks that the chair and Clerk from Raglan Community Council have put as many obstacles as possible in the process to try to resolve this current issue of the transfer of residual funds and assets between both successor Community Councils.

The chair explained that he said from the outset that any known fees, invoices or bills should have been set aside for payment and the remainder of the residual funds then split between both successor councils before the account was closed.

If the Finance and Governance Paper dated 19 April was sent in draft format for comment and consultation, at that stage any changes could have been proposed, and Raglan Community Council not presented with a paper just to sign. At that stage the residual funds could have been split on the basis included in the Budget paper.

Apportion 136/209 ths of the total balance to be transferred by cheque to Raglan Council

Apportion 73/209 ths of the total balance to be transferred by cheque to Llanarth Fawr Community Council.

It was explained that Raglan Community Council have had no input into both these documents, and it was explained that members from Raglan Community Council did not have an opportunity to review the document and have any substantial input into its content and make any amendments. The chair explained that it was said if you are not happy with the content Raglan Community Council can go to arbitration.

It was explained again this process can be classed as fait accompli and its very frustrating when Gwehelog was aware that there were fees which needed paying.

One member asked what the outcome will be at this late stage. It was explained that no further action can be taken relating to the residual funds as Gwehelog Community Council have closed the account and written cheques to both successor councils.

One member strongly believes that the audit fees for 20/21 and 21/22 should be split between both successor councils. It was explained that Raglan Community Council will need to pay the fees outstanding, but a letter is sent to the other successor council informing them that it would be expected that 73/209ths will be asked for and a formal letter sent to the Monitoring Officer at Monmouthshire County Council.

It was felt that a letter should be sent to Monmouthshire County Council regarding this matter and explained that Raglan Community Council are querying the outstanding audit fees for 21/22 and the audit fees that are still outstanding for 20/21.

Concern must also be expressed that other costs or fees may come to light after Gwehelog Community Council has been disbanded, and any liabilities Gwehelog Community Council may have outstanding need to be split between both successor councils.

6000 Agenda item 4: - To sign draft Governance Document if agreed to accept the draft document

After some discussion about signing the Governance Document and signing both documents there are a number of open questions that are unanswerable as Raglan Community Council have not had input into the creation of the documents.

It was felt as and from mid-day on the 3 May Gwehelog Community Council are no longer a trading entity as the bank account has been closed. The chair of Gwehelog Community Council has signed the minutes of the meeting convened on the 27 April as a true and accurate record.

This is questionable as Raglan Community Council can only note the minutes at its next meeting as there is no formal confirmation that the minutes can be ratified. A discussion took place with a range of views being expressed. After some debate it was:

Proposed: that both documents are noted as being received and not signed due insufficient input and no opportunity into the drafting of the papers. Raglan Community Council should formally write to Monmouthshire County Council informing them of the outcome of this meeting and expect that the appropriate amounts will be covered by both successor councils and Welsh Government.

The chair expressed concern over the contracted works the HR consultant has been engaged in to help with the TUPE transfer, but it was explained that the HR consultant has informed him the contract has been completed and her dealings are complete apart from drawing up a consultation paper for One Voice Wales. The chair expressed concern over this as it would appear One Voice Wales have only done half a job again. It is clear that Raglan Community Council still doesn't have information relating to contract of employment, job description for the TUPE employee, and one-one knows what the role and responsibility is or will be.

It was explained that no discussion has taken place about employment or if redundancy may need to be one option and what are the consequences.

Concern was expressed again, if this would be an option, the other successor council should pay a portion of that cost, and not just left to Raglan Community Council and its residents to pick up this cost. There was some discussion about this process, and it may require any employees to be included in this process and this would need the split for any employment redundancy payments.

A question was asked about 4.1.5 Employment in one of the documents, and who has said this and where can this information be found. Why wasn't the TUPE arrangement part of the other successor council transfer. It was asked where this information can be found. One member commented on the TUPE regulations which indicate that these regulations only cover the employees' rights not when that employee is transferred. A discussion took place with several views being expressed.

