



Garstang Town Council

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Finance Committee Meeting, 12th January 2021 Minutes

Minutes of the virtual Finance Committee meeting, held on 12 January 2021, 7.30pm.

Present

Chairman: Cllr Halford

Councillors present: Allan, Atkinson, Halford, Mitchell, Pearson, Ryder

Also present: Town Clerk Edwina Parry

20(2020-21) Apologies for Absence

Councillor Pearson was asked by the Chairman, Councillor Halford to Chair the meeting, as he was unable to view the screen for a long period of time. The Committee approved this request.

All Councillors were present. Councillor Ryder joined at Item 6; he had difficulty joining the meeting online.

21(2020-21) Declaration of Interests and Dispensations

25(2020-21), Councillor Atkinson and Pearson both declared an 'other interest'. Both are Trustees and Town Councillor representatives of Kepple Lane Park Trust.

22(2020-21) Public Participation

There were no members of the public present at the meeting.

23(2020-21) Meeting Notes of the Briefing meeting held on 30 November 2020

A copy of the meeting notes of the Briefing meeting held on 30 November 2020 had been circulated.

Resolved: The meeting notes of the Briefing meeting held on 30 November 2020 were confirmed as a true record.

24(2020-21) Receipts and payments account year 2020/21 (Q3)

Resolved:

- a) **Bank reconciliation month ending 31 December 2020 for the 4 cashbooks (copies of bank statements were included)**

Resolved: The bank reconciliations for the 4 cash books were approved.

- b) **Summary receipts & payments (1 April 2020 to 31 December 2020)**

Councillor Atkinson pointed out that the Reserves figure detailed under Reserve Balance was detailed as £-3,863.25. He had been present on an accounts support call with the RFO in December 2020, and that the negative figure had been identified by the account support team. He and

the RFO explained that the reason why it was showing negative was attributable to transferring money into the EMR's.

Resolved: The summary receipts & payments report (1 April 2020 to 31 December 2020) was approved as the cumulative funds total represented by the bank accounts balanced with the Reserves Balance. It was agreed that the RFO would seek support, from the accounts support team, to rectify the issue of the general reserve figure showing as a negative figure

c) **Receipts/Payments by budget report (1 April 2020 to 31 December 2020)**

Resolved: The receipts/payments by budget report was approved.

d) **List of receipts and payments from the 4 cashbooks (1 April 2020 to 31 December 2020)**

Resolved: The list of payments and receipts from the 4 cashbooks (1 April 2020 to 31 December 2020) were approved.

Councillor Mitchell has verified October's accounts, as per financial regulation 2.2, and responded back with comments (summary in Appendix). The RFO had sent November's account, for verification, on 16/12/2020.

25(2020-21) Precept and budget 2021/22

The Committee were asked to recommend a precept figure for the Town Council to approve at the meeting on 18/01/2021.

Are the EMR recommendations, (outlined on the budget briefing paper, to be put forward for approval at the Town Council meeting on 18/01/2021?

The Committee discussed the precept in detail. To assist in their recommendation to Full Council the following points were considered:

a) **Full Council minute 7 December 2020**

189(2020-21) Budget and Precept 2021/2022

Resolved: As per the Town Councils financial regulations, the Council accepted the provisional precept figure of £94,055 and the EMR recommendations as detailed in the Finance briefing meeting notes, 30th November 2020, and the proposed 2021/22 Annual budget detailed on Annual budget – By Centre Note: 20201207 V1.0. The Council further resolved to consider the referendum thresholds when preparing the 2021/2022 precept, as guided by Wyre Council. The Council noted that the Finance Committee would meet on 12 January 2021 to adjust any budgetary figures. The precept figure and EMR recommendations would be put forward for approval at the Town Council meeting on 18 January 2021. Wyre Council would be notified on 19 January 2021 of the precept figure.

