

Witham Town Council

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MINUTES

Meeting of: **Estimates Sub-Committee**

Date: **Monday, 9th January 2017**

Present:	Councillors	M.C.M.	Lager	(Chairman)
		J.C.	Goodman	
		P.	Horner	
	Mrs	J.	Williams	
		R.	Williams	
Also in attendance:	Cllrs	Mrs	J.M.	Money
			W.J.	Rose
			M.	Squire (Town Clerk)
			J.	Sheehy (Deputy Town Clerk)
		Mrs	G.	Kennedy (Committee Clerk)

APOLOGIES

There were no apologies for absence.

1. INTERESTS

There were no declarations of interests.

2. QUESTIONS AND STATEMENTS FROM THE PUBLIC

There were no members of the press and public present.

3. TOWN COUNCIL STRATEGY

The Chairman explained that the budget needed to reflect the testing financial climate. The Task and Finish Group had recently considered revenue and expenditure and useful information and ideas had been highlighted.

- a) The Chairman explained that the Town Council budget is unsustainable as income will ultimately drop by £80,000 with the withdrawal of the District Council's Localism Grant and Parish Support Grant. He predicted an under spend of £46,000 this year;

delays in staff recruitment and certain projects not coming to fruition, being contributory factors. Should the Town Council not take appropriate action on a predicted deficit in 2017-18 of £61,000, finances would gradually diminish to an inadequate level. There was a need to increase the precept level and he believed that residents would be supportive given the recommended crime prevention projects to be potentially undertaken.

The Town Clerk considered that there are two new elements in setting the precept this year – firstly financial uncertainty and secondly live issues such as the current issue of updating the town centre CCTV system. This Estimates Meeting together with two further immediate Town Council meetings give a small window of opportunity to make some important strategic and financial decisions for future budget requirements

He considered the Town Council to be at a ‘cross-roads’ with decreased income from traditional sources such as grant funding and Localism Fund. He said that the concept of ‘Localism’ is not achievable if there is not commensurate funding coming down from County and District level. For the first time a more commercial view should be taken by local councils, not losing sight that a realistic approach is also required to ensure the continuation of important community services. There should be spare capacity of reserves at the end of the financial year, albeit at a lower level and that this trend would continue. He agreed with the Chairman that there is a clear case for a rise in the precept. Concurrently a line by line cost cutting exercise can be made to mitigate costs - e.g. administrative expenses such as energy, phones, IT and website etc. In the past six years, the precept had not risen for five years and only a small rise last year. It is important that local residents see tangible benefits if the precept rises, e.g. improvements to the CCTV system. There are still three months to go to the end of the financial year and there could yet be unforeseen factors that could affect the level of reserves.

The Town Clerk spoke of on-going projects concerning the River Walk, repairs to the Town Hall, Quality Council status and completion of the Town Plan. He recommended that the Town Council strategically focuses on one or two key discernible projects for this forthcoming year. He considered that the biggest problem currently faced by local residents is the lack of policing and the need to reduce crime and anti-social behaviour. He identified the River Walk and CCTV improvements as two areas that would deliver tangible results to benefit the community.

The Town Clerk then referred to the recent Task and Finish Group meeting and that the softer options should be pursued in the first instance to increase income, e.g. sharing the use of the Information Centre with another organisation/business and promoting the hall hire on a Friday.

- b) It was agreed to further consider key strategic objectives after receiving the notes from the Task and Finish Group meeting.

4. NOTES OF THE MEETING OF THE TASK AND FINISH GROUP (REVENUE) AT WITHAM TOWN COUNCIL

The Notes of the meeting held on 19th December 2016 were received.

Members agreed that the issue of an unsustainable budget needed to be considered and the priority would be to take control of income and expenditure. Useful ideas had been forthcoming. Opportunities to generate income in the Information Centre would be considered. Whilst it would be imprudent to invest a high percentage of deposit money in property there could be an opportunity to work in partnership with other Councils. These ideas could be looked at in further detail by Members.

5. ESTIMATES 2017/2018

(i) Administration/Central Services

The budget for Central Services Expenditure was received and accepted, with the acknowledgement that the Office will look to make further savings, e.g. the renegotiation of services where possible.