6001 No other business was discussed, and the Chairman thanked everyone for attending. The meeting closed at 19:45 hrs.

Signed by _____

Chairman

Date 11 May 2022

Please note: these minutes are a summary of the above meeting, and a record of the decisions or resolutions moved. These minutes are not to be taken as a verbatim record of the meeting.

Gwehelog Fawr Community Council
FINANCE AND GOVERNANCE PAPER 19 April 2022

Proposal for the redistribution of assets and funds on the closure of
Gwehelog Fawr Community Council - 4 May 2022 at 11.59pm

1 PURPOSE

The purpose of the paper is to set out the requirements, activities and process of the GFCC closure and the responsibilities of GFCC and each of the successor councils, to ensure that good governance is in place and an auditable and transparent outcome is assured. The Welsh Government guidance (see attached). Section 3 commencing on page 17, outlines the situation regarding assets being transferred from one council to a neighbouring council due to a boundary change. Each Council is asked to receive and approve the proposal and actions.

2 BACKGROUND

Gwehelog Fawr Community Council (GFCC) consists of the areas of:

- Gwehelog
- Llancayo
- Trostrey
- Kemey's Commander

There are a total of seven councillors representing the ward areas. The current number of councillors actually serving on the community council is five with two long term vacancies. The council has met monthly apart from August and December, although additional meetings have been put in place as and when business requires. The precept has remained at £4500 per annum for many years see GFCC Budget paper previously circulated.

GFCC employs a Clerk/RFO on a contract basis of 16 hours per month.

3 REVIEW OUTCOME

GFCC is set to dissolve on 4 May 2022 at 11.59pm, as part of the Monmouthshire County Council (MCC) Town and Community Council review and has been approved by the Welsh Government. The subsequent restructure of boundaries will result in wards which currently sit under Gwehelog Fawr, being split accordingly between the adjoining councils of Llanarth Fawr (LF) and Raglan (R).

As a consequence, households established within a ward currently under the boundaries of GFCC, may, post May 4, find themselves sited within a different ward under either LR or R councils. The new Kemey's Commander and Llancayo ward going to LF has 73 properties. The Gwehelog ward going to Raglan has 136 properties (information supplied by John Pearson, Local Democracy Manager, MCC).

4 CORPORATE GOVERNANCE

4.1 Responsibility and Accountability

Responsibility and accountability for the governance, processes and transferring of funds and assets lies with each of the three councils involved. As part of the governance requirements surrounding closure, the three council bodies involved, GFCC, LF and Raglan, are required to formally agree the distribution of the assets that are currently held by GFCC **prior to** the date that the review takes effect, i.e., 4 May 11.59pm.

In addition, **all funds** remaining in the GFCC account, at the point of closure, must be allocated between the two receiving councils i.e., LF and Raglan, who receive the reprofiled wards.

If agreement is not reached, formal intervention will be required and this will be at the expense of the councils concerned.

John Pearson, Local Democracy Manager, MCC **confirmed by email 16 March 2022:**

'One of the new councils is nominated as the successor body. When funds are split between the two new councils, allowance will need to be made to ensure that any bills that come in after the election but relate to the dissolved council can be paid by the successor. The audit fee will likely be £200-£300.'

When approving the accounts, the new council will need to make arrangements to satisfy itself that the accounts are properly prepared – they'll need to do this even though they were not councillors of the dissolved council. They can get this assurance from, for example, the internal auditor (also to be paid by the successor)'.

4.1.1 Financial balance and Assets

According to John Pearson, Local Democracy Manager, MCC: *'A property based split would be sensible given that the precept and money raised by the community council is based on that number but there may be other factors involved that need consideration as well'*. **received 7 April 2022 by email**

The new Kemey's Commander and Llanayo ward going to Llanarth has 73 properties. The Gwehelog ward going to Raglan has 136 properties. This makes a total of 209 properties.

Therefore, it is proposed that the financial split of residual monies in the GFCC account should be split as follows:

Apportion 136/209 ths of the total balance to be transferred by cheque to Raglan Council

Apportion 73/209 ths of the total balance to be transferred by cheque to Llanarth Fawr Community Council.

