

SHREWSBURY TOWN COUNCIL**Meeting of the Finance & General Purpose Committee
Held Virtually on Microsoft Teams****At 6.00pm on Monday 10th January 2021**

Please note this was an informal virtual meeting of the Committee convened to assist the Town Clerk with carrying out the delegated powers granted to her by Full Council on 22 March 2021 & Finance & General Purposes Committee on 12 April 2021.

PRESENT

Councillors: A Mosley (Chair), R Dartnall, M Davies, J Dean, N Green, P Moseley, A Phillips, E Roberts and D Vasmer

IN ATTENDANCE

Helen Ball (Town Clerk), Amanda Spencer (Deputy Town Clerk), Gary Farmer (Head of Operations), Andy Watkin (Head of Resources), Ruth Jones (Office Manager) and Heather Phillips (Committee Clerk)

66/21 APOLOGIES FOR ABSENCE

There were no apologies.

67/21 DECLARATIONS OF INTEREST

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| Shropshire Councillors | Those twin-hatted members declared a personal interest in any matters relating to the Town Council's relationship with Shropshire Council. |
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68/21 MINUTES OF THE LAST MEETING

The Minutes of the Finance & General Purposes Committee meeting held on 6 December 2021 were submitted and circulated as read.

RESOLVED:

That the minutes of the Finance & General Purposes Committee meeting held on 6 December 2021 be approved and signed as a correct record.

69/21 MATTERS ARISING FROM PREVIOUS MINUTES

The Town Clerk provided the following updates on the minutes of the previous meeting as follows:

- (i) Election costs and Neighbourhood Fund figures for next year are still awaited.

- (ii) Tender update:
- The Quarry Solar Lights are currently being installed.
 - Tree works in the Quarry start next week for about a month.
 - Canoe hire tenders have been received and are being evaluated.
 - Work on the replacement lamps is ongoing. The parts have arrived but the electrician is currently occupied with removing the Christmas lights.
- (iii) The Chairman answered Councillor Phillips' enquiry as whether there was any update from Mr Redfern QC regarding his report that it was expected towards the end of January.

70/21 BUDGET 2022/23

(i) Revenue Budget for 2022/23

Details of the draft 2022/23 budget had been circulated to members ahead of this meeting and had been put together based on the assumptions approved at the last Finance & General Purposes meeting.

The RFO made the following points on the forecast out-turn for the 2021/22 financial year explaining that there were more than 35 cost centres that feed into the forecast and that small variables generally average themselves out hence reviewing the consolidated total to explain variances instead of individual cost centres.

Overall a net deficit of £12,358 is forecast which is fractionally higher than budgeted of £11,558.

Income was comparable to the budget when the sale of assets and S106 is discounted, which are transferred to reserves. This was with the exception of interest received which had performed poorly due to historically low base rates.

On the expenditure side, there had been positive variances reported quarterly on the wages for vacant posts but this would be eliminated due to a factored in 2% wage increase, to leave a £2000 underspend. Casual/temporary staff was over budget due to the employment of a temporary Market officer, expenditure of grant on youth staff and the deployment of security in the Quarry. The car allowance was also over budget due to back-dated claims but that this would be back to normal levels in the coming year.

Building costs increased but these were offset by releasing earmarked reserves. A rates rebate for public conveniences was received hence the lower spend than budgeted.

An increase in the cost of computer licences renewals led to the increase in computer and IT costs. There was a slight increase in spending on Professional Fees due to advice and services required in the year.

Overall If it was not for the urgent tree works in the Quarry, which needed doing this financial year, there would have been a positive variance on expenditure instead of matching the budget.

Capital and Other Costs showed transfer to reserves of £649,067 but the majority of this was income taken to reserves effectively a contra entry.

On the earmarked reserves side the commitments to climate change fund £75K, bus shelters £33K and ash die back £33K had been made as well as some of the other annual contributions.

(ii) Budget and Precept for 2022/23

The RFO reported that despite not raising the band D rate, a budget had been produced which was balanced, all be it with a small deficit of £2,081 to be taken from general reserves.

On the precept, the tax base had increased 1.7% to 25,752.47 which at the band D the rate of £60.25 raised an additional £25,976. The typical Shrewsbury property was rated Band B at £46.86.

Members were reminded that this had been the hardest budget to put together due to the uncertainty of inflation, pending pay settlement, BOE base rate and Brexit implications, which impacted expenditure and income. There was also the additional tax of 1.25% added to National Insurance for the social care levy to factor in.

The inflation factors discussed at prior meetings had been reflected on income and expenditure but unfortunately costs had risen faster than income. To balance the budget, therefore, the capital budget, which was used to update the fleet, had been reduced by £30K and earmarked reserves for play reduced to zero saving another £20K.

Focusing on expenditure there were no additions to staff, although unfilled posts from last year would be advertised shortly and hence no changes in service delivery.

