

## PETERSFIELD TOWN COUNCIL

Minutes of a meeting of the Finance and General Purposes Committee held at the Council Chamber, Town Hall, Petersfield, on 15<sup>th</sup> January 2018 at 6.30 pm

**PRESENT:** Cllr G Watkinson (Chairman), Cllr Mrs H Ayer, Cllr J Deane, Cllr Mrs L Farrow, Cllr P Humphries and Cllr J Palmer.

**ALSO IN ATTENDANCE:** Cllr P Strawbridge, Mr N Hitch (Town Clerk), and Mrs M Snow (Finance Officer). One member of the public was present and no press were in attendance.

**F 0631**      CHAIRMAN'S COMMENTS

The chairman made no comments.

**F 0632**      APOLOGIES FOR ABSENCE

None

**F 0633**      GRANTING OF DISPENSATION UNDER SECTION 33 OF THE LOCALISM ACT

No requests for dispensation had been received.

**F 0634**      DECLARATIONS OF INTEREST

No interests were declared.

**F 0635**      PUBLIC REPRESENTATION

There were none.

**F 0636**      APPROVAL OF MINUTES

**RESOLVED:**                      that the Minutes of the Meeting held on 11<sup>th</sup> December 2017 were approved.

**F 0637**      FINANCIAL RECOMMENDATIONS FROM COMMITTEES

Town Development Committee

**T 0584**      TRANSPORT TECHINCIAL NOTE DATED 8<sup>TH</sup> OF DECEMBER 2017.

Further information has been received in that the cost of works has been reduced to £24,089.37 from £26,720.00. After discussion it was agreed that the £15,000 East Hampshire District Council grant received earlier in the year would be used for this project if the district council permitted. This will leave the remainder, £9,089.37 payable from Capital Earmarked Reserves.

**RECOMMENDED:**                      that full council approve the silver level plus option B of Gold level be approved at a cost no greater than £24,089.37 + VAT. on

confirmation that the £15,000 East Hampshire District Council grant is able to be used on the transport project.

Grounds

**G 0624**            PENNS FIELD B SURVEYS

The clerk advised the members that district & county cllr Mocatta had suggested that an environmental survey was not necessary if the Council decided to apply for a Certificate of Lawful Use of the land as recreational land. However, the clerk advised members that in the view of the Grounds Committee, it was important to conduct the surveys as the wildlife in the hedgerow was unknown and it could be considered reckless of the council not to investigate this first by certain sections of the community.

**RECOMMENDED:**            that full council approve the survey regarding reptiles and dormouse provided by ACD Environmental be approved at a cost of £4350.00 + VAT. from Capital Earmarked Reserves

**F 0638**            TO RECEIVE AND CONSIDER A REPORT FROM THE FINANCE WORKING PARTY

Cllr Watkinson advised the members on what was discussed at the budget working party meeting. (*see appendix a*). After a lengthy discussion the Budget and precept figures were agreed. For a band D property the increase would work out at £5.34 a year or 53p a month.

a) To recommend a budget to Council for the year 2018/19

**RECOMMENDED:**            that full council approve the revenue budget for the year 2018/19 of £1,010,778.00.

To recommend a precept to Council for the year 2018/19

**RECOMMENDED:**            that full council approve the precept for the year 2018/19 of £589,390.00.

**F 0639**            TOWN CLERKS FINANCE REPORT

Members received the Town Clerk's Finance Report. (*see appendix B*)

**F 0640**            FINANCIAL ADVICE ON SALE PROCEED FROM PENNS FIELD 'A'

The Town Clerk has again emailed the company who are due to give the Council financial advice regarding the investment of the proceeds of the Penns Field 'A' sale. The clerk has had no reply and is now seeking recommendations from Hampshire Association of Local Councils of other companies who maybe able to give investment advice. The clerk will update member at the next meeting.

Members wished to record their disappointment at the lack of communication and lack of requested financial advice from the company James Ryan Thornhill, as six months was considered an unacceptable delay.