The cheques for these payments will require authorisation in the normal way by GFCC and the account will need to be closed subsequently. A letter to notify MBS of the account closure has already been drafted and approved by GFCC. All authorised signatories are required to approve and authorise the letter. Each successor Council will need to receive a notification of the final balance and the audit trail for allocation of funds.

It is proposed that the Clerk/RFO of GFCC and the Chair of GFCC attend the MBS branch to undertake the payment and closure.

4.1.2 The assets of GFCC consist of four noticeboards and a laptop:

- Noticeboard at the Church Kemey's Commander
- Noticeboard at Llanayo
- Noticeboard at Gwehelog Chapel
- Noticeboard at Gwehelog Parish Hall
- Lenovo Laptop
- Website

Two noticeboards sit within the new LF boundary and two within the Raglan boundary. The Lenovo laptop will continue to be utilised by the Clerk /RFO when transferring to Raglan council post 4 May 2022 and will become a Raglan Council asset. The website has been approved to continue in its current domain until 31 January 2023. As per Boundary Review FAQs *'The easiest solution would be to update the old website with a reference that this site is no longer updated but link to it from the new council website should people wish to review minutes or agendas for the old council'* a decision will need to be taken by each successor council.

4.1.3 GFCC final meeting and Minutes

The final meeting of GFCC is set for April 27 at 8.00pm. As per the information supplied by John Pearson, Local Democracy Manager, at MCC (below) the minutes of this meeting will be approved at the first meeting of the post-election Raglan council.

'Yes, as Raglan is the successor Council it will need to agree the minutes of any final meeting. With no one standing in the Gwehelog ward for the election and therefore no in attendance at the meeting who can confirm their accuracy it does question the point of it but that's the legislation'.

4.1.4 Financial control and Audit

At each meeting of GFCC the purchases made since the previous meeting, account expenditure and balance are all set out for council scrutiny and approval.

At the final meeting on the 27 April outstanding invoices and expenditure will be accounted for and subject to approval.

It is important to note that the cost of GFCC 2020-21 external audit has not yet been received and there will be a VAT refund due for 2021-2022.

The normal year for accounts purposes is 1 April -31 March, however, as the council closes on 4 May 11.59pm, it has been agreed that the GFCC audit for year 2021-2022 will cover 1 April 2021- 4 May 2022, hence avoiding the need to audit 34 days in 2022-2023 as confirmed by the powers conferred by section 13(1)(a) of the Public Audit (Wales) Act 2004.

As the accounts cannot be finalised until closure it is anticipated that the audit will take place immediately after closure. The internal auditor has been commissioned and informed of this.

4.1.5 Employment

The Clerk's employment will be transferred to the successor Council, Raglan Council, under the Transfer of Undertaking (Protection of Employment) regulations. This is being facilitated with the respective Chairs by the HR lead commissioned by One Voice Wales (OVW) who is to provide the necessary expertise and support to those Councils affected by the MCC review. The Clerk/RFO will receive pay up to and including the 4 May 2022 from GFCC.

Action plan and responsibilities

| Item | Action | By whom | By when | Comments |
|-----------------------------|--|-------------------------------------|---------------|--|
| Council plan and governance | Receive and approve individual councils and Clerks/RFOs | Each Council body Each Clerk/RFO | 4.5.2022 | To receive and approve the governance plan and actions |
| Assets | To agree the apportionment of assets as set out in the Finance & Governance paper and progress | Each Council body And Clerk/RFO | 4.5.2022 | To receive and approve the governance plan and actions and the apportionment of assets Clerk/RFO to action |
| Finance and funds | To agree the apportionment of funds at GFCC closure | Each Council body | 4.5.2022 | To receive and approve the governance plan and apportionment of funds Identify VAT Refund and any outstanding financial commitments to move forward to Raglan council e.g. Audit cost |
| Audit | To agree the GFCC accounts To agree the relevant audit requirements ¹ | GFCC Clerk/ RFO | 27 April 2022 | Identify VAT Refund and any outstanding financial commitments to move forward to Raglan council including any audit costs. |

