

FINANCE AND GENERAL PURPOSES COMMITTEE OF THE WITNEY TOWN COUNCIL

Held on Monday 18 November 2013

At 6pm in the Council Chamber, Town Hall

Present:

Councillor P J Dorward (Chairman)

Councillors:	Cllr A K Beames	Cllr A D Harvey
	Cllr J C Baker	Cllr T J Morris
	Cllr R Curry (sub for Cllr Woodwood)	
	Cllr H B Eaglestone	Cllr B Woodruff

Non-Committee Member: Cllr C Holliday

Officers:	Town Clerk	Facilities Manager
	Deputy Town Clerk/RFO	Democratic Services Officer

F501 **APOLOGIES FOR ABSENCE**

An apology for his absence was received from Councillor C Woodward.

F501 **DECLARATIONS OF INTEREST**

There were no declarations of interest in matters to be considered at the meeting.

F502 **MINUTES**

RESOLVED: that the minutes of the meeting held on 23 September 2013 be agreed as a correct record and signed by the Chairman.

F503 **MATTERS ARISING**

Minute no: F423 - The Chair asked for an update on the insolvency of Smiths Joinery and the money owed to the Town Council. The Deputy Clerk/RFO said that it would be 12 months before any money might be returned.

Cllr Beames entered the meeting at 6.10pm.

Minute no: F425 - Cllr Morris asked if there was an update on vandalism in the cemetery at Tower Hill. The Town Clerk pointed out that vandalism was an agenda item and would be discussed later in the meeting.

Minute no: F426(3) - The Town Clerk explained that the grant application from the Lions Club had been referred to Full Council on 7th October who had agreed to give them £100. The Lions had written to the Town Clerk to express their thanks.

F504 **PUBLIC PARTICIPATION**

There were no members of the public present for this item.

F505 **PAYMENT OF ACCOUNTS**

The Committee received and considered the schedule of accounts paid and bank reconciliations for the month ending 31 August and 30 September 2013.

Cllr Harvey queried a cancelled payment of £40. The Deputy Town Clerk/RFO explained that the lady had arranged to collect the cheque in person and had not done so within 6 months of issue. Furthermore there was no forwarding address, it had therefore been cancelled. Cllr Harvey asked why the cheque to CCLA had not been presented and it was explained that the cheque had been made out incorrectly.

Cllr Harvey asked what the payment of £3,720 to West Oxfordshire District Council was for. The Deputy Town Clerk/RFO believed it was for the tree survey and dog litter bins. He enquired what the £1,000 to Chris Clinkard was for and it was confirmed this was a refunded deposit for an event he had held on the Leys Recreation Ground.

There were two other unrepresented cheques – for the Oxfordshire Caledonian Pipers and for Jane Aldrige. The Deputy Town Clerk/RFO explained that these had not been cashed by the bearers.

The Chair noted that the schedule of accounts and bank statements had been stamped by the Internal Auditor which confirmed that they were correct. He thanked the Deputy Town Clerk/RFO for her work.

RECOMMENDED:

1. that the following schedule of accounts be approved:

Cheques 28571 – 28607 & DD/BACS in the sum of	£53,931.15	Imprest a/c
Cheques 100926/927 DD & standing orders in the sum of	£44,278.94	General a/c
Cheques 28608 - 28658 & DD/BACS in the sum of	£77,302.21	Imprest a/c
Cheques 100928 DD & standing orders in the sum of	£40,316.75	General a/c

2. that the bank reconciliations as at 31 August 2013 and 30 September 2013 be noted.

F506 **FINANCIAL REPORT**

The Committee received and considered the report of the Deputy Town Clerk/RFO as circulated with the agenda.

She highlighted the £71,120 overspend for the 6 month period but she had made some transfers, so in reality it was not actually an overspend. The credit balance for the dog litter bins had now been resolved and the invoice paid. She also drew attention to electricity usage and the measures she had taken in order to educate staff to hopefully reduce usage. The contract cleaning costs were high and the Deputy Town Clerk/RFO explained that she needed make a virement from salaries to offset this.

Considering the recommendations from the spending Committees, it was established that the cost of the pathway reinstatement at Tower Hill cemetery was still unknown at this time. £5,800 had been spent on the appointment of a company to carry out a feasibility study on the maintenance and refurbishment of the Corn Exchange for phase one. It was also noted

that the Facilities Manager had needed to purchase extra fencing for various events, such as Remembrance Sunday, and this had cost in the region of £1,000.

