



WOMBOURNE PARISH COUNCIL

Minutes of the FINANCE AND GENERAL PURPOSES COMMITTEE MEETING

held on **Monday 10th January 2022** at 7.00pm

This meeting was held in the Council Chamber, Civic Centre, Gravel Hill, Wombourne, WV5 9HA

Present – Committee Members-

Councillors: Barry Bond MBE, Mike Davies (Vice-Chairman), Mark Evans, Dan Kinsey, Vince Merrick, Martin Perry, John Pike, Mary Roberts (Chairman), Daisy Tait.

Present – Non-Committee Members- Claire McIlvenna, Alan Peace

Clerk – Rachael Wright

01/22 – Apologies

Apologies were received from Councillor Cheryl Davies.

02/22 – Declarations of Interest

None.

03/22 – Approval of last Committee Meeting minutes

Members approved the minutes of the last meeting.

04/22 – Matters arising from 29th November 2021

None.

05/22 – Budget and Precept 2022/2023

A spreadsheet setting out the budget proposals which the clerk had prepared was shared via projector screen for Members to see.

The Civic Centre Management Committee and Finance and General Purposes Committee had already set out their wish lists for the budget in November 2021.

Members agreed a realistic view of Civic Centre income should be taken given there was still some uncertainty with COVID-19, and therefore budgeted to receive income for 6 months of the year for room hire and commission. They also agreed to budget only to receive income from the Citizens Advice office to August 2022, when their lease expires, given the lack of interest in the office currently.

Members agreed, if possible, the Civic Reception should go ahead in March 2022, so agreed to leave the budget for 2021/2022 in place.

Members also agreed to add in an additional £1000 for festive illuminations in Common Road.

New budget headings included Community Events (High Street events, Small Business Saturday, and Commonwealth Games) and pitch treatments. Staff salaries, NI and pension contributions as well as computers

and office equipment had been increased to take into account the new administrative assistant to be taken on from April 2022.

Members noted the clerk's comments in relation to the Chairman's Allowance not being paid as a cash lump sum, and that receipts were required to document all expenditure. Councillors Barry Bond and Mike Davies informed the Chairman they felt this was unreasonable, noting some incidentals such as petrol and raffle tickets were not easy to document with receipts, and this was not a requirement for allowances given to District and County Councillors. The Chairman informed them it was a requirement from the auditors to ensure all public money spent was receipted. The clerk informed Members that the payment could be paid through PAYE, but this would mean it would be subject to tax, however, she agreed to seek clarification on the matter.

The Committee agreed earmarked reserves as set out on the spreadsheet, including an additional £3500 taking the overall earmarked reserve to £10,000 for elections, £21,750 for Civic Centre roof (with the same amount being earmarked over 4 years to pay for a new pitched roof), £2500 for Brickbridge Playing Fields and £2500 for staff salary contingencies, with the intention of building up these pots over several years.

The clerk reminded Members they had set out a Reserves Policy earlier in the year, which recommended that general reserves be held at a minimum of 6 months precept, i.e., £110,526.

She also reminded Members that according to the Good Councillors Guide to Finance and Transparency, the council tax requirement (i.e., the precept) is the difference between the council's estimated income and estimated expenditure for the year. The guide did not recommend subsidising the precept with general reserves, as the parish Council had been doing for some years. The clerk informed Members that by doing so it gave residents a false impression of what their contribution to the parish council precept could pay for, especially given taking sums from general reserves was not a long-term sustainable solution.

Members were reminded of the Practitioners Guidance and recommendations in the Good Councillors Guide, which states a council should hold between 3-12 months expenditure in general reserves, with the amounts set out for all Members to see on the spreadsheet.

The spreadsheet had a tab showing a league table of the 27 parish councils in South Staffordshire, which showed Wombourne at 18 out of 27 parishes for precept level per household (i.e., 17 other parish councils in South Staffordshire raised a higher precept than Wombourne for the services they offered to their residents).

Members noted that a budget line in both income and expenditure had been included for S106 funding, however, both were set at £0. The Chairman informed Members Councillor Davies had followed up S106 funding with South Staffordshire Council, as it was anticipated some funding should be received from the Beggars Bush development and Giggetty Lane development (earmarked for improvements at Poolhouse Play Area), however, this had not been agreed so as in previous years had been left at £0. Given that any income should be equal to expenditure, Members agreed it should be kept at £0 as it would have no overall impact on the final budget, and it was not certain that the funding would be received in the next financial year.

The clerk informed Members that the base rate for 2022/2023 had increased to £5157.19 from £5043.93 from the previous year, so the parish council could increase the precept by at least 2% before there would be any impact on the average band D annual payment for residents.

Councillor Mike Davies proposed that an 8% increase be added to the precept, and therefore a budget of £390,205 be set for 2022/2023 and a precept of £238,736 be requested from the South Staffordshire Council. Councillor Dan Kinsey seconded the proposal, a vote took place, and all Members were in favour.

With a base rate of £5157.19, band D properties in Wombourne will pay £46.29 annually (£2.46 increase per annum from 2021/2022) or 0.89p weekly (0.05p increase per week from 2021/2022).

Members noted that by agreeing only an 8% increase, it would mean they were budgeting to take out £81,699 from general reserves to subsidise the precept. The Chairman agreed for the clerk to note Councillor Martin Perry's concerns with this, stating he felt it was an unrealistic long-term solution to continue to take large sums from reserves to balance the budget.

<u>INCOME</u>	Budgeted 21/22	Total Actual to 30.11.21	Projected to 31.3.22	Total Forecast 21/22	Proposed Budget 2022/23
Parish council	222,984.50	242,781.29	169,18.50	259,699.79	240,553.50
Civic Centre	68,029	51,855.55	29,023.40	80,878.95	63,752.15
Recreation and Amenities	1,500	2,955	1,220	4,175	4,200
S106 funds	0.00	0.00	0.00	0.00	0.00
Gross income (A)	292,513.50	297,591.84	47,161.90	344,753.74	308,505.65
<u>EXPENDITURE</u>	Budgeted 21/22	Total Actual to 30.11.21	Projected to 31.3.22	Total Forecast 21/22	Proposed Budget 2022/23
Parish council	18,0421	117,086.37	52,351.82	169,438.19	224,836
Civic Centre	117,460	64,599.56	29,161.76	93,761.32	143,769
Recreation and Amenities	20,550	5,562.11	7,945	13,507.11	21,600
S106 funds	0.00	0.00	0.00	0.00	0.00
	Budgeted 21/22	Total Actual to 30.11.21	Projected to 31.3.22	Total Forecast 21/22	Proposed Budget 2022/23
Gross Expenditure (B)	318,431	187,248.04	89,458.58	276,706.62	390,205
Surplus (A-B)	-25,917.50	-110,343.80	-42,296.68	68,047.12	-99,383.35

The recommendation to be put forward to Full Council from the Committee will be a budget of £390,205 be set for 2022/2023 and a precept of £238,736 be requested from the South Staffordshire Council.

06/22 – Correspondence

None.

The meeting closed at 8.08pm.

Signed:

Dated: