

SHREWSBURY TOWN COUNCIL

**Meeting of the Finance & General Purposes Committee
Held in Committee Room, Livesey House
At 6.00pm on Monday 22nd January 2024**

PRESENT

Councillors: A Mosley (Chair), 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), Andy Watkin (Head of Resources) and Heather Phillips (Committee Clerk)

60/23 APOLOGIES FOR ABSENCE

RESOLVED:

That apologies be accepted from Councillors Dartnall and Wilson.

61/23 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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62/23 MINUTES OF THE LAST MEETINGS

The Minutes of the Finance & General Purposes Committee meetings held on 4th December 2023 were submitted and circulated as read.

RESOLVED:

That the minutes of the Finance & General Purposes Committee meetings held on 4th December 2023 be approved and signed as a correct record.

63/23 MATTERS ARISING FROM PREVIOUS MINUTES

There were no matters arising.

64/23 BUDGET 2024/25

(i) Revenue Budget for 2024/25

Details of the draft 2024/25 budget had been circulated to members prior to the meeting for consideration and recommendation to Full Council on 29th January 2024.

The RFO introduced the forecast out-turn for the 2023/24 financial year first and compared it to the budget set. Generally, he reported that there was additional income compared to the budget from Interest received, Open space, Commercial and Other works which had helped to offset an increase in costs such as Professional fees and Electricity.

Expenditure: There was more spent on Wages due to the recent pay award, which was higher than budgeted, and vacant posts such as the Mayor's Driver were filled. There was a large overspend on Casual/temporary staff for the security of The Quarry etc but some of this was covered by grant funding. There was also an overspend on Staff advertising due to the replacement of staff. There was, however, a significantly lower spend on business rates. Spend on electricity was higher due to the increase in the unit cost of electricity but also due to a fault with the meter in The Quarry (subsequently rectified). Building maintenance costs were also higher than budgeted as the lights at Castlewalk needed substantial work and a churchyard wall needed repair. Spending on Equipment and Machinery was similar to previous years and produced a positive result overall; Fuel & Oil costs tended to fluctuate. For Printing, Telephone, and Insurances, the RFO mentioned that insurance was always slightly more than inflation and that computer costs never get cheaper. Under Members, Professional Costs and Events, the RFO informed members that the Council was being set up to take electronic payments and this would increase bank charges. He noted also that audit fees were rising and that there had been an overspend on Professional Fees due to having to obtain additional advice. Planned capital expenditure for the automatic white-lining machine was brought forward utilising additional income. The total expenditure was £4,774,785.

Income: The RFO reported that the sale of hanging baskets had exceeded expected income: about £6,000 had been raised by the supply of a number of hanging baskets to other town councils. Section 106 monies were received and were now in Reserves. The Precept received was in line with the budget. There was a surplus of £1,060 at year end.

Councillor Phillips asked if Livesey House was energy efficient as the spend on electricity was higher than expected. The RFO explained that the rise in these costs were not related to the building but to the problems with the electricity meter in The Quarry. He added that the energy bills at the new office were low.

Councillor Mosley questioned the overspend on Casual/temporary staff. The RFO explained that some of this was spent on youth activity providers but that Revenue grants covered the staff security in The Quarry. The Town Clerk added that £124,142 was spent on this in 2022/23 but that the Town Council had only received 6 months' funding.

Councillor Vasmer commended staff for the success of the hanging basket sales and requested his comments be passed on to staff involved.

Budget 2024/25. Expenditure: The RFO reported that expenditure was broadly the same as last year with costs increased by inflation. Wages were given a 5% increase and an extra £60K was added to the Casual/temporary staff budget for security provision. Although this was less than last year it was hoped that it would be sufficient. The Car allowances budget was reduced due to staff leaving. The Rent budget was for the Market Hall and other facilities e.g., youth spaces and meeting rooms (there were now no office rental costs). Rates were raised slightly due to inflation. The Electricity budget was also raised slightly for inflation and meter issue. Ground Costs were, overall, less than forecast. The budget for Equipment was comparable to last year with an inflationary increase. Insurance costs were also likely to rise. Professional costs were predicted to be largely similar to last year.

Income: The RFO anticipated that more income would be raised from Rents and Sports and from the SLA and Other Works. Interest received was budgeted to decrease due to lower rates and smaller balances held. A proposed increase of 5% to the Precept was included (an increase of £3.16 to Band D) generating £1,770,089. Overall, it amounted to a neutral budget.

Councillor Mosley asked where the Market Hall rents were on the budget and the RFO said that they were included under the Commercial heading.

Councillor Mosley said that group leaders had discussed the budget for 2024/25 prior to the meeting and wanted to propose an increase from £20K to £40K for the Community Grant Fund but to be incorporated within the proposed precept allocation. The RFO said that he could move the £10K allocated to Community Projects and the £6K allocated to Elections into the Grants budget and he would have to make up the other £4K shortfall from elsewhere in the budget. Election costs would have to be funded from the General Reserves if a by-election were to be held.

