



Garstang Town Council

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Garstang Scout and Guide

Headquarters

Kepple Lane

Garstang

PR3 1PB

Finance Committee Meeting, 15th November 2022 Minutes

Minutes of the Finance Committee held at Garstang Library, on Tuesday, 15th November 2022

Present

Chairman: Councillor Atkinson

Councillors present: Cllr Pearson, Cllr Allan and Cllr Mitchell

Also present: 2 Members of the Public

Meeting started: 19:31

17(2022-23) Apologies for Absence

Apologies received from Cllr Halford, the Town Clerk, Cllr Leech and Cllr Brooks.

No apologies from Cllr Lees

18(2022-23) Declaration of Interests and Dispensations

Cllr Allan – Item 12 – Budget - Pecuniary interest as he resides within the parish, however a dispensation form is on file.

Cllr Pearson – Other- Interest – Member of the Scouts and Guides Headquarters Management Committee

19(2022-23) Public Participation

Cllr Atkinson read out an email from Cllr Brooks as he was otherwise engaged and could not attend, however has provided his comments on the budget item. The committee considered the points raised throughout the meeting.

The meeting was adjourned, no members of the public wished to speak, so the meeting was reconvened.

20(2022-23) Minutes of Finance Committee meeting, 12th July 2022

The draft minutes of the last meeting can be found on the Town Council Website: [12 July 2022 Finance Committee Minutes – Garstang Town Council](#)

Resolved: Committee approved the minutes as an accurate record. The committee further resolved that it wished for outstanding resolutions to be included on the agenda for review.

21(2022-23) Receipts and Payments Q2 – For Decision

Q2 accounts are not presented to the committee as scheduled, they will be presented to committee in January 2023 instead.

079(2022-23) Council Accounts. Resolved: *Due to access to the councils accounting system Council resolved to suspend the following financial regulations until access is restored and the RFO is able to produce the quarters accounts.*

- *4.8. The RFO shall regularly provide the Finance Committee with a statement of receipts and payments to date under each head of the budgets, comparing actual expenditure to the appropriate date against that planned as shown in the budget. These statements are to be prepared at least at the end of each financial quarter and shall show explanations of material variances. For this purpose “material” shall be in excess of £100 or 15% of the budget. The Council will be provided with a summary statement quarterly.*
- *Standing Orders 2.2. On a regular basis, at least once in each quarter, and at each financial year end, a member other than the Chairman [or a cheque signatory] shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO.*

The risk associated with suspending these financial regulations is that the council will not review the accounts for errors in a timely manner.

Resolved: Following the councils interim financial operating arrangements [079(2022-23)], it is resolved that the councils accounting reporting should be undertaken on a quarterly basis only going forward, due to the councils move to Unity Bank. The committee resolved to consider Q2 and Q3 accounts jointly in January 2023.

22(2022-23) Accounting Systems – For Decision

Resolved: Following the councils interim financial operating arrangements [079(2022-23)], it is resolved that the council must move to a cloud based financial accounting system by April 2023.

23(2022-23) Financial Regulations – For Decision

Resolved: Following the councils interim financial operating arrangements [079(2022-23)], it is resolved that the council needs to amend its financial regulations. Finance Committee asks the Chair of Finance and the RFO to bring forward an amendment to financial regulations which would allow for council’s financial business to still be transacted in the absence of the RFO, including but not limited to the ability to make payments and place orders, by April 2023.

24(2022-23) Risk Assessment – For Decision

The risk assessment has not been amended.

Councillors are asked to raise any emergent risks.

Resolved: Cllr Atkinson and the RFO are to review the Risk Assessment ahead of the next committee meeting.

25(2022-23) Asset Register – For Decision

The asset register has not been amended.

Outstanding actions: a) Complete entries of current values, b) clarification of bog garden at Kepple Lane Park. c) An audit of the Kepple Lane Park equipment and furniture/fixings at the Scout Hut needs undertaking.

Resolved: Cllr Atkinson and the RFO to review the Asset Register ahead of the next committee meeting. It was further resolved that Cllr Atkinson is to meet with Kepple Lane Park Trust to resolve their legacy assets and liaise with Cllr Pearson on the planters on the park Car Park.

26(2022-23) End of Year Audit 2021/22 – For Decision

The Conclusion of Audit has been circulated to Councillors and uploaded to the Council Website (uploaded 30th September 2022).

Councillors have been circulated the End of Year Audit documents (Internal and External).