Cllr Harvey commented that he was concerned at the cost of electricity for the central office. He knew that prices had gone up but he did not think they had doubled as was shown in the report. This was a major issue as the report covered the summer period where heating was not required. The Deputy Town Clerk replied that a lot of the lights needed to be on constantly as the building was rather dark, and the photocopier was on all day. Deputy Town Clerk/RFO confirmed that she had made an allowance in next years budget to reflect the current usage.

Cllr Harvey queried the expenditure on the feasibility study for the Corn Exchange. The Town Clerk advised that they were refreshing the previous condition survey. Cllr Harvey asked if the Council knew what would happen with the building after this work had been completed. The Town Clerk said that the consultants had provided designs and there would be consultations with the advisory board and the Public Halls Committee. Cllr Harvey asked if there was a business plan and it was confirmed that this was in the process of being worked up in preparation for the application to the Heritage Lottery Fund.

Cllr Harvey queried why the Town Council had repaid the VAT on the compensation for the damage to the Leys. The Deputy Town Clerk/RFO explained that as it was a compensation claim, it was not required to charge VAT.

Cllr Morris stated that he did not want to delay any works to Tower Hill cemetery but he was not sure that anything should be agreed until the cost was known, with regard to roads and footpaths. The Town Clerk commented that a review of cemetery access was due early next year and the Facilities Manager would be bringing a report back to the Leisure & Recreation Committee in March 2014.

Cllr Eaglestone commented that the allotments were still costing the Town Council money despite the fact they had been handed over to the Allotments Association. The Town Clerk reminded members that, based on a report at the time, the Town Council was responsible for maintaining trees, fences and boundaries. It had been agreed money from the sale of land at Madley Park could be used towards this maintenance. Cllr R Curry asked what rent the Council received for the allotments and the Town Clerk replied advised it was a peppercorn rent as agreed by the Council at the time. This agreement would run for 7 years.

Cllr Baker remarked that she was finding the budget spreadsheets increasingly difficult to follow. She felt that there were more and more of them being produced. Cllr Woodruff suggested printing a highlight over the figures (and not the zeros) which might help. Cllr Morris said that he wanted to speak in support of the Deputy Town Clerk/RFO as she was producing what the Council had asked for, in terms of the level of detail. In his opinion this was not necessary.

Cllr R Curry thought they were useful but perhaps a Financial Summary would be a helpful addition. The Deputy Town Clerk/RFO said that she had to produce the reports for herself so she could report correctly. Cllr Baker said that she understood this, but would like to see simplified details. The Deputy Town Clerk/RFO said that this would be very time consuming.

Cllr Morris suggested adding another tab that could group costs into sections such as premises costs etc. This would still list things under cost centres. He would like to see a profit and loss report, not the nominal ledger. Cllr R Curry felt that the Committee was being driven by the constraints of the computer. The Chair asked members to clarify what it wanted to see in terms of reports. Cllr Morris felt a profit and loss sheet would be sufficient.

He offered to look at the spreadsheets if the Deputy Town Clerk/RFO would e-mail them to him.

RECOMMENDED:

- 1) that the report be noted
- 2) that the recommendations from spending committees be approved.

F507 **VANDALISM REPORT**

The Committee received and considered the report of the Facilities Manager as circulated with the agenda. Town Clerk explained that the Facilities Manager had not been asked to be present for this item.

Cllr Harvey enquired if a press release concerning the vandalism of the raft at the country park had been issued. The Town Clerk also brought to Members attention the fact that the war memorial on Church Green had been damaged by a vehicle recently and this had been reported to the press. She would ensure that everything was reported to the local reported.

Cllr R Curry thought that the Mayor was writing to Thames Valley Police about vandalism and the Town Clerk said this was in hand.

RECOMMENDED: that the report be noted.

F508 **DISCRETIONARY GRANT AWARDS**

The Committee received and considered the report of the Democratic Services Officer, as circulated with the agenda.

a) Witney Blanket Hall The Chair reported that he and Cllr Holliday had visited the hall and thought it was a very good use for the building. Cllr Harvey agreed and thought the Council should support it. Cllr Baker thought that supporting the hall would be beneficial as it would link into the town's heritage. Cllr Morris stated that he felt they had been realistic in the amount of money they had applied for.

Members requested that if a grant was awarded towards the production of leaflets, the support from Witney Town Council should be acknowledged on these. The Democratic Services Officer confirmed that this was always stressed in correspondence when informing applicants of the outcome.

b) Witney Model and Collectors Club The club had asked for funding towards a marquee. Cllr R Curry was minded not to give money to a private club, particularly as they did not use a Town Council hall and it was not limited to Witney residents. Cllr Baker stated that she would prefer to decline the application or to give a nominal amount.