Councillor Dean asked if there was any impact on the Budget in relation to environmental threats and cited the approaching third named storm of the year and recent flooding. The Town Clerk said that buildings at County Ground had been impacted and that mitigation works in The Quarry were also now necessary to prevent damage e.g., removing the motherboards for the lights when flooding was imminent. The RFO added that the lower toilets in The Quarry were out of action during the floods and that these needed deep cleaning afterwards along with the play area. Councillor Moseley commented that, fortunately, there had been little storm damage to the lime trees in The Quarry due to extensive tree maintenance carried out 18 months ago.

The Proposed Fees & Charges for 2024/25 were in line with inflationary increases.

The RFO said that the Neighbourhood Fund would have to start being used as spending must begin within 5 years of receipt. The next meeting of the Finance & General Purposes Committee would discuss in more detail the separation of the Capital Programme from the Revenue Budget.

With regard to the Reserves, the RFO explained that Election costs were allocated monies each year to cover costs when required. Other provision added to this budget would also be for the Astroturf and the Splash Park. There was also money to undertake other works, e.g. at The Dana, but that nothing additional was being put in from this budget.

(ii) Precept for 2024/25

Councillor Mosley proposed a 5% increase to the Precept to account for inflation and the increased projected wage increase. He said that there was no clear pattern for similar authorities. He added that members needed to be aware that Shrewsbury Town Council's Precept was relatively low but that it would still allow for plans to be realised.

Councillor Dean proposed an alternative. He said there was a strong argument to build in a bit more headroom into the budget for visioning; the exercise was coming to an end, but its plans were not quite complete. He added that external threats, e.g., Covid, the war in Ukraine and the unrest in the Middle East, should not be downplayed, and that these had significant financial and economic impacts. He proposed a £5 increase pro rata to Band D. He accepted that the Town Council would have to justify the increase and that this would need

to be reflected in its action plans. Councillor Vasmer concurred with Councillor Dean's proposal especially in relation to the number of concerns about Shropshire Council's financial viability and the need to maintain the Town Council services. He added that any problems needed to be factored in and that a slightly larger increase would help manage the situation as well as realise visioning for the town.

Councillor Phillips, Moseley and Roberts all said that increasing the Precept by more than 5% would be sending the wrong message to the people of Shrewsbury and the pressure of cost rises residents faced.

The amendment was put to the vote, and it was agreed on the Chairman's casting vote that the Precept be raised by 5% for 2024/25.

RECOMMENDED:

- (i) That the forecast out-turn for the 2023/24 Financial Year as presented be noted;**
- (ii) That the increase in Taxbase as reported by Shropshire Council 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 Grants budget be raised from £20,000 to £40,000 and be funded by moving monies allocated to the Election budget (£6,000) and the Community Projects (£10,000) plus another £4,000 from elsewhere in the presented Budget be approved;**
- (v) That a Precept be levied against the Taxpayers of Shrewsbury of £1,770,089 which equated to a Band D Levy of £62.42.**

65/23 COMMUNITY GOVERNANCE REVIEW

The Terms of Reference for the Shrewsbury Community Governance Review prepared by Shropshire Council was circulated prior to the meeting. The Town Clerk said that the Local Authority was not carrying out a county-wide review but was only reviewing some areas including Shrewsbury. Submissions were invited up to 26th January and the Town Council had made representations about its views on governance and that Shropshire Council and Shrewsbury Town Council remain coterminous. Council Tax money received would increase.

Councillor Dean asked if the electorate on the edge of the town might be confused about which ward they were in. The Town Clerk said that officers at Shropshire Council had already resolved the internal boundaries and that they would also have the final say on the reorganisation order.

It was agreed that the Town Clerk send representations previously submitted to Shropshire Council as part of the Local Government Boundary Commission consultation on Unitary Council Boundaries, again to show the Town Council's wish to be actively involved in discussions. The representations were to be circulated to members and agreed at the next meeting of the Full Council. The Town Clerk was confident that an extension to the deadline would be allowed.

RECOMMENDED:

That representations on the Community Governance Review be re-submitted by the Town Council.

66/23 PLACE PLAN

The Town Clerk reported that Mathew Mead (Place Plan Officer) had already made a presentation to Council on the Shrewsbury Place Plan. There was a need for the Council to submit any priorities into the system and he had already made contact with a number of Councillors individually around very local priorities. The proposed list of projects on Place Plan was circulated prior to the meeting. The Town Clerk explained that the list was prepared using suggestions from councillors, work the Town Council was planning and projects from the evolving visioning document. These projects had been presented to the Recreation & Leisure Committee where it had been requested that they be amalgamated into one list and created as a file that could be annotated and amended on SharePoint by officers and members. The Officer Manager was currently organising this. The Town Clerk urged members to include any traffic measures on the document in order to access CIL funding.

67/23 CLOSING REMARKS

In closing the meeting, the Chairman thanked members of the public that had logged into listen as well as Councillors and staff involved in the meeting. 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.