The Committee were aware that Full Council had accepted the draft precept figure of £94,055, any recommendation, from the Finance committee would be based on this guidance from the Town Council's resolution.

b) **Personnel Committee 15 December 2020 – draft minute**
007(2020-21)

Resolved: The Committee recommended to the Finance Committee and Full Council that employees salaries should not increase by the budget figure of 2.5%. There should be a pay freeze, 0% increase,

for employees. The Chair and Clerk reminded Committee members that 'The National Agreement on Pay and Conditions of Service of the National Joint Council ("the NJC") for Local Government Services ("the Green Book") applies to employees contracts of employment. The Committee further resolved that the Finance Committee respond to Councillor Brooks' question as to why staff costs had increased overall by 10% for 2021/2022?

The Committee responded to the Personnel Committee by revising the cost centre 201 Staff costs. The Committee approved that the by the budget figure for 2021/2022 be changed from an increase of 2.5% to a 0% increase, for employees (pay freeze). The RFO reminded Committee members that 'The National Agreement on Pay and Conditions of Service of the National Joint Council ("the NJC") for Local Government Services ("the Green Book") applies to employees contracts of employment.

The Committee wished to convey to the Personnel Committee that associated staff costs were separate from net salaries. National Insurance and Tax payments were determined by central government. The pension contributions are determined by the Local Government Pension Scheme; the Town Council as an employer currently contributes 21.8% of salaries, employees contributions are between 5.8% and 6.5%.

c) Other considerations

The Committee considered code 4805 North West Stages Rally. Although the event was not taking place in March 2021, if the event were to be held in March 2022, a budget figure would be required to support the event.

The Committee considered codes 4840 MTWG events, 4841 MTWG projects/admin and 4842 MTWG strategy Plan Consultancy. The Committee were aware that these budget figures amounted to £7,000. After much discussion, the Committee resolved to keep these budget figures in for the following reasons.

4842 MTWG strategy Plan Consultancy. The MTWG want to produce a new Town Plan, based on the historic Garstang and District Partnership Plan. The Council have a responsibility to the town, to plan for the future of the town. The MTWG had been advised by Wyre Council, that funds were required from the Town Council if the Town Council wanted to attract additional funding.

The Committee noted that the Council had been cautious during previous years about increasing the precept. But given COVID, the town needs to come out of the pandemic positively. The MTWG project is seen as incredibly valuable resource to the town of Garstang for business and residents.

The Committee put forward the recommendations for the EMR's as outlined in the Finance Committee's budget briefing paper of 30 November 2020, for the Full Council to approve (detailed in the Appendix)

When inserting the revised expenditure into table 2, the precept figure required is £90,742. (There is a surplus of £659 in the general reserves that can be utilised).

The Committee were mindful, that the proposed precept for a Band D equivalent household of 50.47/annum equated to 97 pence per week, compared to 81 pence per week that a Band D property currently pays.

The Committee were mindful that due to the decrease in the tax base, this had an effect on a Band D property, even if there was not a rise in the precept; residents were been asked to pay an extra 79 pence.

Recommendation to Council:

The Committee's recommendation to Full Council, is a precept figure of £90,742. This in an annual increase of £8.54 on the 2020/2021 which equates to an extra 16 pence/week.

Table 1

2020/21 Band D equivalent	2020/21 precept	Tax base 2020/21
41.93	76,809	1,831.85
2021/22 Band D equivalent	2021/22 precept	Tax base 2021/22
50.47	90,742	1,797.87

Table 2

Balance held at 31/03/2020	52,360	
Net income over expenditure at 31/03/2021	4,667	
Projected Bank Balance 31/03/2021	57,027	(a)
Projected EMR 26/11/2020	56,368	(b)
Surplus (a-b)	659	(c)
Budget Expenditure	92,927	(d)
Budget Income	1,526	(e)
Net Budget Expenditure (d-e)	91,401	(f)
Precept Required (f-c)	90,742	

26(2020-21) Reserves policy

The RFO advised that she was awaiting a figure from Wyre Council, for an estimate of a by election which would be included in the Reserves policy.