In answer to Cllr Woodruff's question the Town Clerk confirmed that they had received a nominal grant in the last financial year. She also added that the club had supported the Town Council in the past at events, particularly the Christmas Lights Switch on.

Cllr Harvey said he had seen a lot of children at the club's exhibitions and they seemed to get a lot of pleasure out of the displays. The Chair thought it would show good spirit to support the club.

c) Volunteer Link Up The Chair declared a non-pecuniary interest in this item as Volunteer Link Up was one of his chosen charities as Mayor.

Cllr Harvey commented that in an ideal world such an organisation would not be needed but it filled a very large gap left in the Social Services offered by the County Council.

The Chair felt that there was a lot of passion in the application and he noted that their lottery funding was coming to an end so they would be looking to make up the shortfall. He hoped to make £1,000.00 for them by the end of his term of office.

RECOMMENDED:

- 1) that the report be noted.
- 2) that the following grant be awarded:

<u>Applicant</u>	<u>Grant</u>
a) Witney Blanket Hall	£300.00
b) Witney Model and Collectors Club	£100.00
c) Volunteer Link Up	£500.00

- 3) That payments of the above grants be made under the following powers:
 - a. **Local Government Act 1972. s145** – Provision of Entertainments
 - b. **Local Government Act 1972. S137** – Power of local authorities to incur expenditure for certain purpose not otherwise authorised
 - c. **Local Government (Misc. Prov) Act 1976. s19** – Power to provide and equip premises for use of local clubs and societies having athletic, social or recreational objectives.
- 4) That a press release be issued advising of grant support given by the Town Council.

F509 **INTERNAL AUDIT**

The Committee received and considered the interim internal audit report from the independent internal auditor.

Cllr Harvey queried the reference to a Unitary Authority. The Town Clerk suggested that it was a pro forma used for different clients, but the Deputy Town Clerk/RFO would point this out to the internal auditor.

Cllr Harvey asked how many years were left on the Town Council's Public Works Loan and when it would end. The Deputy Town Clerk/RFO said that there were two payments left and it would be finished early next year. There was currently around £4,000 left to pay.

RECOMMENDED: that the interim internal audit report be noted

F510 **REVISED REVENUE BUDGET 2013/14 AND ESTIMATES 2014/15**

The Committee received and considered the reports of the RFO/Deputy Town Clerk as previously circulated.

- a) Committee Revised budget 2013/14 and base revenue budget for 2014/15

The Deputy Town Clerk had prepared a budget based on the figures to date and projected figures to the end of the year.

The Deputy Town Clerk/RFO referred members to the Financial Implications part of her report at point 4a and explained she had received information on the tax base and precept support grant. This changed the figures in the report: the reduction in income was now £2,209 (due to the reduction of the Precept Support Grant) and the overall additional expenditure was now £22,105. She stressed that at this stage the figures were still estimates, as the actual figures from West Oxfordshire District Council would not be published until the end of November.

Cllr Eaglestone asked why the budget for Christmas Lights and Entertainment was the same as last year. The Deputy Town Clerk/RFO replied that there was a lot happening although there was no actual "Switch On". The festivities would be in a different format this year. The Town Clerk added that this was the last year of the three-year contract with the Lights Contractor.

Cllr Harvey said he presumed the rent review for the Town Hall would be backdated to 31st March and asked if the review was upward. The Town Clerk confirmed that historically it was an upward review, and she would bring the notification to the Committee when she received it. Cllr R Curry thought the Town Council would be in a strong negotiating position as no one else would want to rent the rooms in the Town Hall.

In response to Cllr Harvey's comment with regard to making the most of electronic mail, considering postal prices were set to increase, the Town Clerk explained that legally the Town Council had to serve the agenda at the Councillors normal place of residence and legislation had yet to be changed to accommodate electronic mail. The Deputy Town Clerk/RFO informed the Committee that subsequent to her report she had ascertained that some items had been allocated to this code incorrectly.

Cllr Harvey was delighted to see savings in insurance. He asked what the implications would be if the gates were removed from Tower Hill cemetery. He would like this question to be asked of the Council's insurers.

The Deputy Town Clerk/RFO advised that the credit card bank charges mainly related to hall bookings. There was a cost implication in having the card machine, and she suggested that perhaps a £2.50 surcharge per transaction could be introduced. Cllr Eaglestone wondered if this would make hiring the halls more unattractive. Cllr Woodruff commented that usually only credit cards were subject to a surcharge.

