



# HALESWORTH TOWN COUNCIL

## FINANCE & PERSONNEL COMMITTEE MEETING

### FINANCE REPORT no 52

MONDAY DECEMBER 21<sup>st</sup> 2020 AT 6.30PM BY ZOOM VIDEO CONFERENCE

In accordance with (The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020)

Present: Councillors;

T Allen, P Dutton, A Fleming, R Lewis (Chair), J Reece, D Thomas, M Took, D Wollweber.

In Attendance: N Rees (Town Clerk)

## REPORT

- 1) Apologies: Cllr A Dunning, Cllr K Prime.
- 2) Declarations of Interest: To receive declarations for pecuniary & non-pecuniary interests: None
- 3) Minutes: The report of the Finance & Personnel Committee meeting held on Wednesday the 16<sup>th</sup> November, 2020 was accepted as a true record.
- 4) Matters arising from the minutes: Cllr Dutton enquired as to whether there had made any progress on finding potential car parking sites; Cllr Thomas reported that he was still conducting investigations.
- 5) Finances: The Committee received and noted the monthly report of expenditure against the budget.
- 6) Budget Review/Precept: To review the revised draft budget 2021/22 and to consider any recommendations for the Council meeting on January 11<sup>th</sup>. The Committee discussed the proposed budget, there were some future considerations that were raised, namely; potentially increasing the allowance for the Covid-19 reserve but it was agreed that if this was necessary it would be kept separate and also a possibly future allowance for a Town Manager position, pending further discussions on the matter. It was then RESOLVED that the budget as presented at £119,800 was recommended for approval at the Council meeting on the 11<sup>th</sup> January. This budget did not make any allowances for a future agreement to transfer the assets from ESC to HTC and would therefore only be used if the Council decided not to proceed with the transfer at the January meeting.

The Clerk would provide a final account of the voucher scheme for the next meeting.

- 7) Transfer of assets: To consider the five year projection for the affordability of taking ownership of the approved list of assets, agreed at the monthly meeting on December 7<sup>th</sup> 2020. The Committee received and noted the five year projection. The Chair explained that as this was such an important subject, as well as providing the five year projection figures, the Chair and Clerk had prepared a Power Point presentation to fully explain how the figures were calculated and to look at different scenarios and what effect it may have on the Precept and ultimately the individual tax payer in Halesworth. During the presentation it was noted that Halesworth currently had a relatively low precept in

proportion to its population, in comparison to most of the other market towns in the area. The Chair explained that the five year projection was subject to many variables but the figures presented tended to be on the pessimistic side. In this projection it was calculated that HTC would need to have a precept of 139,927 in the first year (2021/22) to cover the additional costs of these assets. This would equate to an increase of £9.20 per annum (77p per month) for a typical band D household (based on the 2021/22 tax base). The projection showed a graduated increase over five years culminating in a precept of £199,040 in year five. This would still put Halesworth mid table in the precept comparison with other towns assuming that all the other towns did not increase the precept over this period, which was highly unlikely. There would also be various opportunities to realise some revenue from these assets in time and methods available to reduce maintenance costs but it was not possible to factor these in at this stage. It was therefore a question of whether HTC accepted that the precept being the only main source of income, would need to be adjusted year on year to ensure the additional costs were covered and the reserves were replenished over a period of time. The Clerk reported that the earliest opportunity for ESC's Cabinet to approve the transfer was at a meeting in April 2021. Then there would then be a period of 2 or 3 months to sort out the all the legal paperwork before HTC could acquire the assets, assuming this was approved by HTC in January. Cllr Dutton pointed out that the calculation of 100 additional houses for 2021/22 was very cautious because the Hopkins Homes site on Holton Road would probably account for more than this on its own. Several councillors thanked the Chair and the Clerk for the presentation which they said had helped to put everything more clearly into perspective. Cllr Wollweber summarised; if HTC wanted to be more relevant, accountable and independent, with the means to shape its own future, then it should seriously consider taking on these assets for the relatively small increases involved. After receiving further opinions from all the Committee members, it was then RESOLVED that the Committee recommended approval of the precept of £139,927 for 2021/22 on the basis of the five year projection (to be reviewed and adjusted annually) on the assumption that HTC approved ESC's offer to transfer the approved list of assets at the monthly meeting on January 11<sup>th</sup>, 2021, subject to any adjustments, caveats, etc. If no agreement was reached, then the precept required for 2021/22 would be as noted under item 6.

- 8) Annual review of statutory documents: Grant Policy. It was noted that the document still required some minor adjustments and so this would be considered at a later meeting.
- 9) Maintenance: The Clerk reported that the vandalised bench had been repaired in the Park and it was noted by Cllr Fleming how quickly this had been actioned by Norse and what a good job they had made on the repair work. The Clerk would relay this to Waveney Norse.
- 10) Correspondence: It was noted that the Clerk had circulated a letter from Campus requesting that HTC considers allocating some of the local Neighbourhood CIL funding. Cllr Thomas had read the letter but wished to query whether this was an application as it lacked the usual level of details and accounting information required by HTC's normal grant process. The Chair explained that HTC did not have a formal application process for CIL funding and so Campus were following her advice to write in and register a request but further financial information would be required before any CIL funding was allocated. It was agreed that HTC would schedule a CIL meeting in the New Year to review the list of potential CIL projects and this would probably take the form of a separate meeting.
- 11) News Items: To consider any items for the website/newsletters: The Clerks would post a cheerful Christmas message in the usual media outlets.

12) Accounts for Payment: The Committee approved the following accounts for payment:

<u>4561.</u>	HMRC Payroll liabilities - (LGA 1972 s112)	2,550.86
<u>4562.</u>	Viking – CCTV Computer station (CIL)	407.00 + vat
<u>4563.</u>	Viking – Stationery (paper/pens) (LGA 1972 s112)	20.45 + vat

DD/Standing Orders:

4564. LGPS Pension Scheme (LGA 1972 s112)

997.73

Bank & Cash Balances at 18<sup>th</sup> December, 2020

Current 728	£130,210.07
Unity Trust	£112,253.92
Community A/c	£5,296.07
Business Reserves 017	£92,697.62
Petty Cash	£71.83

The meeting was closed at 7.35pm