¹ powers conferred by section 13(1)(a) of the Public Audit (Wales) Act 2004

| | | | | |
|---------------------------|--|--|--|--|
| Minutes | To agree the minutes of the final meeting of GFCC | Successor body of Raglan Council | First meeting of Raglan Council | Clerk/RFO GFCC to co-ordinate with Clerk/RFO Raglan |
| Website | To place a link to the GFCC website on each successor website | Each council body to agree and Clerk/RFOs to action | First meeting of LF and Raglan councils | Website links to be put in place to enable transparency and accountability to the public |
| Employment matters | To transfer the GFCC clerk/RFO to Raglan council | HR lead and Chairs of GFCC and Raglan Clerk and RFOs of GFCC and Raglan | 4.5.2022 | Due diligence and legal requirements to be met Process for the payment of the clerk to be established |

**Author : Nicola Awni Clerk/RFO Gwehelog Fawr Community Council
Owner: Gwehelog Fawr Community Council**

Received and approved by:

Chair Gwehelog Fawr Community Council Date

Please print name

Chair Raglan Council Date

Please print name

Chair Llanarth Fawr Community Council Date

Please print name

GWEHELOG FAWR COMMUNITY COUNCIL
Budget Setting Paper for year 2022-2023

Background and introduction

The outcome of the Community and town council review is still not confirmed and therefore, budget planning continues for 2022-2023 until the Welsh Government puts other mechanisms in place.

Gwehelog Fawr Community Council has continued to set a precept of £4500 per annum for a number of years. This amount has not been raised for many years.

To date, members have not taken up their annual allowance although this amount has to be budgeted for. A small reserve balance accrued at the end of 2020-2021. As part of good financial governance, the council should maintain a healthy reserve, which provides the equivalent of one full year of expenditure.

The expected end of year balance and the preliminary draft budget required for 2022-2023, is set out below.

Financial position 2021 -22

The balance of funds carried forward as at 1 April was £4049.84. The financial position at Month 6 (30 September 2021) shows a balance of funds totalling **£4982.20**, which excludes the VAT refund for last year of £65.71 and includes the second precept installment.

- **Spend to date**

At the end of September, the total spend year to date, was £2067.64 and this is £5193.36 under budget for 2021-22. This is on a level with the budget position at this time in September 2020.

- **Anticipated spend**

At the end of March 2022, the anticipated spend is expected to be - see Fig 1.

The assumptions are that employment costs and expenses remain steady, however, the clerk may have an increment due and pay award pending. All members may take their allowance, election monies will not be spent and regular payments will continue for the rest of the year.

In addition, it is modelled that not all the training budget will be spent. The hall is being used this year, so rental is due and virtual meeting facilities continue.

If the community council is no longer in existence at 1 April 2022, the Clerk might incur a statutory redundancy payment in line with service and pay and conditions.

- **Anticipated income**

The final precept payment of £1500 is expected 31 December 2021 and the VAT refund payment of £65.71 is awaited.

- **Projected Council performance against budget - see Fig 1**

Based on some of the assumptions made, the Council performance against budget may be a **£1903.23 underspend**.

Figure 1

| Payments | Projected spend year £ | Budget £ | Variation on budget £ | Assumptions |
|--------------------------|-------------------------------|-----------------|------------------------------|--------------------------|
| Member allowances | 1050.00 | 1050.00 | 0 | All taken |
| Clerk salary | 1843.20 | 2489.00 | 645.80 | |
| Clerk expenses | 420.00 | 500.00 | 80.00 | |
| Payroll provision | 572.79 | 695.00 | 122.21 | 4 quarter costs |
| Training | 60.00 | 200.00 | 140.00 | Not all used |
| Ovw/Sicc | 144.00 | 144.00 | 0 | Increase may be expected |
| Insurance | 238.00 | 238.00 | 0 | |

| | | | | |
|----------------------------|-----------------|-----------------|-----------------|------------------------------|
| Money for community | 100.00 | 600.00 | 500.00 | Wales Air Ambulance donation |
| Rent | 260.00 | 260.00 | 0 | |
| Sundry items | 47.80 | 170.00 | 122.20 | |
| External audit | 350.00 | 400.00 | 50.00 | Cost to be confirmed |
| Internal audit | 100.00 | 120.00 | 20.00 | |
| ICommissioner | 40.00 | 40.00 | 0 | May increase |
| Website | 80.00 | 100.00 | 20.00 | approx |
| Election | 0 | 200.00 | 200.00 | none |
| VAT | 51.98 | 55.00 | 3.02 | |
| TOTAL | £5357.77 | £7261.00 | £1903.23 | UNDERSPEND |