RECOMMENDED That the budget for Central Services for 2017/2018 be accepted

Expenditure

Salaries, Tax, National Insurance	-	£143,500
Pensions	-	£28,000
Payroll Charges	-	£650
Town Hall	-	£30,000
Gas	-	£3,200
Electricity	-	£3,400
Repairs and renewals	-	£2,000
Travel Expenses	-	£600
Photocopying	-	£2,000
Postage	-	£2,000
Stationery	-	£1,600
Office Equipment	-	£3,800
Website	-	£2,000
Telephone/fax	-	£3,000
Insurance	-	£8,500
Sundry expenses	-	£3,000
Audit and Legal	-	£3,000
Affiliation fees	-	£3,000
Members – conferences and training	-	£1,100
Staff – conferences and training	-	£1,100
Petty Cash	-	£620
<u>Total</u>	-	<u>£246,070</u>

Proportioned across Committees

Community Committee (40%)	-	£98,428
Environment Committee (40%)	-	£98,428
Policy and Resources Committee (20%)	-	£49,214

Income

Sundry receipts	-	£1,500
Car park licence	-	£8,783

Total - **£10,283**

Proportioned across the Committees

Community Committee (40%)	-	£4,113
Environment Committee (40%)	-	£4,113
Policy and Resources Committee (20%)	-	£2,057

(ii) **Committee Bids**

Members then considered the bids made by Committees.

Community Committee

Members considered all the budget headings in turn. The importance of setting the budget in accordance with the funds available was stressed.

The following amendments to the proposed budget were made at this time –

Reduce ‘Christmas Decorations’ by £2000. It was recognised that the existing Christmas lights would need to be replaced within the next few years.

Reduce ‘Community Grant Aid’ by £5000. It was noted that recent uptake had been significantly lower than envisaged.

Reduce ‘Puppet Festival’ budget by £1,000. The Town Council to reduce its contribution from £18,000 to £17,000. The gap matched by seeking increased sponsorship as well as cost savings on some related expenses.

Reduce ‘Community Support and Youth Engagement’ by £2,000.

Citizens Advice (CA) - no reduction but CA should be made aware that future funding could be reduced.

A total of £10,000 savings could be made from the Community Committee budget.

RECOMMENDED That the following budget be set for the Community Committee for 2017/2018 –

Expenditure

Town Clock	-	£800
Bus Shelters and Seats	-	£500
Litter Bins	-	£1,000
Christmas Decorations	-	£7,000
Christmas Dickensian Event	-	£320

Information Centre Sales Expense	-	£110,000
Information Centre	-	£31,000
Community Grant Aid	-	£17,500
Citizens Advice	-	£10,000
Other Community Support and Youth Engagement		
	-	£3,000
Puppet Festival	-	£24,000
Community Support	-	£10,200
WW1 Commemoration	-	£500
Community Day	-	£1,500
Administration/Central Services	-	£98,428
<u>Total Expenditure</u>	-	<u>£315,748</u>

Income

Christmas Dickensian Event	-	£320
Information Centre Sales	-	£125,000
Puppet Festival	-	£5,100
Community Day	-	£450
Administration/Central Services	-	£4,113
<u>Total Income</u>	-	<u>£134,983</u>

Environment Committee

The following amendments to the proposed budget were agreed at this time –

Reduce ‘Manual Equipment’ by £500.

Reduce ‘Open Spaces’ by £2,000.

Reduce ‘River Walk Projects’ by £2000.

Reduce ‘Witham Gateways’ to zero (combined with Lengthsman below).

Reduce ‘Local Conservation Listings’ to zero.

Increase the ‘Lengthsman Scheme’ by £1,000.

Reduce ‘Accommodation’ budget reduced to zero.

A total of £17,500 savings to be made to the Environment Committee.

RECOMMENDED That the following budget be set for the Environment Committee for 2017/2018 –

Expenditure

Pensions	-	£24,000
Manual Equipment	-	£8,500

Lighting of Footpaths	-	£6,500
Period Garden	-	£2,300
Trees/Commemorative/Memorial	-	£500
Trees	-	£1,000
CCTV	-	£15,500
Open Spaces	-	£78,000
River Walk Projects	-	£8,000
Toilet Block – Town Park	-	£9,000
Dog Bins	-	£600
Witham Floral Displays	-	£10,000
‘Lengthsman’ Scheme	-	£3,000
Administration/Central Services	-	£98,428
<u>Total Expenditure</u>	-	<u>£265,328</u>
 <u>Income</u>		
Trees/Commemorative/Memorial	-	£500
Administration/Central Services	-	£4,113
<u>Total Income</u>	-	<u>£4,613</u>

In view of the time it was agreed to suspend Standing Orders.

