



WISBECH TOWN COUNCIL
POLICY AND RESOURCES COMMITTEE

8 JANUARY 2018 – 7.30 pm

MINUTES OF MEETING

Present: Councillor Oliver, Chairman; Councillors Balsevics, Miss Hoy, Human, Maul, Miss Oliver, Tibbs and Tierney.

Apologies: Councillor Hill.

The minutes of the meeting held on 6 November 2017 were confirmed and signed.

R18/17 Wisbech Town Council's Accounts 2017/18

The Clerk reported to members on the council's financial position as at the end of quarter three of the financial year 2017/18; he gave explanations as to variations between the estimated income and expenditure for the third quarter of 2017/18 and the actual financial position as at 31 December 2017.

As at 31 December 2017, the council had received approximately 99% of the estimated annual income and incurred approximately 93% of its estimated annual expenditure.

The Clerk responded to members' questions in relation to the council's 2017/18 budget.

With regard to the financial provision (of £10,000) in the 2017/18 budget for repairs and improvements to the Town Hall and the decision of the council's Assets Management Committee (at minute A12/17) that the Clerk would arrange an assessment of the condition and effectiveness of the Town Hall's central heating boiler, the Clerk informed members that, as a result of the assessment undertaken by a gas engineer, the boiler had been de-commissioned and it is, therefore, necessary for a replacement to be procured and installed. Consequently, the Clerk had invited three quotations for that work and he reported to members the two that he had received.

Members decided, on the proposal of Councillor Miss Hoy, seconded by Councillor Miss Oliver, that

- (1) the information reported by the Clerk be noted;
- (2) the accounts for the third quarter of the financial year 2017/18 be approved;
- (3) the quotation for replacement of the central heating boiler at Wisbech Town Hall, in the sum of £5,680.42 (plus VAT), the lowest received, be accepted and the Clerk would make arrangements with the contractor for the installation work to undertaken as a matter of priority.

R19/17 Green Flag accreditation

Members considered a request from Fenland District Council (FDC) for Wisbech Town Council to meet the cost for 2018 of making application under this award scheme insofar as it relates to Wisbech.

The Clerk reminded members that they had agreed to meet those costs (which had been met by FDC in previous years) for 2017 (minute R11/16 refers).



Fenland District Council states, in its request, that the cost for submitting an application for each of the two sites in Wisbech - those being Wisbech Park and the gardens of the St Peter and St Paul's Church - is £319.00 (plus VAT); the total cost in 2018 would, therefore, be £638.00 (plus VAT). The total cost in 2017 had been £328.00 (plus VAT).

Members are of the opinion that being able to continue to achieve Green Flag accreditation for these sites is a "feather in the cap" for Wisbech and they would not wish to see this accreditation being lost as a result of Fenland District Council no longer being able, because of budget reductions, to meet the cost of the application fees for the Green Flag award scheme.

Members decided, unanimously, on the proposal of Councillor Tierney, seconded by Councillor Tibbs, that Wisbech Town Council would meet the cost of Fenland District Council (FDC) making applications for Green Flag accreditation in respect of the two sites in Wisbech in 2018; however, the committee expects Wisbech Town Council to be given proper recognition for this support in any publicity/press releases issued by FDC in relation to the Green Flag accreditation for the two sites in Wisbech.

R20/17 Budget 2018/19

Further to minute R17/17, members undertook further discussions regarding the setting of a Wisbech Town Council budget (and Precept) for the financial year 2018/19.