**F 0641**      **TO CONSIDER THE PRIORITIES FOR 106 MONIES HELD BY EAST HAMPSHIRE DISTRICT COUNCIL AND SOUTH DOWNS NATIONAL PARK AUTHORITY.**

Members considered the areas where the Section 106 developers contribution monies could be used and during the discussions the following areas were highlighted:

Petersfield Neighbourhood Plan  
Cycleways  
Footpaths  
Car park signage  
Town spine improvement costs  
CCTV for the Avenue and Love Lane pavilions

Members discussed using the areas which had already been identified in the Infrastructure Delivery Plan (IDP). These projects had already been agreed for improvement as part of the neighbourhood plan process and continuing work of the Town Development Committee (TDC).

The clerk advised that the other committees are also putting forward areas for consideration.

**RESOLVED:**                      **that Cllr Palmer would review the IDP through the Town Development Committee and put forward suggestions for consideration at the February meeting.**

**F 0642**      **TO RECEIVE AND CONSIDER THE LOCAL AUTHORITIES' PROPERTY FUND PRICES AND DIVIDEND YIELDS**

Members received and considered a copy of "The Local Authorities' Property Fund" report.

**F 0643**      **TO RECEIVE AND CONSIDER THE CCLA INVESTMENT MANAGEMENT LTD MARKET REPORT DECEMBER 2017.**

Members received and considered the "CCLA Investment Management Ltd Market Report December 2017.

**CONFIDENTIAL**

**F 0644**      **TO RECEIVE AND CONSIDER THE PROPOSED HEADS OF TERMS FOR THE NEW LEASE TO THE LITTLE SCHOOL ON THE HEATH.**

The clerk advised the council that he had had a meeting with the owner of The Little School on The Heath as their current lease expires on 28<sup>th</sup> February 2017. Agreement had been reached on potential terms for a new lease. Members then discussed and agreed to the terms.

**RESOLVED:** that the proposed Heads of Terms for a new lease with the Little School on the Heath be approved for a 20 year term, with 5 yearly rent reviews on a full repairing basis. Investigations will continue into the possibility of an improved roof covering.

**F 0645**      **AGED DEBTORS**

Members discussed four particular debtors listed on the report. Two of which have debts that have been outstanding for more than 60 days and two for more than 90 days.

**RESOLVED:**                      **that the aged debtors report be received and noted.**

**F 0646**      **STAFF MATTERS**

The members were informed that the Office Administrator post had received five applications. The clerk and staff panel members are to process the applications later this week.

*There being no further business, the meeting closed at 7.35 p.m.*

## **This Year's Budget**

You have all received a breakdown of the proposed budget from the Town Clerk which was attached to the F&GP agenda. The proposal is for a 5% increase in the precept which in turn will mean a 3.39% increase in a D Band Tax Charge. What you may not be aware of is the process by which the Budget Working Party used to come to this proposal. I will spend just a few moments outlining the process which I believe will help you to understand fully the proposals' as described in the Town Clerks paper.

The procedure used to come to this proposed budget was:-

- The Budget working party agreed that an increase in the budget of 4% was not unreasonable.
- The draft figures produced by the Town Clerk were examined and where possible more accurate estimates or quotes were inserted.
- It was agreed that income from rents that were not fixed by contract and hiring's could increase by approximately 2%.
- The working party then went through proposed "wish lists" provided by the councils 4 committees and agreed on which items should be included, those that should be included but at a lower sum and those that should be rejected. The criteria for this process was to give precedence to those that would give some financial return and those that if not undertaken could lead to future increased cost in repairs to the council. All of these items were financially trimmed to a figure that the councils Halls or Grounds Managers saw as realistic or were acceptable to the relevant committee chairmen.
- Having lost the £30,000 from EHDC this year our final item to study was the bids for grant funding. The number of requests for grants this year has grown by a large number and we can see that changes in County and District budgeting it is quite likely that this number will grow in the coming years. Each of this year's applications was studied with great care, some were refused as there was insufficient evidence as to their meeting our laid down requirements for an application, all of those bids that met our requirements were carefully studied and in the main Reduced to a figure that we believe can be supported by the proposed budget.

All these workings were then placed into the draft budget, checked and rechecked to see that it met all the requirements laid down under Town and Parish Council law and our own discussions to produce this proposed budget figure.

Whilst a small addition could be added in and still leave the budget not exceeding 4% I personally feel we should leave the figures as presented and not load the rate payers with even a penny more on their rates for the coming year.

