

Report from Finance Advisory Group Chairman

Finance Report

Part 1: Shared Storage

Part2: AGAR

Part 1: UPDATE ON DISCUSSIONS ABOUT POTENTIAL FUNDING FOR SHARED STORAGE

At the June BPC meeting the Council agreed support in principle and delegated discussion of options on this to the Finance Advisory Group. In advance of the next scheduled meeting of that group (Tuesday 21st July) Cllrs Underwood, Thelwall and Ashwell undertook a preliminary exploration of likely issues which they consider will need to be resolved to determine how BPC can appropriately make a financial contribution to the Buckden Village Hall Trust programme towards creating a storage solution for the sports clubs in which BPC would have a share of the space.

This briefing sets out a summary of the issues to be discussed next with the Finance Advisory Group and with representatives of the Village Hall Trust (VHT). The constraints and legal structure within which a contribution can be made include the “powers” of the Parish Council as well as the Scheme that covers VHT, and charity law generally.

As a result of preliminary discussions within the Parish Council SA agreed to take three options to the Finance Advisory Group about possible legal arrangements between VHT and BPC.

In brief, the options appear at this stage to be:

Option	Preliminary comment
1. Capital contribution from BPC, probably by way of a grant; In recognition of this VHT grants BPC a licence to share the use of the building for a defined period (say 200 years) paying a nominal annual licence fee.	BPC Donations and Grants policy covers such an eventuality. The licence cannot be a de facto ‘lease’ so one of the issues to be addressed is how access to the storage would be controlled. At this time, before discussion with VHT officers, this appears to be an achievable option provided associated matters can be resolved.
2. Full share by BPC in the capital cost of the new storage building on the basis that BPC would be part-owner of the building and land it stands on. BPC’s interests would have to be secured through a long-term agreement recorded in writing in proper legal form.	This appears unlikely to be viable as it is understood that shared ownership may not be permitted under charity legislation because BPC is not and cannot be a charity. A grant by BPC without a licence is not expected to guarantee the BPC’s interests sufficiently to meet our duties in relation to the use of public money (whether Precept or CIL).
3. Sharing the facility on a lease and paying rent from BPC to VHT This could repay to the VHT a share of the cost over a period of years. We understand that it may not be possible for VHT to grant a lease. In addition, this is likely to be more complex than a licence.	VHT has identified that they need a capital contribution to add to the funds they are securing as capital contributions from outside funding organisations e.g. FA and from their own resources. If BPC cannot/do not make a capital contribution the size of the building would be reduced to fit with capital available.

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Before any final arrangements with VHT are agreed BPC will need to take legal advice.

However, work can be undertaken between VHT and BPC representatives to set out the mutually desired outcome in sufficient detail to shape/manage the work required of specialist solicitors and therefore the cost.

Part 2: ANNUAL GOVERNANCE AND ACCOUNTABILITY RETURN

SLCC GUIDANCE: Published 10th June 2020

"Sections 1 and 2 of the Annual Governance and Accountability Return ('AGAR'), and the Certificate of Exemption from external audit (if applicable), must be considered and approved at a duly convened Full Council meeting. 'Approval' by phone or email or WhatsApp or by a committee or working group is not lawful.

At present a Full Council meeting must be held virtually in accordance with the Regulations (with the public being given the opportunity to observe and perhaps to participate).

If the council fails to approve the AGAR (and Certificate of Exemption, if applicable) at a duly convened Full Council meeting then there is a risk that the external auditors will charge the council for sending a 'chasing' letter and also that they will issue a public interest report for failure to comply with the legislation."

ACTIONS FOR ALL COUNCILLORS

July 2020 is the final BPC meeting before the deadline set out in the Covid-19 Regulations for the submission by our Clerk of the AGAR documents for the financial year 2019-20.

The Clerk will therefore present the full set of papers required for this purpose and all Councillors are requested to make themselves familiar with the documents and prepared to raise questions before the final sign off by the Full Council at this meeting.

Councillors are respectfully reminded that they are individually accountable for oversight of Council finances.

The Clerk and Chairman of the Finance Advisory Group are happy to take questions on any matters which Councillors or the public may wish to raise.

Councillors are requested, as far as possible, to send questions on the AGAR documents to both the Clerk and the Chairman of Finance AG, so that all matters can be dealt with at this Council meeting.

NOTICE OF PUBLIC RIGHTS AND PUBLICATION OF UNAUDITED ANNUAL GOVERNANCE & ACCOUNTABILITY RETURN ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

This was announced by the Parish Clerk on 12th June 2020 and is available from the BPC website - See Post 15th June 2020.

The closing date for the exercise of these rights is Friday 24th July 2020.