Members were reminded by the Clerk of comments that they had made when considering at 6 November 2017 meeting of this committee the initial draft budget which he had produced (minute R17/17 refers); those comments being that

- it is important for the council to possess sufficient financial resources to be able to deliver effectively against all of its commitments and ambitions. There is a need to ensure that not only is there sufficient funding available to meet known and anticipated costs but to be in a position to be able to deal with any "surprises" in a way which would not cause a difficult financial situation for the council.
- the initial draft budget prepared by the Clerk may be too "lean", particularly given the additional costs which would be faced by the council in operating, managing and developing both existing and additional community assets.
- there are some elements within the overall initial draft budget where it would be prudent to increase the level of financial provision; for example, expenditure in relation to Wisbech Castle; it was considered that the financial provision in that regard should be set at £35,000 (instead of the £25,000 which had been included by the Clerk in the initial draft budget).
- setting a budget for 2018/19 which required a 35% increase in the Precept for a Band D equivalent property - as opposed to the 26.2% which would result from implementation of the initial draft budget produced by the Clerk - would place the council in a stronger position in terms of being able to deliver effectively against all of its commitments and ambitions.

The Clerk reminded members that this committee had decided at minute R17/17 that

- (1) the Clerk would produce, having regard for the comments made by members at minute R17/17, a revised draft budget for the financial year 2018/19, for consideration at 8 January 2018 meeting this committee, on the basis of making provision for the areas of additional spending identified by members (for example, costs associated with operation, management and renovation of Wisbech Castle; an estimated increase in insurance costs as a result of taking on additional community assets; increase in the cost of utilities; the need to replenish the ear-marked reserve for elections etc) and compensating for reductions in income (a lower level of Council Tax Support Grant etc);



- (2) the committee would be comfortable with an increase in the Precept for the financial year 2018/19 of around 35% for a Band D equivalent property;
- (3) with regard to the comments of both the internal auditor and external auditor in relation to budget-setting and the level of general reserves held by the council (minute R11/17 refers), the council would be asked to agree formally a level of general reserves which it considers, based upon its experience of the authority's finances, is appropriate for Wisbech Town Council (say, £60,000).

The Clerk presented to members a revised draft budget for the financial year 2018/19, which he had produced on the basis of the decisions reached at minute R17/17 and other relevant issues and matters which had arisen since that time. The latest version of the draft budget includes:

- an increase in the financial provision (from £25,000 to £35,000) for Wisbech Castle (as agreed at minute R17/17).
- an increase in the staffing costs budget to take account of the fact that the Government has announced recently an "inflationary" increase of 2%, effective from 1 April 2018, to the salaries of local government employees (in addition, this automatically increases the pensions and National Insurance contributions payable by the employer).
- the actual, as opposed to estimated, savings in cleansing costs as a result of the decision to close the Ladies and Gents toilets at Exchange Square (minute A14/17 refers).
- the inclusion of a contribution (£10,000) to general reserves, in response to the comments of both the internal auditor and external auditor in relation to budget-setting and the level of general reserves held by the council (minute R11/17 refers)
- a small increase (of £1,000.00) in the allotments expenditure budget to assist in meeting the costs of works which have already been committed for the 2018/19 financial year (minute A15/17 refers).

To assist members' deliberations, the Clerk reminded members that the council's 2017/18 Precept is £265,374.00; this equates to £43.16.10 per Band D property. In addition, he

- informed members of the estimated number of Council Tax chargeable dwellings in Wisbech for the financial year 2018/19 and the number in each of the Council Tax Bands A to H.
- mentioned that the level of Parish Precept set across the councils in Fenland in 2017/18 range from £31.61 to £86.17 for Band D Council Tax properties. The Precept levied by Wisbech Town Council is £43.16.
- commented that the number of Band D equivalent properties in Wisbech, for the purpose of calculating the average Council Tax (and Precept), is estimated at 6,294 for 2018/19.
- reminded members that until the financial year 2016/17 Wisbech Town Council had not increased its Parish Precept since the financial year 2012/13; in fact the level was reduced by 1.2% for the 2015/16 financial year. This council's Precept was increased by 13.46% for the financial year 2016/17. The Precept for 2017/18 was increased by £4.06 (or 10.4%) for a Band D property.
- drew to members' attention that, according to research undertaken by the DCLG, the national average Parish Precept set by a local council in 2017/18 is £61.03 (an average increase of 3.63% over the 2016/17 figure).
- reminded members that the level of Council Tax Support Grant which is paid to Wisbech Town Council by Fenland District Council reduced from £36,849.00 in 2016/17 to £24,566.00 in 2017/18 and reduces again to £12,283.00 for 2018/19 and then ceases from 2019/20. In the current financial year the council had managed to off-set the reduction in this grant through savings in the cost of insurance cover and needing to spend significantly less on the funding of street lighting than had been estimated (because of a change of policy by the County Council in that regard). It will not be possible to off-set the reduction in Council Tax Support Grant in future financial years.