RESOLVED That to allow business to continue Standing Order 4(a) be suspended.

Policy and Resources Committee

The following amendments to the proposed Policy and Resources budget was agreed at this time –

Reduce ‘Civic Receptions/International Relations’ by £500.

Reduce ‘Christmas Expenses’ by £500.

Reduce ‘Newsletter and Publications’ by £500.

Reduce ‘Town/Neighbourhood/Local Plan’ by £500.

Reduce ‘Economic Employment Support’ by £5,000 to zero.

Reduce ‘Joint Working with BDC/ECC/Parishes’ by £2,500.

Reduce income from Hall Hire by £1000. It was thought that a more realistic income figure would be £8,500.

A total of £8,500 savings to be made to the Policy and Resources Committee.

RECOMMENDED That the following budget be set for the Policy and Resources Committee for 2017/2018 –

Expenditure

Mayor's Fund Gift Allowance	-	£100
Civic Receptions/Intern. Relations	-	£500
Christmas Expenses	-	£2,000
Mayor's Allowance	-	£2,500
Newsletter and Publications	-	£8,500
Town/Neighbourhood/Local Plan	-	£500
Joint Working with BDC/ECC/Parishes	-	£500
Administrative/Central Services	-	£49,214
<u>Total Expenditure</u>	-	<u>£63,814</u>

Income

Administration/Central Services	-	£2,057
Hall Hire	-	£8,500
Bank/Investment Income	-	£2,800
<u>Total Income</u>	-	<u>£13,357</u>

The Chairman said that this would be a total saving of £36,000. He had hoped to make savings of £50,500.

(iii) **Earmarked Reserves**

Members then considered the earmarked reserves, which showed anticipated movements before financial Year End and the starting position for the new financial year end 2017/2018.

The Town Clerk explained that a new van would be purchased soon, which could take the replacement vehicle fund over budget if payment was required before 31st March 2017. Necessary building repairs would shortly be carried out to the Town Hall.

RECOMMENDED That the following earmarked reserves be approved for inclusion in the accounts as at 31st March 2017–

Community Committee

Puppet Festival	-	£5,040
Community Day	-	£329
<u>Total</u>	-	<u>£5,369</u>

Environment Committee

CCTV	-	£3,000
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Vehicle Replacement Fund	-	£3,000
Equipment Replacement Fund	-	£9,000
Town Park Bandstand	-	£2,000

Total - **£17,000**

Policy and Resources Committee

Major Repairs and Renewals	-	£15,000
Election Expenses	-	£6,500
Members' Allowance	-	£3,200

Total - **£24,700**

Total Earmarked Reserves - **£47,069**

(iv) **Puppet Festival**

An updated income and expense schedule for the Puppet Festival was received and approved.

6. **PRECEPT 2017/2018**

a) **Precept Calculation**

The Town Clerk detailed the draft precept calculation based on a nil, 5%, 10 % and 15% rise in precept. The cost of potential CCTV improvements would have a bearing on the final precept request. He added that the Government had not imposed a 2% cap (subject to referendum if above this level) on Parish/Town Councils for the forthcoming year. It was uncertain what the Government stance would be thereafter.

In view of the late hour, Members agreed that it would be appropriate to adjourn the Meeting to Friday, 13th January 2017 at 4 p.m. to complete business.

The Chairman then adjourned the Meeting at 10.20 p.m.

The Meeting then reconvened on Friday, 13th January 2017.

Those present at the Meeting –

Councillors	M.C.M.	Lager	(Chairman)
	J.C.	Goodman	
	P.	Horner	
Mrs	J.	Williams	
	R.	Williams	

Also in attendance:

Councillors	T.A.	Pleasance
	R.P.	Ramage
	W.J.	Rose

	P.M.	Ryland	
	M.	Squire	(Town Clerk)
	J.	Sheehy	(Deputy Town Clerk)
Mrs	G.	Kennedy	(Committee Clerk)

b) **Financial forecasts from the Chairman**

The Chairman presented his financial forecasts and outline business case for 2017/2018 and beyond. He explained the context for the budget in these uncertain times, with the fall in sterling and predicted increase in prices and interest rates later this year. The Government had threatened to cap all parish/town councils which could affect the Town Council in future years. He believed the austerity regime is set to continue and that locally the rate of house building will increase. He referred to the expectations of improved medical facilities, the need for more parking and the need to combat crime and anti-social behaviour. He said that the Town Council needed to make improvements to open spaces and to prevent misuse of the Period Garden, and to ensure that the District Council delivers appropriate plans for the Town Centre.