Projected spend 2021-2022 : see fig 2

- The projected total spend for 2021-2022 is **£5357.77**
- **Cash amount available at 1 October 2021 £4982.20**
- With the 3rd installment and VAT refund - **£4982.20 +£1500 +£65.71 = £6547.91**
- The projected spend from October 2021 to Mar 2022 is **£3581.12**

The anticipated balance carry forward based on assumptions:

The Oct balance plus precept +VAT refund £6547.91 **minus** the projected spend from October 2021 to Mar 2022 of £3581.12. Expected account balance of **£2966.79** at the end of March 2022. With annual precept income of £4500, the total available funds for 2022-23 would be **£7467**. **The proposed budget for 2022-2023 of £7283 does not require any addition to the existing precept.**

It is important to note that repairs to the noticeboards are required and this cost cannot be estimated without council approval to proceed with obtaining quotes
Figure 2

Estimated Payments October 2021 - Mar 2022

| | | |
|------------------------------|-----------|---------|
| Payments Oct-Mar 2021 | £1,050.00 | |
| Member allowances | | £922.00 |
| Clerk salary | | £210.00 |
| Clerk expenses | | £296.20 |
| Training | | £60.00 |
| Ovw/Sicc | | £144.00 |
| Insurance | | |
| Money for community | | £100.00 |
| Rent | | |
| Sundry items | | £260.00 |
| External audit | | £47.80 |
| Internal audit | | £350.00 |
| Info Commissioner | | |
| | | £40.00 |
| Website | | |
| Election | | £80.00 |
| VAT | | £0.00 |
| TOTAL | | £21.12 |

£3,581.12

At the 27 October 2021 Council meeting, members are asked to :

- consider the budget implications and projected spends
- agree and approve the budget for 2022-2023 see Annexe 1
- agree and approve the level of precept for 2022-2023 ready for notification to Monmouthshire County Council - usually during December
- consider the repair the 2 noticeboards at Gwehelog which are in need of new backing/fixing the backing and consider the purchase of a new noticeboard at Llancayo, using reserves.

2022 -2023 Budget see Annexe 1

Assumes:

- the community council remains
- an increase in election costs anticipated in local election year
- 1% contractual pay increment for the clerk - set by Local Government and that payroll costs remain the same

| Annexe 1 BUDGET YEAR 2022 -2023 | | Budget year 2021-22 | 2022-2023 | |
|--------------------------------------|--------|---------------------|-----------------|-------------|
| | | | | |
| Member allowances | | 1050.00 | 1050.00 | 0 |
| Clerk's salary | | 2489.00 | 2329.00 | -160 |
| Clerk expenses | | 500.00 | 500.00 | 0 |
| Payroll Provision | | 695.00 | 721.00 | +26 |
| Training | | 200.00 | 160.00 | - 40 |
| One Voice Wales and SLCC memberships | 144.00 | | 160.00 | + 16 |
| Council Insurance | | 238.00 | 238.00 | 0 |
| Money for the good of the Community | 600.00 | | 600.00 | 0 |
| Rent of village hall | | 260.00 | 260.00 | 0 |
| Sundry Items | | 170.00 | 150.00 | -20 |
| External audit fee | | 400.00 | 400.00 | 0 |
| Internal audit fee | | 120.00 | 120.00 | 0 |
| Information Commission Registration | | 40.00 | 40.00 | 0 |
| Website | | 100.00 | 100.00 | 0 |
| Election provision | | 200.00 | 400.00 | +200.00 |
| VAT | | 55.00 | 55.00 | 0 |
| | | | | |
| Budget | | £7261.00 | £7283.00 | +£22 |

Author : N.Awni Clerk and RFO

9 October 2021

Signed Chair

Date

Signed RFO/Clerk

Date.....