

SHREWSBURY TOWN COUNCIL

**Meeting of the Finance & General Purposes Committee
Held in Council Chamber, Shirehall
At 6.00pm on Monday 9th January 2023**

PRESENT

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

IN ATTENDANCE

Helen Ball (Town Clerk), Gary Farmer (Head of Operations), Andy Watkin (Head of Resources) and Heather Phillips (Committee Clerk)

81/22 APOLOGIES FOR ABSENCE

RESOLVED:

That apologies be accepted from Amanda Spencer (Deputy Town Clerk) and from Councillor Phillips that he was late.

82/22 DECLARATIONS OF INTEREST

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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83/22 MINUTES OF THE LAST MEETING

The Minutes of the Finance & General Purposes Committee meeting held on 5th December 2022 were submitted and circulated as read.

Councillor Mosley referred to Min 73/22 that they were to be amended to read that Councillor Mosley would be the elected member on the River Safety Action Group.

RESOLVED:

That upon the following be included to the resolution of Min 73/22 [That Councillor Mosley be the nominated Representative on the Team Shrewsbury River Safety Working Group], the minutes of the Finance & General Purposes Committee meeting held on 5th December 2022 be approved and signed as a correct record.

84/22 MATTERS ARISING FROM PREVIOUS MINUTES

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

- (i) **74/22 Ditherington Community Centre** – the Deputy Town Clerk had been working with 4 All Foundation on the partnership agreement which was progressing and in accordance with previous resolutions would be signed by the Town Clerk.
- (ii) **75/22 Ecargo Bike Business** – The Town Council contacted the Shropshire Cycle Hub to confirm the level of funding available; this conditional upon other funding being secured. Details of the offer of a second hand E-Cargo bike from a previously defunct scheme was forwarded to Shropshire Cycle Hub.
- (iii) **78/22 Provision of Sanitary Products in Town Council Toilets** – This has progressed with the installation of a dispenser and products at The Grange Centre.
- (iv) **64/22 Matters Arising from Previous Minutes – Mansel Williams Way** – Signage is still awaited; the Town Clerk had contacted Shropshire Council Highways for an update.

85/22 BUDGETING 2023/24

(i) Revenue Budget for 2023/24

Details of the draft 2023/24 budget had been circulated to members ahead of the meeting and had been put together based on the assumptions approved at the last Finance & General Purposes Committee meeting.

(a) (I) 2022/23 Forecast Out-turn

The RFO reported to members on the 2022/23 Forecast as follows:

Wage costs saw a small increase due to the pay award (average was 8% per employee) which resulted in an adverse variance as 2% budgeted. Some positions had not been filled so a small saving was made. Overtime costs had also increased due to the unforeseen Proclamation event. This also applied to the increase in casual/temporary staffing costs but less requirement for this was forecast for 2023/24. The social care levy was scrapped by the Chancellor; this was only applied for half of the year and was therefore not quite as high as predicted. Staff training had returned to pre-Covid levels.

Councillor Dartnall enquired about the unfilled roles at the Town Council. The RFO replied that one had not been budgeted for, and was therefore an efficiency saving, but that there were 2 other vacancies i.e. the Mayor's Officer and a grounds maintenance operative.

Employer pension contributions will increase from the current 14.8% to £17.6% in 2023/24 which would be detailed further in the meeting.

Premises costs had increased overall in 2022/23 due to paying for gas and electricity at two additional premises (work had begun on the new office at St John's Hill) together with the increased energy costs and significant rises

in the price of cleaning materials. Members were reminded that the Town Council also rented other buildings besides Riggs Hall eg for youth activities.

(II) 2023/24 Revenue Budget

The RFO explained that the budget was largely calculated taking the forecast and adding inflation. Staffing costs had been increased by 2% to allow for inflation despite one post being removed.

The 2023/24 budget showed a reduction in rent as the Town Council was to be in its new premises in the coming months although rates, gas and electricity were broad estimates.

Councillor Mosley enquired about the energy costs. The RFO explained that the figure was only slightly more than budgeted i.e. £30K because the Town Council was protected somewhat from the market rate by the forward pricing model.

Fuel and oil costs in 2022/23 had also been volatile, typically an increase coinciding with seasonal high vehicle/machine use. The situation re Fuel Duty may change in 2023/24.

In 2023/24 there was going to be additional computer/IT costs for the new office in St John's Hill.

Grounds maintenance costs were largely the same except for fertilisers/chemicals which had seen a significant increase this year. This was set to continue into 2023/24 but the Town Council had several suppliers to draw from.

The RFO reported that Professional fees had risen as professional advice had been sought more ad hoc than was usual. Councillor Dean asked about the rise in Civic expenses; this was also due to the Proclamation event.

The Capital costs were greatly reduced from the previous year due to the 0% increase in the Precept and restored to previous levels.

The £37,500 Earmarked reserves saw £20,000 for the election, £10,000 for ash die-back costs, £5,000 for the Splash Park and £2,500 for IT upgrade, along with use of S106 funds.

Councillor Phillips joined the meeting.

(b) Tax Base

The Council had received notification from Shropshire Council of the Tax Base for 2023/24. This was now 26402.73 Bans D Properties.

(c) Fees & Charges for 2023/24

Fees & Charges had previously been agreed.

(d) Capital Programme

Details of Capital Works within the Revenue were discussed.

(ii) Precept for 2023/24

The RFO reported that notification had been given of 26,402.73 for the Council Tax base. The current Band D was £60.25. A 5% increase would equate to an annual rise of £3.01 to £63.26 generating a levy of £1,670,237. The proposal was met with unanimous agreement from members.