The Chairman spoke of aspirations in the Business Plan to take on additional open spaces, the opportunity to undertake minor highway issues as part of a lengthsman scheme, realign parish boundaries in light of the expected new housing, complete the Town Plan, ensure that Section 106 agreement is fulfilled on the Maltings Estate and ongoing improvements in the health service. He believed these measures would provide visible benefits for residents but a significant rise in council tax would be required. £36,000 in savings had been identified at Monday's meeting but he considered that this would not be sufficient to balance the books given the draft running deficit of £61,000, and that together with the withdrawal of the District Council's Localism Fund, there would still be a large ongoing deficit.

The Town Clerk explained that he had circulated his revised budget figures, in accordance with the agreements made at the Estimates Sub Committee Meeting on Monday evening. He had also accordingly produced forecast sheets showing the impact of a projected 5%, 10% and 15% increase in precept.

Members then discussed the figures including the earmarked reserves and the anticipated general reserves required. The Chairman advocated that action needed to be taken particularly if the business plans for the Council were to be completed.

Members considered the impact on reserves for the various increases and what could be achieved. Income needed to be improved involving some longer term projects. The Town Clerk said that some shorter term plans could be implemented to achieve more immediate returns. E.g. by marketing hall hire on a Friday (which is not used currently), or some form of commercial use of the other side of the Information Centre.

Members unanimously agreed that there needed to be an increase in the precept and debated at some length the impact of a 5% to 15% increase. It was appreciated that a lower increase made it more likely that further increases would be needed in future years. Members understood that the CCTV needs to be updated and the Town Clerk advised that there would be money in the budget to proceed. It was recognised that

with no immediate police presence and prevalent crime and anti-social behaviour, that the Town Council needed to fill the gap somehow with preventative measures and that these would come at a cost.

The Town Clerk reported that in the last few years the recommended earmarked reserves for the following year had been posted on the first day of the new Financial Year being 1st April. It was agreed to post the new earmarked levels by 31st March 2017, to provide greater clarity and a clearer starting position on day one of the new Financial Year.

RECOMMENDED That the new earmarked reserves levels are posted into the accounting system by 31st March 2017 and that this methodology is continued for future years.

With the reduction in Localism Fund grant from the District Council, difficult financial conditions and the need for action to combat crime and anti-social behaviour, Members agreed that an increase in precept was necessary. Members voted on the extent of the increase and a recommendation to the Council for a 5% increase was agreed.

RECOMMENDED That the Precept for 2017/2018 be increased by the equivalent at Band 'D' of £2.70 (or a little over 5p per week).

RECOMMENDED That a precept of £455,232 be agreed for 2017/2018, a Band 'D' equivalent of £56.70.

c) **How your tax is spent projections**

The Town Clerk explained that it had not been possible to provide the usual figures, until final budgetary decisions had been made, but these would subsequently be attached to the Minutes.

There being no further business the Chairman closed the Meeting at 5.15p.m.

Councillor M.C.M. Lager
Chairman
MS/GK/19.1.2017

WITHAM TOWN COUNCIL - HOW YOUR TAX IS SPENT

	2016/2017	Band D equivalent 7,825.15	2017/2018	Band D equivalent 8,028.78
Provision of services				
Community Support	204,462.00	26.13	197,117.00	24.55
Town Environment	326,012.00	41.66	283,328.00	35.29
Other Services	111,300.00	14.22	88,514.00	11.02
Net Expenditure	641,774.00	82.01	568,959.00	70.86
Taken from Reserves	-135,825.00	-17.36	-53,632.00	-6.68
Other Generated Income	-33,650.00	-4.30	-26,933.00	-3.35
Local Grant Entitlement	-49,743.00	-6.36	-33,162.00	-4.13
Precept	422,556.00	54.00	455,232.00	56.70