FINANCE, ASSET & RESOURCES COMMITTEE

Minutes of the meeting of the Finance, Asset & Resources Committee held in Ellesmere Town Hall on Wednesday 15th January 2020 at 11am.

PRESENT: Councillors: Cllr G Hutchinson (Chair), N Cull, G Elner, P Goulbourne, R Hartley, D Lunn and Mrs A Wignall
Jo Butterworth – Town Clerk
Phil Smith – Assistant Clerk

FAR-1/20 **To Receive Apologies and Reason for Absence.**

No apologies had been received.

FAR-2/20 **Disclosure of Personal and Prejudicial Interests in Items on the Agenda**

Cllrs P Goulbourne, G Hutchinson and Mrs A Wignall, as members of Friends of Ellesmere Library, declared a non-pecuniary interest in relation to any funding request for Ellesmere Library during consideration of agenda item 6 – Budget & Precept Deliberations for 2020/21.

FAR-3/20 **Grant Dispensations**

None received.

FAR-4/20 **Public Participation Session**

No members of the public were present.

FAR-5/20 **Budget and Precept Deliberations 2020/21**

The Town Clerk explained that the Committee was being asked to consider the draft budget for 2020/21, and put forward recommendations to a special budget meeting of the Town Council on 27 January 2020. The draft budget estimates for 2020/21 (which included the sums agreed at the last Town Council meeting for various cost centres) and explanations had been circulated, along with current year income and expenditure projections and a list of earmarked reserves.

The Committee went through the draft budget estimates, and a number of questions were asked, for which the Town Clerk was able to offer clarification. In relation to Town Council salaries, it was questioned whether there was enough in the budget to pay for any additional staffing resources that might arise following the planned HR review. The Town Clerk reported that she had been advised to budget for 10% pay increases, but it was unlikely such increases would be forthcoming – so there should be some flexibility within that cost centre for some additional resources. In terms of street lighting, it was expected that the new LED lights would reduce energy consumption. However, it was agreed that it would be prudent to retain the budgeted figure until the extent of any savings became clear. Further to the discussion at the last Town Council meeting about extending the CCTV system, the Town Clerk reported that £5k had been put into the draft budget as an Earmarked Reserve, pending Council approval. It was proposed that the CCTV Task & Finish Group would look at

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future options for the CCTV system, including applying for matched funding from the Police & Crime Commissioner.

The Town Clerk reported that since the papers had been circulated, a request had been received from Ellesmere Library for financial assistance of £5k in 2020/21. Members noted that the Town Council had been financially supporting the Library over the last couple of years, and it was felt that the Library should do more to seek contributions from neighbouring parish councils whose residents used the facility. However, it was recognised that the Library was of community benefit and would struggle to continue without further support.

In relation to the annual grant that the Council made to the Cemetery Working Group, the Town Clerk reported that £8,100 had been allocated in the draft estimates. There was a discussion regarding the level of reserves held by the CWG, and the Cemetery Co-ordinator had indicated that there was no significant planned expenditure on the Cemetery in the next year. On this basis, it was agreed to recommend not to make a grant to the CWG for 2020/21.

In respect of the cost centre for Town Hall electricity, the Town Clerk reported that the contract was due for renewal, and three quotes had been sought for a two or three year contract. Details were provided, and it was moved by Cllr R Hartley, seconded by Cllr P Goulbourne and

RESOLVED – that the quote submitted by Supplier 3 for a two year period be approved.

The Town Clerk advised that the increased cost of the Electricity contract had been included in the draft estimates.

In relation to pensions, the Town Clerk reported that she had just received information from Shropshire County Pension Fund regarding the deficit recovery amount that was required from the Council for the next three years. It was noted that there was an option to pay a higher amount to cover additional costs that might arise from the outcome of a pending legal judgement, but it was felt that this was premature pending the outcome of the case.

The Committee agreed that there needed to be a budget of £1500 for climate change initiatives, and that this should be included under a general budget heading of Town Hall Projects.

The Town Clerk reported that, with the recommended variations to the budget, there was a deficit of £19,470 between income and expenditure assuming a 0% increase in the precept. Various options to balance the budget were discussed, and it was felt that it should be met by increasing the Council Tax precept by 4% and by the use of Reserves.

RESOLVED – to RECOMMEND to the Full Council

(a) that the total Town Council budget for 2020/21 be increased by £19,010 (equivalent to 4% increase in the Council Tax precept which equates to £6 per year increase in the Band D Council Tax rate) to £231,312;

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(b) that the following variations to the draft budget estimates be approved;
- increase Membership fees by £63 to £2163 to allow for an increase in SALC membership
- increase Awards/Gifts budget by £10 to £30;
- reduce Contingencies for Town Council Administration by £1000 to £2500;
- reduce Contingencies for Community Services by £1000 to £1000;
- reduce Grants budget by £8100 to £2050 to reflect that no grant to be paid to the CWG for 2020/21;
- include provision of £5000 for financial assistance/support to Ellesmere Library;
- include provision of £1500 for climate change initiatives under a new Town Hall Projects cost centre;
- include provision of £700 for payment of deficit recovery amount to Shropshire County Pension Fund.

(c) that £10,458 be taken as a one-off from Reserves to support the budget expenditure for 2020/21.

(NB: Cllrs P Goulbourne, G Hutchinson and Mrs A Wignall did not vote in respect of the application for funding from Ellesmere Library)

The meeting closed at 1 .10pm

Chair: G. Hutchinson

Date: 13/07/2020