Resolved: The committee resolved that the following actions are taken:

- Council notes that the AGAR was not accurately completed before submission for external audit review. (The figure in Section 2, Box 9 of the prior year comparative column does not agree to the prior year final signed AGAR.) The RFO is asked to review the AGAR and provide committee with a correct version, and ensure this is corrected in future years.
- Going forward the RFO is asked to ensure that the external audit includes variance explanations with written and numerical explanations.
- Going forward the RFO is asked to ensure that Cashbooks do not include staff members names, instead they should be replaced by the job title i.e. Clerk’s salary.
- The Council provides our External Auditors with the Town Councils correct postal address.

27(2022-23) Kepple Lane Park and Moss Lane Park – For Decision

The following issues have been raised on Kepple Lane and Moss Lane Park:

Resolved: The tables committee approved the action plans for each of the issues below (the actions are underlined within the table).

Kepple Lane Park

Issue	Update and Proposal
Trim Trail Gym Instruction Sign has been damaged.	Wyre Council have the sign and are looking at ways for this to be fixed, although have said it doesn’t seem as straightforward as it seems. <u>Cllr Atkinson to liaise with Wyre and will either come back to Committee or use financial regulations 4.1 if required.</u>

<p>The chain and handle on one of the spinner arms has come off.</p>	<p>Wyre have no other concerns regarding this equipment.</p> <p>Wyre are getting the costs for the replacement part and will let the Town Council know once they have received these.</p> <p><u>Cllr Atkinson to liaise with Wyre and will either come back to Committee or use Financial regulations 4.1 if required.</u></p>
<p>The musical panel in the children's play area is broken.</p>	<p>The supplier of the panel does not have any replacement parts for this item.</p> <p>Some time ago Wyre enquired about replacement and the cost was £1500, albeit the cost has likely increased since that quote.</p> <p><u>Cllr Atkinson looks at alternative solutions/replacement items and reports back to Committee with a proposal.</u></p>
<p>Matting under the spinner is in a poor condition.</p>	<p>Some time ago there was discussion with Wyre Council around replacing the grass and matting under the spinner.</p> <p>Wyre advise that the grass matting surface in place is not suitable for this type of equipment with forced movement, and reinstating the status quo would only lead to it being in the same condition in a matter of weeks.</p> <p>The Lengthsman has been asked on his thoughts for possible solutions.</p> <p><u>Councillor Atkinson and Allan to investigate alternative solutions and bring a proposal back to Committee to improve the spinner ground surface before next summer.</u></p>
<p>Tree Surveys</p>	<p>The order for the KLP tree surveys was placed on the 5th August 2021, on the 2nd November 2021 the Tree Surveys were received by the Town Council.</p> <p>Circulated with the agenda is the tree survey.</p> <p>The tree surveys identify work that needs undertaking, including pruning, mulch around the bases and the felling of some trees.</p> <p><u>Cllr Pearson to lead on arranging for these works to be undertaken.</u></p>

	Nb, 2 trees fell down on KLP during the bad weather and have been removed by Wyre Council.
Annual Maintenance	Annual Maintenance for 2023 needs planning and undertaking. <u>Cllr Atkinson to meet with Garden Inspirations</u>
Kepple Lane Park Car Park	The Scout and Guide Building Management Committee has reported a Health and Safety concern regarding an old tree bed on Kepple Lane Park Car Park. Councillors should note that there is a notice displayed on the car park, articulating that cars are parked on the car park at their own risk. <u>A quote is sought for the square to be filled with tarmac, and this is delegated to the RFO, Cllr Atkinson and Cllr Pearson to resolve within the confines of the Kepple Lane Park/Amenities budget.</u>
Kepple Lane Park A6 Hedge	The boundary hedge of KLP onto the A6 has been reported to be hanging over the pavement by the Lengthsman. <u>Cllr Atkinson engages with Wyre Council Rangers for this to be trimmed back.</u>

Moss Lane Park

Issue	Update and Proposal
Broken Arm of the new Goal Posts	One of the arms on the new goal posts has been broken. The arm has been removed by Wyre Council, and is not repairable. <u>Cllr Atkinson arranges for another arm to be ordered from the supplier, and the arms only be put up for the Childrens Festival to prevent further damage.</u>
Tree Surveys	The order for the KLP tree surveys was placed on the 5 th August 2021, the Tree Survey has not yet been completed by the supplier (the order requested December 2021). Cllr Atkinson has asked for this to be undertaken ASAP. A separate agenda item is to be brought forward by Cllr Leech to Novembers Full Council meeting

	<p>regarding correspondence from a member of the public.</p> <p><u>To be determined by Full Council, Cllr Atkinson has liaised with the contractor to get the surveys done as soon as possible.</u></p>
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28(2022-23) Budget 2023/24

a) Background Information – For Information

Joint Panel on Accountability and Governance Practitioners Guide

5.7. The preparation of an annual budget is one of the key statutory tasks to be undertaken by an authority, irrespective of its size. The budget has two main purposes:

- it results in the authority setting the precept for the year (or rates and special levies for IDBs); and
- it provides a basis for monitoring progress during the year by comparing actual spending against planned spending.

