



## Minutes of the Finance & General Purposes Committee Meeting on Monday 11<sup>th</sup> December 2017

### **Present**

**Councillors:** Beer (Chairman), Burrows, Chadwick, Read, Rowland and Squire

**In attendance:** Town Clerk

### **96. Apologies for Absence**

Apologies were received and accepted from Councillors Pigott and Sanham.

### **97. Declaration of Interest**

Councillor Burrows declared a Personal Interest as an East Devon District Council (EDDC) Councillor.

### **98. Minutes of the previous meeting**

The Committee **RESOLVED** to approve the minutes of the meeting on Monday 13<sup>th</sup> November 2017.  
(Moved Cllr Rowland; seconded Cllr Chadwick)

### **99. Public question time.**

There were no members of the public present.

### **100. Payments and Receipts and SAGE report**

#### **Receipts**

The Committee **RESOLVED** to approve the receipts to date for the 2017/18 financial year.  
(moved Cllr Squire; seconded Cllr Read)

#### **Payments**

The Committee **RESOLVED** to approve the payments to date for the 2017/18 financial year.  
(moved Cllr Rowland; seconded Cllr Burrows)

#### **Sage Report**

The Town Clerk confirmed that the Sage aged debtors report would be presented to the next Finance Committee meeting.

### **101. Petty Cash expenditure.**

The Committee **RESOLVED** to approve the petty cash reconciliation to date and imprest replenishment paperwork.  
(moved Cllr Burrows; seconded Cllr Chadwick)

## **102. Budget to date**

Discussion took place around:

- The expenditure that had gone through on cost code 2156 Accounting software, and whether that included any payments for the new finance system. The Town Clerk confirmed that it was the current financial systems annual fee
- Why there was no budget for cost code 2158 Payroll Service. The Town Clerk explained that the Internal Auditor recommended having a separate cost code for this expenditure rather than including it under the salaries code, and the code was set up after the last budget was set
- What did the CIL payment relate to? The Town Clerk confirmed that the information from EDDC said that it was the community 'meaningful proportion' for the last six month period
- The town flag be coded to the local democracy budget code 202 civic expenses rather than be coded to the banners and bunting cost code. The Town Clerk confirmed that the amendment had already been made
- The payment of £900 for Velo Vintage related to the Cycle Fest 2018 and was the deposit for the event

The Committee **RESOLVED** to note the Budget to date for the 2017/18 financial year

(moved Cllr Rowland; seconded Cllr Chadwick)

## **103. Bank Reconciliation**

The Committee **RESOLVED** to approve the bank reconciliation as at the 30/11/17

(moved Cllr Rowland; seconded Cllr Read)

## **104. Five Year Budget**

The Committee considered the third draft of the 5 year budget covering the period of 2018/19 to 2022/23, which has been updated to incorporate the changes as per the minutes from 13<sup>th</sup> November 2017 and also included feedback from the Communities Committee.

The Town Clerk notified Councillors that the precept information had now been received from EDDC and once the budget lines had been finalised the precept would be accurately calculated.

Discussion took place around the following:

### Income

- Town Guide sponsorship code 2083: it was noted that the Communities Committee had resolved to put an income budget of £4,000 into the budget. For 2017/18 an income budget of £1,500 had been set but no income would be received as the production of the town guide had been outsourced for 2017/18 meaning that the sponsorship money would be kept by the contractor as part of the contract. The Town Clerk advised that it would be more prudent to leave the budget at £0 so that a realistic precept is set for 2018/19. If the Council decided to change its approach

for the 2019 Town Guide then the income would be able to go into reserves

- Allotments: The Town Clerk confirmed that the Allotments account is self funding and that this would not be included in the precept calculation
- Artisan Market code 2049: it was felt that it would be more prudent, in terms of setting a realistic precept, to change the income figures to £2,000 per annum over the five year period
- Marshlands code 2150: in light of the current circumstances in terms of rental income, it was felt that it would be more prudent, in terms of setting a realistic precept, to change the income budget to £5,000 per annum as a result of the income generated in 2017/18.

#### Expenditure

- Salaries codes 101 & 601: The actual spend for salaries, Employer's National Insurance Contributions and Employer's pension contributions had been split across the proposed new cost code structure for 2018/19 onwards. The Town Clerk confirmed that the Personnel Committee had considered the salaries budget at their last meeting and that it was agreed that an inflationary increase of 5% be applied. This is why the salaries budgets for 2018/19 have increased since draft two of the budget was considered by the Finance Committee.
- Telephone code 107: The Town Clerk confirmed that the budget figures had been amended and reduced and that, due to the anticipated year end position of approximately £360, this figure had been used with the 5% increase being added year on year.
- Postage code 108: the outturn position for the 2017/18 financial year was likely to be £350 rather than £250, hence the budget for 2018/19 onwards was set at £350. It is likely that improving working practices, such as emailing invoices and online banking may reduce the actual spend on postage but the budget of £350 includes the ability to be able to absorb any increases in the cost of stamps and postage.
- Photocopier codes 114 and 2104 have not been amended as the work on the benchmarking of the costs of the photocopier is ongoing
- Computers code 2103: the Town Clerk confirmed that she has met/is meeting with a number of suppliers for the Council's IT provision and that quotes are yet to come in.
- Accounts software code 2156: The figure for the 2018/19 budget has been amended based on the final information given by the suppliers and the costs include the software, training and mileage for training
- Van code 2070: Councillors felt that it would be prudent to add in another cost code for 2018/19 onwards titled 'vehicle replacement fund' and that a budget of £2,000 be added for 19/20
- Artisan Market code 2049: The budget has been increased to £2,000 to cover the increase in Market fees recently introduced by EDDC
- Christmas Trees code 2106: the budget has been reduced in line with the actual expenditure during the 2017/18 financial year