Resolved: That the Reserves policy be delegated to the RFO to amend, (incorporating the by election figure from Wyre Council). The RFO would revised policy to the Finance Committee by email, incorporate their comments and then put forward for approval to Full Council on 15 February 2021.

27(2020-21) Review of Financial regulation point 10.3

The RFO reported that a local resident had been in contact about how the council decides on suppliers of goods. The resident is aware that the council would generally approach 3 businesses for quotes – but asked what criteria is used to decide which businesses to approach?

The RFO, in consultation with the Chair, replied that there is no regulation about which business the Town Council may approach. The Town Council usually try and source products locally, depending on what product/service is required and what costs are involved.

The Committee were asked if this point should be reviewed and make a recommendation to Full Council.

Resolved: The Committee agreed that the following words should be included “with consideration of local providers”

So that item 10.3 would read

10. Orders For Work, Goods And Services

10.3 details

All members and officers are responsible for obtaining value for money at all times. An officer issuing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by obtaining three or more quotations or estimates from appropriate suppliers with consideration of local providers, subject to any de minimis provisions in Regulation 11.1 below.

The recommendation would be taken to February’s Full council meeting as part of the annual review of the council’s financial regulations.

28(2020-21) Investment strategy

The Finance Committee reviewed Investment strategy V1.2.

Resolved: No recommendations were made. It was agreed that the Investment strategy alongside the Reserves policy would be taken to Full Council for approval at February’s meeting.

29(2020-21) Risk Register, quarterly review

Councillors considered the risk register (V1.13)

Resolved:

- a) Point 7: Election costs. To be reviewed alongside Reserves policy.
- b) Point 20: Project management – it was noted that a report is being taken to Full Council on 18/1/2021
- c) Point 23: Working practices – That the RFO completes the risk assessment review in February/March 2021.

30(2020-21) Asset Register

Councillors considered the asset register (V1.19).

Resolved: Item 7 a replacement value needs to be sought by the RFO. It was agreed that the stone mason be approached, who is working with Councillor

Webster, or a local builder for a value. Item 47, a replacement value of £500 for the BT box to be inserted.

31(2020-21) Date of next meeting

4 May 2021.

The meeting finished at: 8.47pm

Appendix

Minute 24(2020/2021) Receipts and payments account year 2020/21 (Q3)
C&C invoice and payment BACS 00293 was £50.50 however this was £50 on the minutes

RBS is showing as £17,295.74 in minutes but appears to be £17,262.74 on the account

Xmas lights shows £484.63 in minutes but I can't see this figure anywhere else on the statement or reconciliation

There is a payment in of £41 in the RBS account from ** but I don't think I can see anywhere what this relates to.

Minute 25(2020/2021) Precept and budget 2021/22 EMR figures to be approved

Ear Marked Reserves (EMR's) - The Councils EMR's were scrutinised and agreed that the following recommendations be made to Full Council as part of the budget review.

a) EMR 324 War memorial

The Committee recommended that the budget code 4705 Amenities monies, £750 be utilised from 1/04/2021 and transferred into this EMR on 1/04/2021. The code heading to be changed to Amenities.

b) EMR 330 New Council website

The Committee recommended that £2,000 surplus monies from this EMR be transferred to be transferred into the EMR 345 RHSSF project. The remaining funds will be utilised for Teams up until March and final website costs (approximately £25). The remaining amount after this expenditure will be approximately £200. This should be left in the EMR which should be renamed IT maintenance.

c) EMR 332 War memorial plaque

The Committee recommended that EMR 332 be changed to a budget heading of War memorial maintenance and that the EMR be reduced from £2,000 to £1,000. The new plaque expenditure will be allocated to this code. The surplus £1,000 to be transferred into the EMR 345 RHSSF project.

d) EMR 338 VE Day 75 weekend

The £1,500, which will not be spent this year, be transferred into the EMR 345 RHSSF project.

e) EMR 345 RHSSF project.

The Committee recommended that the EMR heading be changed to Market Town Working Group. If the recommendations a) – d) were accepted by the Council. The total would be £2,648 +£2,000 + £1,000 +£1,500 = £7,148.