

FINANCE AND GENERAL PURPOSES COMMITTEE OF THE WITNEY TOWN COUNCIL

Held on Monday 23 September 2013

At 6pm in the Council Chamber, Town Hall

Present:

Councillor P J Dorward (Chairman)

Councillors: Cllr A K Beames Cllr T J Morris
Cllr H B Eaglestone Cllr CK Woodward
Cllr J S King (sub for J Baker)

Non-Committee Members: Cllr C Holliday

Officers: Town Clerk Facilities Manager
Deputy Town Clerk/RFO

Also present: Mr Alan Scholan, Witney Town Bowls Club

F 417 **APOLOGIES FOR ABSENCE**

Apologies for their absence were received from Councillors Mrs J C Baker, A D Harvey and B Woodruff.

F 418 **DECLARATIONS OF INTEREST**

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

F 419 **MINUTES**

RESOLVED: that the minutes of the meeting held on 22 July 2013 and 5 August 2013 be agreed as a correct record and signed by the Chairman.

F 420 **MATTERS ARISING**

There were no matters arising from the minutes of the meeting held on 22 July 2013 or 5 August 2013.

F 421 **PUBLIC PARTICIPATION**

Mr Alan Scholan from Witney Town Bowls Club was in attendance further to his presentation to the Council's Leisure & Recreation Committee when he requested a loan of £13,000 in connection with replacement of club building on the Leys.

He explained that the Town Bowls Club was over 100 years old, and the existing building was brought to the Leys in 1984. The Clubhouse had reached a time where the club needed to upgrade the facility, and commented that the Councillors were having same idea with the other facilities on the Leys in general. The building was reaching the end of its life and the Club would like to replace it with a modern facility. Mr Scholan explained that the Committee had been

seeking funds for the project over 4 years, this unfortunate length of time been caused by lottery fund being restricted due to the 2012 Olympics – however he was pleased to report that they had successfully been granted £50,000 from Sport England and WODC had granted them £37,000 – leaving a funding gap of £13,000.

In 1984 WTC provided the Bowls Club a loan of £10,000 which they repaid in full and on time and he commented that he could see no reason why the Council couldn't do the same this time. It was their intention to provide a modern facility, which would be energy efficient, environmentally friendly, the irrigation system would run from a rain water harvesting system. The building would be DDA compliant; however he commented that they could not get wheelchairs onto the bowling green.

The Chairman reminded the Committee that the Leisure & Recreation had recommended approval of this request to this committee.

Cllr King asked Mr Scholan if he had the revised quotation from the builder yet as he understood at the Leisure & Recreation Committee that the quotation for the building works was out of date. Mr Scholan explained that they club had accepted a tender 3 years ago from a local builder, the planning application had also lapsed due to the delay in securing funding. He confirmed that the builder was in the process of revisiting and updating the quotation but had warned that materials had gone up 6%, so £13,000 might not be enough but he commented that they would find the difference from club members. The membership was in the region of 100 members. As a result he didn't expect to comeback to WTC for anymore funding.

The Committee **RESOLVED** consider agenda item 6.2(a) at this juncture.

RECOMMENDED: to grant an interest free loan to Witney Bowls Club.

F 422 **PAYMENT OF ACCOUNTS**

Copies of the schedule of accounts paid since the last meeting of this Committee and of the bank reconciliation statements as at 30 June 2013 and 31 July 2013 had been circulated with the agenda and were signed by Cllrs Alan Beames & Jim King.

A member queried the payment made to Flintoff Ironmongers - £68.93 dust pan & brush. The Facilities Manager advised that it was non-combustible for Burwell Hall to sweep up cigarette butts

A member noted that the cheque to CCLA had been drawn and asked what the current situation was with the new investment account. The RFO advised that she still needed three Councillors to sign the application then the cheque will be sent.

RECOMMENDED:

1) that the following schedule of accounts be approved:

Cheques 28466 - 28506 & DD & BACs in the sum of	£68,853.17	Imprest a/c
Cheques 100922 DD & standing orders in the sum of	£12,220.51	General a/c
Cheques 28507 - 28570 & DD & BACs in the sum of	£79,566.92	Imprest a/c

Cheques 100923 - 925 DD & standing orders in the sum of £75,222.89 General a/c

2) that the bank reconciliations as at 30 June 2013 and 31 July 2013 be noted.

F 423 **FINANCIAL REPORT**

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

The Deputy Town Clerk/RFO highlighted the three recommendations from the spending committees. Councillor Eaglestone queried whether Raleigh Crescent fence had been previously budgeted for. The Town Clerk advised it had been in the preparation pool. Councillor King asked if this project included lighting. The Facilities Manager advised that it would cost £968 per fitting solar panels and the site needed two.

