



WISBECH TOWN COUNCIL
POLICY AND RESOURCES COMMITTEE

8 OCTOBER 2018 – 7.45 pm

MINUTES OF MEETING

Present: Councillor Oliver, Chairman; Councillors Miss Hoy, Human, Miss Oliver, Tierney and Wing.

Apologies: Councillors Hill and Tibbs.

Public Participation: None requested.

The minutes of the meeting of the Policy and Resources Committee held on 3 September 2018 were confirmed and signed.

R7/18 Audit of Accounts 2017/18

Further to minute R3/18, the Clerk presented to members the report of the external auditor in respect of Wisbech Town Council's accounts for 2017/18.

The Clerk informed members that the external auditor had stated that "on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return (AGAR), in our opinion, the information in Sections 1 and 2 of the AGAR is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that the relevant legislation and regulatory requirements have not been met". He made the point that this means that the external auditor is satisfied with both Wisbech Town Council's financial governance arrangements (Section 1 of the AGAR) and its accuracy of accounting (Section 2 of the AGAR) and had raised no issues which require corrective action by the council.

Members indicated that they are pleased that the external auditor had given Wisbech Town Council a "clean bill of health" in relation to its accounts for 2017/18.

Members considered the appointment of an internal auditor for audit of the council's 2018/19 accounts. The Clerk informed members that the company which undertook the internal audit of the council's 2017/18 accounts (and had done so for a number of previous years), Canalbs Ltd, is willing to do likewise for the 2018/19 accounts.

Members decided that

- (1) the outcome of the external audit of the council's 2017/18 accounts be noted;
- (2) Canalbs Ltd be appointed as the council's internal auditor for the 2018/19 audit of accounts.

R8/18 Wisbech Town Council's Accounts 2018/19

The Clerk reported to members on the council's financial position as at the end of quarter two (half-year) of the financial year 2018/19; he gave explanations as to variations between the estimated income and expenditure as at the end of the second quarter of 2018/19 and the actual financial position as at 30 September 2018.



As at 30 September 2018, the council had received 128.49% of the estimated annual income and had incurred 51.72% of its estimated annual expenditure. This high level of income, way above the budget estimate proportion (i.e. 50%), is due mainly to

1. the fact that the council had received 100% (instead of 50%) of both its precept and the Council Tax Support Grant for the financial year (because of the second payments of 50% being received from Fenland District Council at the end of quarter two instead of the beginning of quarter three)
2. the receipt from Cambridgeshire County Council of the £150,000 loan for repair works to Wisbech Castle.

Members were informed by the Clerk that if the council had not received early payment of the second 50% of its precept and the Council Tax Support Grant for 2018/19 and had not received the loan from the County Council in the current financial year, the council's actual income as at the end of the second quarter of the financial year 2018/19 would have been 53.35% of that estimated.

The Clerk responded to members' questions on the council's income and expenditure position for the first half of the financial year 2018/19.

Members were informed by the Clerk that, because of potential health and safety requirements of the Harbour Master, Wisbech Town Council could face an additional cost of up to £9,000 for installation of the Christmas lights along the North and South Brinks this year. This would, obviously, have significant implications for the council's budget if the installation works were undertaken and those requirements needed to be met. The Clerk mentioned that a representative of the contractor which undertakes this work would be meeting with the Harbour Master tomorrow (9 October) afternoon to see if such a situation could be avoided or the financial impact reduced.

Members decided that

- (1) the information reported by the Clerk be noted;
- (2) the council's accounts as at the end of the second quarter of the financial year 2018/19 be approved;
- (1) the situation, as described by the Clerk, with regard to the potential additional cost of installing Christmas lighting along the North and South Brinks this year be noted;
- (2) the Clerk would inform the members of this committee of the outcome of the meeting between a representative of the council's Christmas lighting contractor and the Harbour Master in relation to (3) above;
- (3) in the event that the outcome of the meeting mentioned at (4) above does not result in a positive financial outcome for this council, an additional meeting of this committee be convened for the purpose of discussing what action to take in this matter.

Post meeting note: At the meeting held on 9 October 2018, the council's contractor managed to achieve a situation (through making the case to the Harbour Master that the installation arrangements to be operated by the contractor would be undertaken in a safe and proper manner) whereby the council would be able to achieve the installation of Christmas lights along the Brinks this year without the potential additional cost.



R9/18 Grant applications 2018/19

Members considered two grant applications, for funding from the council's small grants budget, which had been submitted to Wisbech Town Council since 9 April and 9 July 2018 meetings of this committee (minutes R22/17 and R5/18 refer), as summarised in the table below:

	Organisation	Purpose of grant	Amount requested
1.	Rose Fair Co-ordination Group	Contribution towards the cost of producing 10,000 copies of a three-fold leaflet (to be distributed throughout the eastern region) to promote the 2019 Rose Fair	£250 (out of a total project cost of £825)
2.	Rima's Ladies and Families	The cost of providing entertainment at an International Food Day (to be held at the Queen Mary Centre on 27 October 2018 as part of the "Community Cohesion Through Sport and Physical Activity" project)	£300 (out of a total project cost of £300)
	TOTAL		£550

The Clerk had circulated to members, in advance of the meeting, copies of both of the applications for grant aid and he reminded members that the event mentioned within application number 2 had been drawn to members' attention, during a presentation on the Active Fenland project, at the last meeting of Wisbech Town Council (minute 54/18 refers); at that meeting members had indicated their support for the project.