Band D Equivalent Calculations

The Town Council’s budget is comprised of its anticipated revenue expenditure for the year, based on the annual running costs and what information the RFO and Chair of Finance has received from Cllrs about any new projects which need to be included. This sits alongside decisions by the Council on reserve levels.

The Town Council’s principal income is derived from its precept. The precept is calculated as follows:

- The Tax base is calculated each year after receipt from the Valuation Office of the latest Valuation list.
- A “tax base” is the number of Band D equivalent dwellings in a local authority area. To calculate the tax base for an area, the number of dwellings in each council tax band is adjusted to take account of any discounts, premiums or exemptions.
- The Town council is notified of the Tax Base (sent by Wyre Council, around 2nd/3rd week of December). The TC will then be able to use this information to calculate the Band D equivalent, by taking the precept requirement divided by the tax base.

Relevant Council Resolutions

28 C (2021-22) and Full Council 138 (2021-22) Council approved:

Going forward, the suggestion is that for the 2022/23 budget, the budget briefing in November becomes a Finance Committee Meeting, whereby the Clerk will present a draft budget which has been drafted in consultation with the Chair of Finance. This budget need not include projected figures at budget code level for spend at year end, as this often produces minimal value to the precept figure. Instead a top-level

view will be taken of the expected position at year end, which would rather than be taken off the precept, go directly into EMR Reserves Contingency.

79 D (2022/23) Council Budget Resolved:

To approve the initial draft of the budget to be presented to Finance Committee be drafted by the Chair of Finance and the Temporary Clerk/Acting-RFO. The initial draft will then be brought to council on the 5th December 2022. The final draft for Councils approval will be brought to council on the 16th January 2023.

Council resolved to temporarily suspend the following Financial Regulations:

- *3.2. The RFO must each year, by no later than December, prepare detailed estimates of all receipts and payments including the use of reserves and all sources of funding for the following financial year in the form of a budget to be considered by the Finance committee, and then the council.*

The risk associated with suspending the above financial regulations is mitigated by the fact that the budget will only be brought for final approval on the 16th January 2023.

Financial Regulations

7.4 Each and every payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a separate confidential record (confidential cash book). This confidential record is not open to inspection or review (under the Freedom of Information Act 2000 or otherwise) other than:

- Town Councillors;
- by the internal auditor;
- by the external auditor; or
- by any person authorised

b) Comparative Data – For Information

For reference, the following comparative data has been summarised for Councillors:

- In 2022/23 Garstang Town Council had a Band D Equivalent of £52.79, this made up 2.5% of the total council tax amount a Band D equivalent household would pay.
- The total council tax amount (LCC, Wyre Council, Police & Crime commissioner, Fire Service) a Band D equivalent household would pay increased 4% in 2022/23, whilst Garstang Town Councils Band D Equivalent increased 4.6%.
- In 2022/23 the average Band D Equivalent in England was £74.81 whilst the average Wyre Band D Equivalent was £42.74.
- The general trend in the English Band D Equivalent Data is that there is a positive correlation between tax base and precept, so as tax base rises, so does the amount a town/parish council precepts. This data can provide a calculated Band D equivalent

based on tax base, so a council with a tax base of 1838.05 (Garstang Town Councils in 2022/23) would be expected, based on the tax base, to have a precept of £121,670.58, which would equate to £66.20, £13.41 more than Garstang Town Councils Band D Equivalent in 2022/23.

c) 2023/24 Budget – For Decision

Summary

Members have been circulated a draft budget to consider alongside the current position of the Councils reserves and overall finances.

The draft precept based on the draft 2023/24 budget would currently be: £114,434

Based on last year’s Tax Base, with the above draft precept, the Band D Equivalent would be £62.26 per year.

Members have also been circulated extracts of Q1 accounts, including the EMR Balances.

Points to consider

Committee members will go through the draft budget paper line by line to review the budget for each code and agree upon any revisions.