The Chair expressed his regret about the increase in the Precept especially due to the recent rises in the cost of living but, given variables in rising prices and inflation to the Town Council, there was no other choice. Councillor Mosley also wanted to remind members that residents receive great value for money from the Town Council especially when seen alongside comparable authorities in Shropshire and elsewhere.

Councillor Mosley added that there had been a substantial capital programme of works started this year which included the refurbishment of new office accommodation (ready for the move at the end of March), improvements at Abbey Gardens, ash die-back monitoring and associated works, the programme of bus shelter replacement, the BMX track at Upton Lane etc.

Next year's planned programme included improvements at Moston Road and Kynaston Road wheeled sports tracks, refurbishment of the tennis courts at Monkmoor Recreation Ground, play area improvements at Upton Lane and the introduction of beavers at the Old Riverbed to name but a few. The implications of the River Safety Report was also to be implemented alongside Team Shrewsbury initiatives. The Town Council was also in the process of adopting some areas of land ie at Bowbrook Meadows, Weir Hill countryside land and Shrewsbury South Urban Extension.

Councillor Dean agreed with the requirement to raise the Precept; adding that the alternative would be to see a deterioration in the resilience of the social infrastructure of the town which was very important at this time.

Councillor Phillips concurred and enquired about the two vacant posts. The RFO said that the posts of Mayor's Driver and Grounds Maintenance Operative would be reviewed. Councillor Dartnall welcomed a review particularly in regard to the Mayor's Driver which appeared to be rather indulgent.

RECOMMENDED:

- (i) That the forecast out-turn for the 2022/23 Financial Year as presented be noted;**
- (ii) That the increased Taxbase of 26,402.73 and Band D rate of £63.26 be noted;**
- (iii) That the proposed Fees & Charges as agreed by both the Finance & General Purposes Committee and the Recreation & Leisure Committee be approved;**

- (iv) **That a Precept be levied against the Taxpayers of Shrewsbury of £1,670,237 which equated to a Band D Levy of £63.26.**

86/22 LOCAL GOVERNMENT BOUNDARY COMMISSION CONSULTATION

In reference to the Local Government Boundary Commission Consultation, the Town Clerk reported that Shropshire Council had wanted to increase the number of seats to 76 (an increase of 2) but that the Boundary Commission wanted to maintain the current number of 74. The consultation would conclude at the end of January.

The division of boundaries was also under review and the Town Clerk reminded members that it had presented a request to Shropshire Council for a review of Shrewsbury Town Council's boundary in February 2021 due to developments that had expanded into other parish council areas. It was thought that the A5 and A49 should serve as boundaries for the Town Council; this a view supported by group leaders at a recent meeting.

Councillor Mosley reported that Shropshire Council had put forward two proposals: one for the current 74 seats and another for 75, the additional one being at Shifnal. He emphasised that Shropshire Council's boundaries and those of the Town Council were co-terminus. Parish Council boundaries were determined by Shropshire Council.

RESOLVED:

That that group leaders meet with the Town Clerk to agree proposals to put forward to Full Council on Monday 23 January 2023.

87/22 WARM ROOMS GRANT UPDATE

The second tranche of applications for Warm Room Grants were considered and approved by the Town Clerk and the RFO on 16th December 2022. A further application from Trinity Churches for £1,500 was brought to this meeting. It was decided that the application would not be proceeded because it had been received after the deadline and there was only £25 left of the £5,000 allocated for this initiative.

Councillor Phillips left the meeting.

Councillor Moseley wondered about the discrepancy between the hourly rate and funds awarded to previous applications and asked if attendance had been monitored. The RFO said that the hourly rate was not an appropriate measure of how the funds were allocated for each application. The Town Council were unable to go into the level of detail of monitoring attendance.

RESOLVED:

That the application from Trinity Churches be not approved.

Councillor Phillips re-joined the meeting.

88/22 PENSION VALUATION

The RFO circulated a report on Actuarial Valuation to members prior to the meeting to appraise members on the results of the 2022 Shropshire County Pension Fund Actuarial Valuation and proposed employer's contribution rate for Shrewsbury Town Council for 2023/24 onwards.

The RFO brought members' attention to the increase in the average fund future service rate by 3.5% to 20.1% due to a reduction in the membership changes and actuarial assumptions. The Town Council fund is fully funded at 130%. The future service rate had increased for future accounting periods from 17.6% to 19.6 although a rate of 14.8% was currently paid utilising the fund surplus.

Due to the surplus on the scheme, at the last valuation the actuary agreed that the contribution rate could be reduced to the previous service rate of 17.6% although this was a 2.8% increase. The actuary's valuation had been worked on since April 2022 prior to a meeting in November 2022.

Councillor Phillips added that the lower the interest rates, the higher the liability. It was last done in 2020 when interest rates were 1% or below. Since then there had been a sustained increase in the interest rate which should help. The RFO replied that the Bank of England's long term inflation targets were taken into consideration. Other factors were membership and lower rate of mortality. Also, the average age of the workforce had risen over the last 3 years. Projections were higher at 19.4% but it was agreed at a lower amount and for the fund surplus to be used.

Councillor Dean asked how often the valuation was reviewed and whether it would affect employee contributions. The RFO replied that the valuation was undertaken every 3 years and that employee contributions would be unchanged.

RECOMMENDED:

That the employer's rate is increased to 17.6%

Councillor Mosley concluded the meeting by thanking Councillors, Town Council staff and any members of the public who had been listening to the proceedings.