

TORMARTON PARISH COUNCIL

The minutes of the Meeting of Tormarton Parish Council held on Monday 15th June 2020 at 18:00 via a virtual meeting link.

Councillors: Cllr Simon Stevens (Chairman), Cllr Katy Pool, Cllr Janet Wells

In Attendance: Jack Turner (Parish Clerk and RFO)

Members of the Public: None

Absent: Cllr Nick Davis

15/06/2020 – No 1. To consider the apologies for absence and decide whether to accept them.

No apologies were received.

15/06/2020 – No 2. Declaration of Interest

The Chairman stated that any member having a disclosable pecuniary interest in a matter to be discussed should declare it during the meeting as specified in the Code of Conduct required by the Localism Act 2011 Section 27 and should leave the room while the matter was discussed.

15/06/2020 – No 3. To receive the Internal Audit Report for 2019/2020 and consider the following recommendations:

The Council considered the report and any actions required. A query was raised over correcting the VAT issue in the report and the Clerk would raise this with the auditor now the VAT advice had been received.

a) To nominate a councillor to periodically check and sign off the Bank Reconciliation in accordance with Financial Regulation 2.2.

RESOLVED: It was unanimously agreed that Cllr Katy Pool would carry out this check.

b) To nominate a councillor to carry out Quarterly Checks on the Financial Systems.

RESOLVED: It was unanimously agreed that Cllr Simon Stevens would carry out the checks.

c) To approve the amendment to Standing Orders and Financial Regulations.

RESOLVED: It was unanimously agreed to approve the amendment which was recommended by the Internal Auditor.

d) To adopt a Risk Management Policy.

RESOLVED: It was unanimously agreed to adopt the policy.

e) To consider and adopt the Risk Register

RESOLVED: It was unanimously agreed to adopt the Risk Register and the document would be reviewed annually.

15/06/2020 – No 4. To consider and approve annual accounts and annual procedures:

a) To note the amendment to the Audited Annual Accounts; Removal of the £1000 internal transfer from the receipts section of the accounting statements.

This was noted and approved by the Council.

b) To consider the Certificate of Exemption – AGAR 2019/2020 part 2 and agree to sign the document.

RESOLVED: It was unanimously agreed to sign the Certificate of Exemption.

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c) To note the Internal Auditor's report section of the AGAR 2019/20.

The Council noted this report.

d) To receive and approve the Annual Governance Statement 2019/20.

RESOLVED: It was unanimously agreed to approve the Annual Governance Statement and explanations for the negative assurance's at boxes three and five.

e) To receive and approve the Accounting Statements for 2019/20.

RESOLVED: It was unanimously agreed to approve the Accounting Statements.

f) To note the period of public rights and publication of the Annual Governance and Accountability.

The Council noted the period of public rights and publication of the Annual Governance and Accountability which would commence on Tuesday 16th June 2020 and end of Monday 27th July 2020.

15/06/2020 – No 5. To receive the report on VAT from DCK Accounting and consider any actions required.

The Council received the written report from Derek Kemp. The Council made no objections to the report and this report should be followed and viewed as the Council's legal standpoint when viewing the Council's functions as a trustee. The report is documented below:

VAT as it applies to Town and Parish Councils

Parish and Town Councils have been given certain dispensations when it comes to reclaiming VAT.

- 1) VAT can be reclaimed on Non-Business activities (which include Statutory obligations. Such as allotments) and anything not producing income (e.g. Street Lighting).
- 2) VAT can also be reclaimed on any activities generating VATable income.
- 3) In respect of activities which generate exempt income, VAT can only be reclaimed if the VAT claimable does not exceed £7,500 (known as the 'de-minimis' limit) in any one financial year. If the de-minimis limit is exceeded then the total amount of VAT claimed on these activities must be repaid in full to HMRC.

In the light of the above, and on the assumption that your council has not exceeded the de-minimis limit set out in 3 above, my response to your two specific questions is as follows:

Village Pond

As sole Trustee, particularly where the activities of the Trust and the Council are so similar as to be virtually indistinguishable, the Council is entitled to recover all VAT suffered, whether by itself or the Trust, particularly as the activity would appear to be of a non-business nature (i.e. that no income is generated).

Village Hall

As Custodial Trustee, the Council is NOT permitted to recover any VAT suffered by the Trust. The position is entirely different from a Sole Trustee arrangement, and VAT Notice 749 (VAT and Local Authorities) makes that abundantly clear.

The only circumstances in which VAT would be recoverable would be as follows:

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1. The Council makes itself (rather than the Trust) wholly responsible for the expenditure,
2. Places the order for the work itself,
3. Receives an Invoice addressed to the Council,
4. Pays for the work from its own funds and
5. Receives no monies by way of reimbursement from the Trust for the expenditure incurred

15/06/2020 – No 6. To consider any planning applications received and agree any actions.

a) P20/09151/F Land off Old Hundred Lane, Acton Turville Road, Tormarton

The Council considered this application at length. Cllr Janet Wells brought residents' concerns to the Council's attention in an email which had been circulated. The Parish Council objected to this planning application and appreciated the parishioner's views on this application. Cllr Janet Wells would send the Clerk the information to formulate the objection.

RESOLVED: It was unanimously agreed to object to the planning application.

The meeting was closed by the Chairman at 18:40.