The revised draft budget produced by the Clerk requires an increase in the 2017/18 Precept of £265,374 (by £98,863) to £364,237 for the financial year 2018/19. This equates to the Precept for a Band D property of £57.87 for the financial year 2018/19; an annual increase of £14.71 (or 34.0%) to the 2017/18 figure. The additional cost to the occupiers of a Band D equivalent property (of which there are 6,294 in Wisbech) would be approximately 28.2 pence per week. More than half of the properties in Wisbech are in Council Tax band A; those households would face an increase of approximately 18.8 pence per week.

Members acknowledge that there is extremely limited scope for reducing current areas of expenditure (given the cost reduction exercises which had been undertaken as part of the budget-setting processes for the financial years 2016/17 and 2017/18). There is, however, a need to make financial provision to not only compensate for the reduction in income, such as the level of Council Tax Support Grant from Fenland District Council, but also to fund new initiatives (such as taking on the operation, management and refurbishment of Wisbech Castle) and to develop/enhance existing services and facilities (such as Wisbech Market Place and the public toilets owned and managed by the council).

Members are in no doubt that an increase (and at a significant level in percentage terms) in the Precept for 2018/19 is necessary, given the decisions made by this committee at minute R17/17 etc. In fact, at that minute members had indicated that an increase in Precept of the order of 35% for a Band D equivalent property would be acceptable.

Councillor Miss Hoy made the point that this council's increasing role in the delivery and enhancement of services – such as the operation, restoration and management of Wisbech Castle, enhancement of the Market Place and improvements to public toilets etc - generates a need for additional financial resources. The council also needs to collect additional revenue to compensate for the reduction in the level of Council Tax Support Grant and to replenish the Elections reserve. She made the point that although the percentage increase figure may look high, the actual financial amount is not.

Councillor Tierney expressed the opinion that Wisbech Town Council should be proud of its budget "history" in terms of keeping low its level of Precept; however, the time has now come, especially because of both the need to "step up" service provision, in cases where the principal authorities are needing to reduce some levels of service, and also having the desire to improve its service offer to the people of Wisbech, to increase significantly in percentage terms its Precept. He is of the opinion that Wisbech Town Council is able to justify a 34% increase in the Precept payable by a Band D equivalent property in Wisbech; he added that although the percentage figure may look high, the important issue for local people should be the additional monetary cost to them (which is around £1.20 per month).

Councillor Human commented that he concurs fully with the comments of Councillors Miss Hoy and Tierney.

Councillor Tibbs commented that, in his opinion, the council has no option but to increase its budget for 2018/19 and the level of increase proposed is justifiable.

Councillor Maul concurred with all of the comments which had been made by members and he expressed the opinion that the council needs to explain clearly the situation to the public.

Members decided, unanimously, on the proposal of Councillor Miss Hoy, seconded by Councillor Human, to RECOMMEND to 22 January 2018 meeting of Wisbech Town Council that the draft budget for the financial year 2018/19, as presented by the Clerk, requiring a Precept for that financial year of £364,237.00, be approved.



(Councillors Balsevics, Miss Hoy, Human, Maul, Oliver, Miss Oliver, Tibbs and Tierney declared their respective pecuniary interest in the setting of the Town Council Precept, by virtue of having a beneficial interest in a domestic dwelling within the town, but had been granted a dispensation to speak and vote in this matter)

Meeting finished at 8.00 pm.

Signed.....

Dated