Some adverse variances in the forecast and now positive variances as the position was reversed but how the budget will stand up to actual increases remained to be seen and would be reported on at quarterly updates. Due to the energy contract, the council was shielded from the worst of the energy crisis and had currently £327K of general reserves to meet any small overspends.

Councillor Dean asked if the Town Council was helping staff with fuel bills when working from home. The RFO replied that no help was being offered.

Councillor Dean also enquired about car allowances and wanted to know, that with the advent of electric vehicles and staff working from home, if there would be changes to expenditure. The RFO replied that this would be raised and reviewed at the JCC.

It was noted that there were no entries on the budget under Vehicle Replacement and that the RFO would remove it.

In terms of Income, the RFO expressed his hope that the Town Council would receive slightly more than last year.

Despite a small deficit the commitments to earmarked reserves and the ash die back and bus shelters of £68,000 were included within the budget.

Councillor Mosley invited members to debate the Recommendations to this committee. He expressed his delight that the RFO had presented a budget with a 0% increase to the precept. The cost of living crisis was about to worsen and members had the responsibility to mitigate this as much as possible for residents. He thanked the RFO and other officers involved and the good housekeeping undertaken by councillors over the years.

Despite this, there were significant projects in the pipeline, for example:

- New BMX track at Monkmoor
- Renovation of Stanley Lane Recreation Ground
- Play equipment improvements at Kynaston Road and Upton Lane
- Bus shelter improvements
- Ongoing solar light works
- Investment in the County Ground
- Maintaining commitment to Big Town Plan
- Ash dieback work

It was also hoped that this year might see the development of a more accessible route to town around the Dana.

Councillor Vasmer very much supported no increase to the precept and was relieved that work would still continue on the above projects despite this.

Councillor Phillips also expressed support for the budget but said it would be prudent to keep the precept as it was with a view to possibly trimming it in future years.

RECOMMENDED:

- (i) The forecast out-turn for the 2021/22 Financial Year as presented be noted;**
- (ii) The increased Taxbase of 25,752.47 and Band D rate of £60.25 be noted;**
- (iii) That the proposed Fees & Charges as agreed by both the Finance & General Purpose Committee and the Recreation & Leisure Committee be approved;**
- (iv) That the Capital Programme be deferred to the next meeting on the basis that any inclusions did not impact on the Revenue Budget and be funded through existing and future reserves;**
- (v) That a Revenue Expenditure Budget of £3,759,808 be set against an Income budget of £3,757,727 with a planned deficit of £2,081 being funded through General Reserves;**
- (vi) That a Precept be levied against the Taxpayers of Shrewsbury of £1,551,586 which equated to a Band D Levy of £60.25.**

71/21 EXCLUSION OF THE PUBLIC**RESOLVED:**

That in accordance with s1(2) Public Bodies (Admission of Meetings) Act 1960, members of the public be excluded from the meeting on the grounds that the following items being considered involve the disclosure of confidential information.

Live streaming of the meeting was ended.

72/21 PURCHASE OF PROPERTY

The Town Clerk circulated a report detailing a property that had come available within the town centre that could meet the accommodation needs of the Town Council. The Town Clerk went into further detail at the meeting, including the levels of due diligence undertaken and a review of costs of both the property but also any improvements that would need to be made to make it fit for purpose.

The RFO also outlined the business case of purchasing this property against current expenditure of the Town Council's existing base and the loss of income from utilising existing reserves.

The Town Clerk reported that following discussions with the Group Leaders, she had made an offer on the building and this had subsequently been approved. Architects had been commissioned to undertake sketch designs and provide indicative costs of work to inform the purchase decision.

The Town Clerk therefore recommended to Mr Chairman that the Committee agrees that officers proceed with the purchase and renovation of the property as outlined in her report.

Councillor Mosley, having visited the site, confirmed the Town Clerk's comments and remarked that the building was in an excellent state of repair. Meetings of the Full Council could not be accommodated but this was not seen to be a barrier to the purchase either as other council meetings could be held there. There might also be room for a Members' Room for anyone wishing to meet ward residents.

Councillor Vasmer added that the purchase of this property would make excellent economic sense and would help increase the public profile of the Council due to its visible location. If a Members' Room was created, there was the possibility that this could be hired out to community groups.

Councillor Phillips expressed his support for the purchase in principle but was concerned about the lack of parking for disabled people outside and whether this historic building might have a significant carbon footprint; he would like further information before Full Council. Councillor Dean said that this was an opportunity to undertake a ground-breaking retro-fit on an old building which would be good for the Town Council's profile.

RECOMMENDATIONS:

- (i) That the report be noted

- (ii) That Officers progress with the purchase and renovation of the property as outlined in the report.

73/21 CLOSING REMARKS

In closing the meeting, the Chairman thanked members of the public that had logged in. All papers relating to this meeting could be found on the website www.shrewsburytowncouncil.gov.uk and the minutes would appear in draft on the website within the next month. He thanked Councillors and all staff involved in the meeting.