You have had the figures to study and the Town Clerks covering comments, if there are any questions I will answer them as best as I can and ask the Town Clerk for comments on any Financial matter.

Proposal is: - That the Petersfield Town Council Budget for 2018/19 is set at £589,390.



## FINANCE REPORT

As with the Clerk's Report to Council, this report is not an item of debate, but seeks to inform councillors of all matters financial, including income and expenditure against budget, the level of balances held, proposed movements of deposits, future plans as well as seasonal issues, such as the Audit and Budget setting processes. If councillors consider a matter included in the report is in need of debate, the subject can be added to a future meeting's agenda for this purpose. I will always endeavour to answer any questions raised from the content of the report, but please bear in mind that if further investigation is necessary, answers will need to be given outside the meeting.

### Bank Accounts

	<u>£</u>	<u>Rate</u>
Lloyds Current Account	24,982.78	
Lloyds 30 Day Account	2,125,816.95	0.05%
Lloyds Ticketsource	231.95	
Cambridge & Counties 30 Day Account	3,019,758.18	1.49%
Public Sector Deposit Fund	71,002.01	varies
Local Authorities Property Fund	2,077,819.13	varies 678,406 units
<b>Total</b>	<b><u>7,319,611.00</u></b>	

Town Mayor's Charity Account 26.99

Having contacted James Ryan Thornhill Limited again, who are providing the financial advice requested by members, I am very disappointed at their lack of response. In view of this I am looking for other potential sources of advice through the Hampshire Association of Local Councils.

### Finance & General Purposes Committee

	<u>£</u>	<u>Budget</u>	<u>% Budget</u>
Income	26,451	17,500	151.15
Expenditure	237,873	311,697	76.30

Income reflects increased interest income and solar panel receipts. The first two quarter's interest from the Local Authorities Property Fund has been split so that the income from the sale proceeds of Penns Field totaling £44,520 has been transferred to Capital Earmarked Reserves and is not shown in the figures quoted above. Expenditure is higher than it ought to be at this time of the year largely because the first year's costs for Christmas Lights is higher than budgeted. Last year at this time income was at 105.9% and expenditure at 70.1%.

## Public Halls Committee

	<u>£</u>	<u>Budget</u>	<u>% Budget</u>
Income	149,343	207,914	71.83
Expenditure	155,937	247,814	62.93

The Festival Hall complex year to date income is 74.1% (2016: 68.2%) and Avenue Pavilion income is at 69.6% (2016: 76.2%). Most budget headings remain within expected year to date parameters with the exception of Temporary Staff at the Avenue Pavilion due to the hiring of Meon Cleaning Services to undertake the cleaning until this employment position was filled (from 1<sup>st</sup> July) and property repairs at the Pavilion are higher than expected due to repair works done to the guttering, downpipes and some loose brickwork.

## Grounds Committee

	<u>£</u>	<u>Budget</u>	<u>% Budget</u>
Income	57,104	68,214	83.71
Expenditure	175,037	235,164	74.43

Income reflects the charging of quarterly rental and other regular income (2016: 86.2%). It is slightly better than the level expected for the time of year. Expenditure currently consists mainly of wages and contracted grounds maintenance costs along with the purchase of the ride on mower and trailer (2016: 89.86%). The cost of the latter two items will be charged to the income received in connection with the Rams Hill Estate when that takes place later in the year. There are no major concerns on any budget heading at this stage. With the purchase of the second grounds vehicle, the fuel budget will inevitably be exceeded for the year as this was set with only one vehicle in operation.

## Overall

	<u>£</u>	<u>Budget</u>	<u>% Budget</u>
Income	232,898	293,626	79.32
Expenditure	568,847	794,676	71.58

If everything was on track the year to date figures would show a 75.00% spend. Income shows a good start to the year. Expenditure would normally be above the straight line percentage spend because of the need to charge the full annual costs for some items and the tendency for a number of annual contract payments to be near the start of the year. Last year at this stage income was at 75.97% and expenditure 81.45%.

This report aims to provide an overall summary of the position of the Council financially with any significant anomalies or variances being reported for your attention and potentially, action. It also demonstrates that councillors are fulfilling their role in monitoring the Council's finances and ensuring that good governance is being followed.

Neil Hitch,  
Town Clerk & Responsible Finance Officer  
8th January 2018