The Deputy Town Clerk/RFO brought to members attention the position with regard to the outstanding insurance claim relating to last years Witney Feast diesel spillage. The debt had been reduced to £500 and this was due to the fact that SSL Claims had advised Mr Hill that he should haven to pay VAT. But the Deputy Town Clerk/RFO advised that he did as the Council had to charge it on. He had promised to pay, she would check to see if payment had been received and chase him further if appropriate.

With regard to the insolvency of Smiths Joinery, the Deputy Town Clerk/RFO had been advised to 'sit and wait' by the insolvency practitioners, they were of the opinion that the Council would get some money back but it will take about 12 months. Councillor Eaglestone commented that in future the Council's Officers should be wary when payment is requested up front. Councillor Woodward expressed regret that another Witney business had gone in to liquidation.

RECOMMENDED:

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

F 424 **MEDIUM TERM FINANCIAL STRATEGY**

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

The Deputy Town Clerk/RFO advised that there was subsequently one major point to note, at the time of writing her report she was unaware that there would be any further pension costs relating to an ex-employee, however she had been informed by the Pension Administrators that there are annual contributions to pay upto 2017. The resultant revised figures on page 3 at 7.4 was £76,047 + £14,100 which equated to a shortfall of £90,147 over the 3 year period. She commented that she had gone through some of the costs with the Facilities Manager however the budget required further analysis; she would therefore incorporate these and bring back to the next meeting.

The Deputy Town Clerk/RFO considered that it was unlikely town and parish council's would be capped however this could not be ruled out as the Secretary of State for Communities Eric Pickles was still considering it, and this would be included in his Autumn statement in December

– it was therefore important to try to set the most realistic budget the council needs. Then if the Council was capped year on year the financial position wouldn't be so dire in future years. She commented that she had looked at the budget in quite a lot of depth and was jiggling budget lines around.

Councillor King reminded members also of the three major projects – the Corn Exchange, West Witney Sports Ground and the Leys. The Facilities Manager also highlighted minor special revenue projects like the works necessary as a result of the tree survey undertaken over the summer. Works identified should be programmed over three years with an early indication of estimates for this work being in the region of £20,000. She advised that the tree works would be based on a health and safety risk assessment, not the Council's financial strategy.

Regarding capping, the Town Clerk commented that no one could yet clarify to her if capital expenditure would be included in the capping or if it would only apply to revenue budgets, although the Council would be precepting for capital projects.

In response to Councillor Morris' question the Deputy Town Clerk/RFO advised that she had not yet done the cashflow forecast. He stressed the importance of having one as projects might have to be delayed if the Council didn't have the physical cash. He continued that the Committee should know where costs were going, and the Council needed to hit a balance rather than every year impose a 20% tax increase, if there was not going to be a precept increase then how could the Council cut its cloth accordingly?

The Chairman asked the Deputy Town Clerk/RFO her the basis for increases by 5 or 10% in paragraph 7.3, she responded by saying that she had researched the proposed increases carefully and these were anticipated to be 8% and 11% for gas and electric. She advised that she had looked at what had been spent the first six-months of the year and expenditure from previous years for the preceding 6 months.

Councillor Beames highlighted that the Council was going to get £90,000 in S106 funding from the small development proposed for Springfield Nurseries. He asked that the Officers obtain a list of S106s and what opportunities were available. The Chairman commented that the council couldn't speculate on S106 funds, and didn't really see the merit of having a list, just a mental note. He pointed out that the current position was a £90,000 deficit over 3 years, if the Council didn't put up the Council Tax then the deficit would be spread over two years, created a greater problem next year. He advised that the Committee needed to look at this logically.

Councillor Beames asked about borrowings via the PWLB and what effect would the interest have on the precept, was it cheaper for us to borrow for projects. The Deputy Town Clerk/RFO replied that she had recently got the details from PWLB although she only had the opportunity to have a quick scan of the paperwork she was under the impression that they would only give 60% of the precept in a loan.

The Chairman read out an e-mail from Councillor Roger Curry who had prepared some notes on the MTFS. He commented that within the 3 year budget each year was identical, however in 2014/15 the Council would close Langdale Hall – which would result in saving the costs and gaining income from the Corn Exchange. He had calculated that this would save £189,000. Councillor Beames pointed out that there wouldn't be that much of a saving with regard to the staffing costs as staff would be deployed elsewhere. The Facilities Manager commented that a recent staff appointment had been on a 12 month fixed term contract and in fact the two caretakers and other staff worked over Burwell and the Langdale equally.

Councillor Morris reminded members of the Madley Hall operating model, and highlighted the financial saving the Council could make. He reiterated that by opening the Corn Exchange and closing the Langdale the Council would be implementing its plan. The Facilities Manager reminded Members that 18 months ago when the Langdale was refurbished, she had brought to their attention the situation with regard to the boiler. She said the situation hadn't changed and if the boiler failed in the interim, before transferring the business to the reopened Corn Exchange, the facility would have to close.

