



HAILSHAM TOWN COUNCIL

FINANCE and BUDGET OVERSIGHT COMMITTEE

AGENDA

NOTICE IS HEREBY given of a meeting of the Finance and Budget Oversight Committee, to be held at the Fleur-de-Lys Council Chambers/Meeting Rooms, Market Square, Hailsham, on

Wednesday 9th January 2013 at 7.30 p.m.

Prior to commencement of the formal business of the meeting, a period of not more than 15 minutes will be assigned for the purpose of permitting members of the Public to address the Assembly, or ask questions on matters relevant to responsibilities under the direction of this Committee, at the discretion of the Chairman.

The order of formal business to be transacted will thereafter be as follows:

1. **Apologies for Absence**
To receive apologies for absence of appointed members.
2. **Declarations of Interest**
To receive notice of declarations of personal or prejudicial interests in respect of items on this agenda.
3. **Minutes of previous Meeting**
 - 3.1 A) To note and agree that the Minutes and Reports of the Meeting of the Finance and Budget Oversight Committee (Ref: F&BO 12/6/92-100) held on 7th November 2012 were confirmed as being a correct record and adopted by the Town Council at a meeting held on the 21st November 2012.
 - 3.1 B) To consider any matters arising.

4. Accounts and Audit

4.1 Budget for 2013/2014

4.2 Introduction from Cllr N. Collinson (WDC)

4.3 Cllr. N. Collinson to outline changes in the precept tax bases from WDC in relation to the 2013/14 budget.

5. Budget for 2013/2014

5.1 To Agree the budget for 2013/2014 in light of the precept changes, for recommendation to Hailsham Town Council meeting on 23rd January 2013.

Dated this Friday 19th December 2012

JOHN HARRISON
Town Clerk

Committee Membership:

Councillor. J. L. Blake
Councillor R. Grocock
Councillor G.G Rowe
Councillor M. Ryan
Councillor Mrs. M. Skinner
Councillor C. Triandafyllou

FINANCE, BUDGET & OVERSIGHT COMMITTEE

REPORT (Minutes) of the meeting of the Finance, Budget & Oversight Committee, held at the Fleur de Lys Council Chambers, Market Street, Hailsham on Wednesday 9th January 2013 at 7.30 p.m.

Prior to commencement of formal business, a period of not more than 15 minutes was assigned for the purpose of permitting members of the public to address the Committee or ask questions (on matters relevant to the responsibilities under the direction of this committee).

FBO/12/8
/101.1 **Present:** R.T. Grocock, C. Triandafyllou (Chairman), G.G. Rowe, Mrs M. Skinner, J. Blake

102.1 **Officers Present:** Mr. J Harrison (Town Clerk) & Mrs M Hagger (Finance Officer)

103.1 **Apologies For Absence:**

104.1 **Declarations of Interest**

None presented.

105.1 **Minutes of Previous Meetings**

RESOLVED to note that the Minutes and Reports of the Meeting of the Finance, Budget & Oversight Committee (Ref: F&BO/12/6/92-100) held on the 7th November 2012 were confirmed as being a correct record and adopted by the Town Council at a meeting held on the 21st November 2012.

106.1 **Matters Arising**

None

Accounts and Audit

107.1 **Budget for 2013/2014**

108.1 Cllr N. Collinson explained the changes to precept funding and what its effects will have on Hailsham Town Council budget setting for 2013/14 and onwards.

Main points as follows:

- District Councils will be responsible for Council Tax benefits instead of Central Government.
- The Tax base will be made up calculated differently
- In 2013/14 the tax base will drop from 7333.7 to 6297.9. The shortfall in

- precept will be made up from a grant of (£118,794) – 13% of total budget.
- It is uncertain whether a grant will be in place or what a grant may be in 2014/15
 - There is a potential for the introduction of the capping of council tax increases for parish/town councils in 2014/15
 - Some parish and town councils are increasing their precept this year in order to offset the potential reduction or in fact, total loss of grant next year and because there may not be the opportunity to do so for following years if the 'cap' is introduced.
 - A loss of £118.794 from the grant for 2014/15 would represent 13% of total budget, which would be a significant shortfall in Hailsham Town Council's budget
- 109.1
- 109.2

Cllr N. Collinson left the meeting at 7.55pm

Cllr P. Holbrook spoke regarding the report on Western Rd Cricket Pavilion as Appendix FBO/12/8/109 to these minutes.