Cllr Harvey thought that the CCTV monitoring had a positive impact. The Deputy Town Clerk/RFO advised that we paid £10,000 per annum. The Town Clerk explained that the Witney town centre scheme, which the Council contributed towards had around 20 – 30 cameras, whereas Carterton Town Council had just signed up to the CCTV scheme and had significantly less and paid more. If the budget was to be reduced it would reduce the time spent watching the live camera pictures. Cllr R Curry wanted to see a report from the CCTV group and the Town Clerk agreed that she would bring information from the next meeting to Committee.

The Chair asked if Newland belonged to the Town Council and it was explained that historically the Council had maintained the area for Witney Mills Cricket Club, but for as long as the Clerk had been at the Council it now assisted with these costs by way of a small grant.

Cllr Morris proposed reducing the grant to the CAB and transferring it to Volunteer Link Up. Cllr Baker said that these were two different services.

The Chair noted the figures associated with code 4040 – arboriculture – and asked when the tree survey would be completed. The Deputy Town Clerk said she believed it had been completed and the report would be presented to the next Leisure and Recreation Committee meeting.

The Chair was concerned that postage costs were going up and suggested that Councillors could have ipads to view papers electronically. The Town Clerk emphasised that agendas had to be delivered to members doors by statute. There followed some discussion about this idea with some members preferring to receive hard copies of papers.

RECOMMENDED:

1. that the report be noted
2. that the revised budget for 2013/14 as presented be adopted
3. that an annual grant of £500 be included in the 2014/15 budget in respect of Volunteer Link Up – and that a new budget line be created going forward.
4. that the Council continues to contribute to the Witney CCTV scheme the sum of £10,000 per annum.

b) Council revised budget 2013/14 and base revenue budget for 2014-15

The Deputy Town Clerk/RFO explained that as mentioned earlier, she had spoken to West Oxfordshire District Council and the level of the Precept Support Grant had changed.

The prediction was that the general reserve would fall below minimum required levels in 2015 and therefore the precept might need to be increased to cover this shortfall. The minimum level of reserve should cover three months running costs.

The Deputy Town Clerk had prepared an additional briefing note highlighting issues with budgetary implications which would be taken to the forthcoming Leisure and Recreation Committee on 25 November. There were two minor items – a bus stop and fencing – but also major items – tree works and maintenance of the closed St Mary’s churchyard. Both of these items had health and safety implications as well as heavy financial implications. The additional cost for tree works was considered to be in the region of £28,250 and the additional cost for the works to memorials was estimated at £50,000.

Cllr Eaglestone queried why the Town Council had responsibility for St. Mary’s churchyard. The Town Clerk explained that since the last Leisure and Recreation Committee, further information had come to light confirming the churchyard was closed, although still no documentary evidence could be provided or located.

The Deputy Town Clerk/RFO also brought members attention to the proposal to have two part time park rangers, details of which was due to be presented at the next Leisure and Recreation Committee meeting. The Council needed to consider if they wanted these items and to budget for them accordingly.

Cllr Morris said that according to his calculations the extra items came to an extra £132,000. This would make the draft budget out of date already. Cllr R Curry commented that the Council did not have to spend all of the money in one year.

Cllr Harvey said that the budget did not sit comfortably with him. He felt that Witney Town Council was a small council spending too much money, and that just to increase the precept was not tackling the problem. The Town Clerk pointed out that town and parish councils are not capped in terms of council tax increases, unlike district and county councils, but both the latter tier received funding from central government. Cllr Harvey was concerned that the District Council would try to transfer items to the Town Council which would add to the financial burden. The Deputy Town Clerk/RFO commented that many budget lines had been frozen for some time.

Cllr Beames agreed with Cllr Harvey and wanted to find out where costs could be cut. He didn't agree with any of the additional spending identified by the Deputy Town Clerk/RFO's briefing note and thought that works would have to be spread over five years. He wanted to see the precept increase restricted to a 2% increase. Cllr Eaglestone stated that he thought the Council found itself in the current position because the precept had been kept to a minimum in the past. Cllrs Harvey and R Curry disagreed. Cllr Baker said that she could not make a decision on the revised budget at this stage. If the extra amount of money needed to be spent then it would have to be spread over several years. Cllr Baker felt that the budget as presented was not simple or clear. The precept had increased 20% last year and she wanted to see the budget simplified so that she could understand it.

Cllr Woodruff asked if Town Council staff could be trained to carry out tree work. The Town Clerk replied that they were trained to a certain level but after that it was a specialist and complex operation.