To support this activity, the following points are highlighted to review, although this list is not extensive and all other lines will be reviewed:

Section	Information
<p><u>Cost Centre 201</u> Staff costs</p>	<p>https://www.slcc.co.uk/local-government-pay-claim-2022-23-5/</p> <p>https://www.local.gov.uk/our-support/workforce-and-hr-support/local-government-services/green-book-payscales-and-other-7</p> <p>The attached links detail the 2022 pay award. For 2022/23 the council budgeted a 1.75% increase, which is less than the current proposed pay award.</p> <p>The committee will need to consider a budget figure for 2023/24 considering the 2022 pay award, and a likely 2023 pay award.</p> <p>Councillors are reminded that employees are employed against nationally agreed pay scales and so the values included are only budget figures, with the actual pay award being agreed nationally.</p> <p>The National Agreement on Pay and Conditions of Service of the National Joint</p>

Section	Information
	Council (“the NJC”) for Local Government Services (“the Green Book”) applies to employees contracts of employment.
<u>Budget Code 4101</u> Office Accommodation	11 th May 2022 Personnel Committee Meeting Item 8: Library – rental of office space, Councillor Mitchell – for decision and recommendation to Full Council
<u>Budget Code 4630</u> Christmas Lights <u>Potential Impact to 4130</u> Insurance	To consider the potential impact of the Councils revised role in the Garstang Christmas Lights and the budgetary impact this may have.
<u>Budget Code 4709</u> War Memorial	To consider potential works to the War Memorial in 2022/23.
<u>Cost Centre 204</u> Amenities	To consider potential works and budget requirements for Kepple Lane and Moss Lane Park
<u>Budget Code 4845</u> General Reserves	To consider the level of general reserves the council currently has, and the level the council requires going forward to manage the councils budgetary uncertainty (see the two items below) Committee needs to consider the following for this item: <ul style="list-style-type: none"> • Uncertainty around project budgets • 2023 Election costs • Councils Reserves Policy (Reserves Policy – Garstang Town Council) • Current EMR levels • Uncertainty within the financial environment (for Council and residents)
Town Centre Plan	To consider the budget impact of the new project, the Town Centre Plan (Project lead, Cllr Dyer)
King Charles III Coronation 2023	To consider the potential budget impact of the Coronation of King Charles III

Section	Information
	Coronation on 6 May for King Charles and Camilla, Queen Consort - BBC News

Resolved

The draft precept that is proposed for Full Council to comment on based on the draft 2023/24 budget is: £114,434 at Decembers Council meeting.

Based on last year's Tax Base, with the above draft precept, the Band D Equivalent would be £62.26 per year.

The committee noted that this was below the average Band D Equivalent in England, and where a Council of Garstang Town Councils size would normally precept, however the committee noted that this was a significant increase if the Tax Base remains unchanged.

The committee agreed that further work would be undertaken to provide a more certain forecast at the January Committee meeting, and further resolved there are no changes to EMRs currently.

The Committee highlights the following key areas:

- Christmas Lights – an increase due to the contract being up for renewal in 2023, and the Town Council now taking responsibility for the Christmas Lights.
- Staff Costs – an increase which is based on the agreed pay deal for 2022/23 (NALC briefing shared with Cllrs by Cllr Atkinson) and a forecasted 4% increase for 2023/24. Any impact as a result of the Autumn statement will be factored in for Januarys Committee Meeting.
- Amenities – an increase to cover expected maintenance costs in the next financial year, including the Town Councils additional responsibilities now it is solely responsible for Kepple Lane Park.
- Office Accommodation – a decrease due to the new office accommodation solution.
- General Reserves – an increase to set aside budget for future Council projects and uncertainty for the next financial year, namely:
 - Garstang Christmas Lights
 - Town Centre Project
 - King Charles III Coronation 2023
 - Election costs for May 2023 election
 - Reserves for replacement of assets on council amenities
 - Emergency Plan Project
 - War Memorial Reserves
- Civic Costs – an increase to cover the purchases of flags and part Mayor badges.
- General inflationary increases

The following actions were agreed to be undertaken for the January Committee meeting:

- RFO and Chair of Finance – include actual costs to date.
- RFO – report on the grants received to date from LCC.
- Chair of Personnel – Confirm working from home allowance resolution.
- Cllr Pearson and Cllr Allan – Confirm quotes for works to the War Memorial.
- Cllr Allan – to confirm the governance status of the GGPB.

Finance committee will recommend a final budget at the meeting on 10 January 2023, to be approval at Full Council's meeting on 16 January 2023.

29(2022-23) Date of next meeting – For Information

10 January 2023