Councillor Woodward commented that the Council had to look at every avenue – sometimes unfortunate decisions have to be made and the Council has to make that collectively. At this stage he said he would be loathed to dismiss anything.

Referring to Councillor Roger Curry's e-mail Councillor Morris said looking at the revenue budget for the halls it cost £500,000, if they were run on similar model to Madley Hall savings could be achieved without making anyone redundant as staff would be transferred over.

The Chairman suggested drawing up a contingency plan if the heating was living on hope, the Council may be forced to close Langdale hall if it got too cold. The Facilities Manager advised that she had "robbed" parts from the Corn Exchange boiler in order to keep Langdale going, but its lifespan was exhausted as it was some 40 years old. She had previously presented a quote for a new boiler to the Public Halls Committee and she reminded members that there was a contingency plan. The Chairman asked if the Council needed to revisit the contingency plan, the Facilities Manager advised that there was a risk assessment on the boiler which was constantly being reviewed, the options would be to close, go with electric or buy a new boiler, and therefore there was no need to refer this back to Council unless the inevitable happened.

Councillor Morris thanked the Deputy Town Clerk/RFO for the work done so far on the budget and MTFS. The Deputy Town Clerk/RFO advised that the MTFS as presented hadn't gone through the thorough scrutiny of the budget setting process. She commented that budgets had been frozen for some years and budget holders were already working on really really tight budgets, to say the Council are going to freeze them, she thought personally, was a really bad idea. She highlighted the £20,000 tree works, and cemetery compliance as two new demands on the Council's budgets. The MTFS just accounted for a basic up lift; she was in the process of going through the budgets with the Facilities Manager and had not looked at the cemetery cost centre. A lot had to be added in yet, where possible Officers were trying to make savings, and moving budgets across cost centres. She also highlighted the marking out of pitches, given the FA changes, if the Council had to have them marked every week it would cost £20,000, if this could be reduced to every other week then this would reduce by half so she has budgeted on the best case scenario and only put £10,000 in the budget.

On the flip side Councillor Morris commented that the Council needed to control its costs, and stressed that it could not put a 20% increase on the precept. Councillor Eaglestone was concerned with the level of money held in the General Reserve as this was lower than the recommended level of minimum 3 months expenditure, the MTFS didn't allow for building it back up.

Councillor Woodward considered this was a big decision and proposed that a special meeting of this Committee should be held to include all councillors. The Town Clerk reminded members of the budget setting process – the meeting on 18 November after all the spending Committees have reviewed budgets within their responsibility and the meeting on 16 December to actually set the budget and precept. She further commented that the Council would not have all the

necessary information needed from WODC until the end of November, she did not want to impose unnecessary work on the RFO producing budget after budget so urged Members to wait until the Officers had all the information so that they could make an informed decision.

Councillor Beames considered the Council should have a plan to build the General Reserve back up in the 3 yrs to get it to the suggested level. He also commented that the Council should look at three options with the precept staying at 0%, a 2% increase or increase by RPI.

The Deputy Town Clerk/RFO advised that she hoped to have a draft budget by the 18 October 2013. However the Town Clerk reiterated that WODC wouldn't be able to provide the tax base and details of this years LCTSS reduction until late November. She also commented that the Autumn Statement wasn't due to be given by the Secretary of State until 19 December.

RECOMMENDATION:

- 1) that the report be noted
- 2) that it is the will of the Committee to increase the precept given the Council's current financial situation
- 3) that the Town Clerk gives notice to WODC when the Council will be in a position to set its precept for 2014/15.

F425 **VANDALISM REPORT**

The Committee received and considered the report of the Facilities Manager, as circulated with the agenda.

The Facilities Manager advised that she had given the report to the press.

RECOMMENDED: that the report be noted.

F 426 **DISCRETIONARY GRANT AWARDS**

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

Councillor Beames commented that if the Council supported Witney Lions the funding should come out of Christmas Lights budget. The Town Clerk pointed out that this was an area where the Council was trying to make savings so it was unlikely this would cover the costs in question.

With regard to the application from Time to Talk, councillor Eaglestone declared a non-pecuniary interest as knew the applicant.

RECOMMENDED:

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

Applicant

Grant

- a) Time To Talk £200.00

That the applicant be invited to discuss if meetings could be accommodated in the Langdale Hall to see if the Council could assist in kind, in future. If so, the applicant could reapply later in the year for a hall subsidy to use the Langdale Hall.

- 3) With regard to the application from Witney Lions Club - that the application be deferred in order for the Chairman of L&R and Town Clerk to discuss the event with the applicants to see how it should be funded.
- 4) 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.

F 427 **OPTICAL VIEW OPTICIANS**

The Committee received and considered the correspondence from Optical View Opticians, as circulated with the agenda.

RECOMMENDED: that the correspondence be noted and the Town Clerk refers the tenant to the Planning Authority for advice and also the Town Hall Charity as owners of the building.

The meeting closed at 7.45pm

Chairman