- Seafront Enhancement Scheme: At the last meeting of the Finance Committee it was agreed that a budget code be set up for 2018/19 and that the total for this budget line be £20,000 less the remaining sum in the Ear Marked Reserve code 1704
- Grants code 401: Councillors felt that the budget for the grants scheme was too low and proposed increasing it to £8,000
- Civic Expenses code 202: Councillors discussed reducing the budget to £800
- Elections code 206: The Town Clerk updated Councillors that EDDC had responded to the query as to how much an election costs a Town Council. The response was £4,473 and the Councillors felt that it would be prudent to include £4,500 in the budget
- Town Crier Honorarium code 2069: The Town Clerk confirmed that the Internal Auditor had confirmed that it is inappropriate to continue to call this an honorarium and that expenses would be preferable
- Gas (code 2123) and electricity (code 2124): it was felt prudent to include an inflationary increase of 5% per annum to take account of any RPI increases

The Committee **RESOLVED** to amend the income budget for the Town Guide (code 2083) from £4,000 to zero for 2018/19 (moved Cllr Rowland; seconded Cllr Read)

The Committee **RESOLVED** to amend the income budget for the Artisan Market (code 2049) to £2,000 per annum for 2018/19 to 2022/23 (moved Cllr Rowland; seconded Cllr Read)

The Committee **RESOLVED** to amend the income budget for Marshlands (code 2150) to £5,000 per annum for 2018/19 to 2022/23 (moved Cllr Rowland; seconded Cllr Squire)

The Committee **RESOLVED** to set a new cost code called 'vehicle replacement fund' and allocate £2,000 to the code in the 2019/20 financial year. (moved Cllr Squire; seconded Cllr Rowland)

The Committee **RESOLVED** to increase the Grants budget (code 401) to £8,000 per annum from 2018/19 onwards (moved Cllr Rowland; seconded Cllr Burrows)

The Committee **RESOLVED** to review the Council's Grants Policy (moved Cllr Squire; seconded Cllr Chadwick)

The Committee **RESOLVED** to reduce the Civic Expenses budget (code 202) to £800 per annum from 2018/19 onwards (moved Cllr Rowland; seconded Cllr Squire)

The Committee **RESOLVED** that the Elections budget (code 206) be increased to £4,500 per annum from 2018/19 onwards

The Committee **RESOLVED** to rename the Town Crier Honorarium (code 2069) as Town Crier Expenses  
(moved Cllr Rowland; seconded Cllr Beer)

The Committee **RESOLVED** to include an RPI inflationary increase of 5% per annum for gas (code 2123) and electricity (code 2124)  
(moved Cllr Squire; seconded Cllr Read)

The Committee **RESOLVED** that the draft 5 year budget be noted and that the items above be incorporate into the budget before it is presented to Council on 2<sup>nd</sup> January 2018.  
(moved Cllr Rowland; seconded Cllr Squire)

#### **105. Risk Assessment**

The Committee **RESOLVED** to carry forward the risk assessment to the January meeting of the Committee  
(moved Cllr Beer; seconded Cllr Rowland)

#### **106. Update on Actions arising from previous meetings (for information)**

- a) Computer system – The Town Clerk confirmed that a meeting had taken place with one provider, but a quote had not yet been received. She added that she was meeting with a second supplier on the 12<sup>th</sup> December 2017 and was actively looking for a third supplier to provide a quote. It was anticipated that the information would be presented to the Committee at its January meeting
- b) Finance System – RBS Rialto will be installed in March 2018 and the training will take place in June 2018. This will enable the year end to be completed and then for the audited opening balances for 2018/19 to be loaded onto the new system as part of the training in June. In the interim period a manual ledger system will be used to keep detailed records and this information will then be added to the new system.
- c) Annual Fire Risk Assessment – The Town Clerk confirmed that the Fire Risk Assessment has been completed but that she is waiting for the supplier to send this through to her. The Fire Alarm panel has now been serviced and colleagues have now put into place a regular fire alarm checking procedure
- d) Water bill for the Pavilion – The Town Clerk confirmed that South West Water Business (SWWB) met with the Town Maintenance Person on site on 17<sup>th</sup> November to resolve this matter. This has identified that the bills are for Cliff Field Gardens but the Town Clerk has asked SWWB to amend the address information on the bills, which they have agreed to do. Discussion is still ongoing as to why the Council is being

charged for sewerage when it is not believed that there is sewerage on site.

- e) Previous maintenance of Labyrinth – Town Clerk will chase up the individual who produced the last report
- f) Community Enhancement Fund – the Town Clerk confirmed that she has continued to liaise with DCC street lighting department and EDDC regarding the painting of street furniture and is waiting for DCC to provide a quote for the cost of their operatives painting the street furniture

The meeting ended at 9.40pm

**Chairman:** \_\_\_\_\_

**Dated:** \_\_\_\_\_

DRAFT