The Town Clerk commented that if the precept was capped at 2% this year (which was not a requirement) and then it was forcibly capped in future, the Town Council's budget would become very tight. She counselled against trying to keep the precept to a minimum for next year. The Council had time on its side to make a decision. Cllr Harvey said that the District Council had not increased their precept in the past and was now having to make large increases.

Cllr R Curry had tabled a paper for consideration by the Committee. He felt that the budget and precept setting process was in reverse order. He felt that committees should be set financial constraints and be asked to make savings. If there was a three year rolling forecast for committees, it would help to keep expenditure down.

He referred members to table one in his report which was based on the current forecast. This illustrated that costs would grow 19% in three years (4% per annum) and the income would increase by 11% in three years (2% per annum). This meant that the precept would need to be increased, or costs would need to be reduced to keep costs in line with income. He felt that decisions could only be made if there was a sensible forecast.

Cllr R Curry stated that selling Langdale Hall would save the Town Council £100,000 per annum and if the Corn Exchange was opened this would save £30,000. He also suggested that if Burwell Hall was taken on by a Trust such as that at Madley Park Hall it could save at least £60,000 per annum. He felt that in order to make these savings a three year rolling forecast would be needed. If the Council wanted to reduce subsidies then Committees would require direction. Cllr Harvey had sympathy with Cllr R Curry's viewpoint. He felt that a good starting point would be to establish how much would need to be saved in order to set the precept at 2.7%.

Cllr Morris agreed with Cllr R Curry and agreed that the Council should be looking at cost savings. However he thought that if work (e.g. tree work) had to be done then the precept might have to be increased along with cost cutting. Cllr Baker felt that a profit and loss sheet was essential. She liked the idea of a rolling three year forecast, and wanted to hear more about income. She felt that members should work with Officers to drive down costs. The Deputy Town Clerk/RFO commented that Officers were very mindful of trying to reduce costs.

Cllr R Curry said that the intended purpose of his paper was to enable the Committee to tell other committees where they should make savings. He felt that a three year rolling forecast was a good basis for this. Cllr Harvey commented that the chairs of all the committees sat on the Finance and General Purposes Committee. The Chair said that he understood Cllr Baker's difficulties in understanding budget papers, and he felt that the members were not able to see what they wanted to see. He approved of the idea of a three year rolling forecast.

Cllr R Curry suggested that a Working Party be set up to produce draft figures that could be put into a rolling capital forecast and this could be brought back to the Committee. Cllr Baker agreed with this proposal. Cllr Harvey felt that progress would not be made in a 2 ½ hour meeting in the evening and that any figure work should be done with the assistance of Officers in the daytime.

RECOMMENDED:

1. that the report be noted
2. that the revised base revenue budget for 2013/14 as presented be adopted
3. that with regard to the draft budgets for 2014/15 a Working Party consisting of Cllrs Baker, R Curry and Harvey be set up to work with Officers to undertake further work, in order to limit an increase in the precept to 2%. To be presented to the Special Finance and General Purposes Committee on 16th December 2013.
4. To defer the actual decision regarding the level of the Town Council's precept to the meeting of 16th December 2013.

The Town Clerk commented that the precept did not have to be set until January 2014, by which time the Rt. Hon. Eric Pickles MP would have delivered his autumn statement. The budget could be ratified at an Extra Ordinary Council meeting in January 2014. The Deputy Town Clerk/RFO would prepare a 3 year rolling forecast for 2014/15 onwards with a 2% precept and the results could then be analysed.

Cllr Harvey suggested that initial work should concentrate on how the shortfall of £11,000.00 (which included a precept increase) could be reduced. Cllr Morris wanted to know what the shortfall in the budget would be with all the additional items raised by the Deputy Town Clerk/RFO.

c) Capital Rolling Fund – update 2013/14

The Committee received and considered the report of the Deputy Town Clerk/RFO as previously circulated.

RECOMMENDED: that this item be deferred to the meeting of 16th December 2013.

The Working Party would meet with the Deputy Town Clerk/RFO at the earliest opportunity and would report back to the Committee on 16th December 2013.

Cllrs R Curry and Holliday left the meeting at 8.42pm

The Committee adjourned whilst a meeting of the Personnel Sub-Committee took place

F511 **EXCLUSION OF PRESS AND PUBLIC**

RESOLVED: that the Press and Public be excluded from the Meeting in accordance with Section 1 of the Local Government Bodies (Admission to Meetings) Act 1960 by reason of the confidential nature of the business to be transacted.

F519 **STAFFING MATTERS**

The Committee received and considered a verbal report of the Personnel Sub-Committee from the Town Clerk.

RECOMMENDED: that the verbal report be noted.

The meeting closed at 8.51pm

Chair