Cllr P. Holbrook explained that the work could cost in total around £12,000 to replace windows, cladding, door frames etc, however the actual figure for work to be completed is still in discussion with Mr T Scott at Hailsham Cricket Club. A report is due for Town Council February meeting.

- 109.3 Cllr G. Rowe stated that the work should be done straight away once the work schedule is completed.

- 109.4 Cllr J. Blake stated that we should look at approaching WDC to enquire about 106 money which is for community buildings and see if any can be put forward for the cricket pavilion as it's the only one in Hailsham and the whole community uses the facilities.

- 109.5 **Resolved** that the Town clerk would contact WDC to follow up on Cllr Blakes comments.

- 110.1 **Resolved** that the £5,000 should stay in the Cricket pavilion maintenance budget for 2013/14

Cllr P Holbrook left the meeting at 8.08pm

- 110.2 **Budget 2013/14**

- 110.4 Cllr Triandafyllou opened the discussion regarding the information from Cllr Collinson and the setting of the budget for 2013/14.

- 110.5 The town clerk explained the report as Appendix FBO/12/8/110) to these minutes showing the possible increase in band D council tax to prepare for loss of precept

funding from WDC in the following years.

110.6 Cllr Triandafyllou inquired how the committee felt about the rise and it was thought by the committee to be prudent and recommend a slight increase this year as there so many uncertain elements going forward to 2014/15.

110.7 Cllr G. Rowe commented that his party had expressed an opposition to the current budget as the Town council was drawing £52,019 from reserves

110.8 A 3.6% increase on the Band D council Tax was considered but rejected as potentially too large and possibly resulting in a referendum.

110.9 **Resolved** to increase Band D council tax to £116.98 from £114.69.. This amounts to a 2% increase. This would mean that the total drawn from reserves for the 2013/14 budget is reduced from £52,019 to £37,572, therefore protecting reserves to meet the potentially significant shortfall in future years.

111.1 **Provisional Budget Setting Meetings**

Provisional Budget meetings were set up for 2014/15 budget setting process as follows:

Wednesday 3rd July 2013

Wednesday 4th September 2013

Wednesday 6th November 2013

There being no other business, the meeting closed at 8.30pm

CHAIRMAN

Global/Minutes & Agendas/FBO/Minutes 9.01.13MH

Reserve Balances at 31.12.13

Commuted Sums

Balance	£225,000.00	
Accessible Commuted Sums	<u>£168,400.00</u>	A
Unaccessible Commuted Sums	£56,600.00	

Community Contingency Fund

Balance	£121,235.00	
6% to remain in reserve	£53,588.00	(6% of budget £893,119)
Available balance	<u>£67,647.00</u>	B
Total Available Reserves	<u>£236,047</u>	(A + B)

2013/14		Last year band D		114.69	
If we did the 2013/14 budget as follows:					
	Increase/Decrease		Increase/Decrease		
Budget	893119		893119		
WDC Grant	-118794		-26009.5		
Precept	<u>774325</u>		<u>748315.5</u>		
Tax base	6297.9		6297.9		
Per Band D	122.95	7.20%	118.82	3.48%	
Remaining reserves	<u>236,047.00</u>		<u>210,037.50</u>		

Budget as per current plan	
Reserves	893119
WDC Grant	-52019
Precept	<u>722306</u>
Tax base	6297.9
Per Band D	114.689976
Remaining reserves	<u>184,028.00</u>

As we cannot determine the actual grant from WDC past the budget for 2013/2014 as per letter from Wealden District Council which is attached to the report papers, we need to consider the possible projections going into the following 2 years, as we have a project plan for 3 years.

Below is the worse and best case projections these are based on no increase in budget and no change in tax base.

CASE A	2014/15	Reserves Balance 2014/15	2015/16	Reserves Balance for 2015/16
	Budget 893119		Budget 893119	
	WDC Grant 0		WDC Grant 0	
	Reserves -170813	<u>£13,215.00</u>	Reserves -170813	<u>£157,598</u> We would need to
	Precept 722306		Precept 722306	
	Tax base 6297.9		Tax base 6297.9	
	Per Band D 114.69		Per Band D 114.69	

CASE B	2014/15	Reserves Balance 2014/15	2015/16	Reserve Balance for 2015/16
	Budget 893119		Budget 893119	
	WDC Grant -118794		WDC Grant -118794	
	Reserves -52019	<u>£132,009.00</u>	Reserves -52019	<u>£79,990.00</u>
	Precept 722306		Precept 722306	
	Tax base 6297.9		Tax base 6297.9	
	Per Band D 114.69		Per Band D 114.69	