The Clerk reminded members that, through the decisions reached at minutes R22/17 and R5/18, the council's small grants budget (of £5,250) for the financial year 2018/19 had been spent in full; however, there would be an underspending of approximately £400 per month on the special grants budget from the point at which the funding provided to WisARD (towards the cost of running the Wisbech Information Centre) ceases - this committee had decided at minute R22/17 that the grant be paid in monthly instalments until such time as the council is in a position to offer alternative accommodation for the Information Centre at Wisbech Castle - for example, if no payments were made for the months of January, February and March 2019, there would be £1,250 remaining in the special grants budget.

Members decided that

- (1) small grant application number 1 (£250) be approved in full;
- (2) £200 be awarded in respect of small grant application number 2 and that the applicant be requested to provide to the council information as to how the organisers would be seeking to



achieve attendance at the event which would benefit from the grant funding by a wide cross-section of the community (given that the rationale behind the event is celebrating (through food) different cultures and building community cohesion);

- (3) the special grant funding to WisARD would cease on 31 December 2018 (on the basis that the council would offer alternative accommodation for the Information Centre at Wisbech Castle with effect from 1 January 2019); this means that 25% of the total allocation (of £5,000) to WisARD for the financial year 2018/19 would be unspent;
- (4) the small grants at (1) and (2) above be funded from the underspending on the special grants budget (see (3) above).

R10/18 Budget 2019/20

The Clerk invited members to undertake preliminary discussions regarding the setting of a budget for the financial year 2019/20, with a view to agreeing a date for an additional meeting of this committee (in November 2018) for consideration of an initial draft budget for that financial year.

Members were reminded by the Clerk that a final draft budget would be set by this committee at its meeting scheduled for 7 January 2019, for recommendation to the meeting of Wisbech Town Council scheduled for 21 January 2019.

The Clerk presented a report which drew members' attention to a number of matters relevant to the setting of a budget (and Parish Precept) for the financial year 2019/20, including:

- 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 £12,283.00 in 2018/19 and then ceases from 2019/20. Wisbech Town Council will need to identify a means of filling that funding gap, either through increasing income or reducing expenditure
- the council needs to continue to take action in respect of 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 did decide, when setting a budget for 2018/19, that, based upon its experience, holding general reserves of £50,000 would be adequate. The level of such reserves at the end of the financial year 2017/18 was just under £30,000. This was "flagged up" by the council's Internal Auditor in June of this year (minute R3/18 refers). NOTE: According to the Practitioners' Guide to Local Council Governance, it is recommended that a local council should possess, as general reserves, a sum equating to three to twelve months of its gross annual expenditure
- the council needs to ensure that it makes sufficient financial provision in relation to all utilities' costs
- since the financial year 2016/17, the council has been "saving", into an ear-marked reserve, monies to meet the cost of the all-out local council elections in May 2019 (to be paid in the financial year 2019/20) and any Wisbech Town Council by-elections over that four years period. As a result of needing to meet the costs of by-elections over the last four years, it is anticipated that the amount "in the pot" at the end of 2018/19 will be approximately £15,500 (instead of a potential £20,000 to £30,000). It may, therefore, be necessary to increase the provision (beyond £10,000 per annum in the financial years 2016/17 and 2017/18 and £15,000 in the financial year 2018/19) for the financial year 2019/20 to replenish that reserve. The Elections Authority, Fenland District Council, has been asked by the Clerk for an estimate of the cost of the Wisbech Town Council elections in May 2019 and a response is awaited
- the council may wish to consider whether the council's Grants budget is sufficient for a town of this size. Members will be aware that the grant funding received from certain sources (such as Fenland District Council) to some local organisations/groups is likely to be reduced; therefore, those organisations/groups may look to Wisbech Town Council for a greater level of financial support from 2019/20 onwards. Wisbech Town Council agreed to include in its 2017/18 budget



an additional £15,000 for that financial year to provide an increased level of financial support (i.e. to total £20,000) to the Wisbech and Fenland Museum. This committee agreed subsequently, at minute R22/17, that the same level of funding would continue in the financial years 2018/19 and 2019/20. With regard to the special grant of £5,000 which has been paid to WisARD in respect of the Wisbech Information Centre, this committee decided, at minute R22/17, that this would cease once the council were able to offer alternative accommodation for the information Centre at Wisbech Castle (the payment is currently being made in monthly instalments)

- there is a need to reduce the current estimate for Markets income; the estimated income is not being achieved; achieving income at a lower level than estimated has a negative impact upon the council's general reserves. If the council reduces the level of estimated income for the financial year 2019/20, it will need to fill the funding "gap" by some means. There is no scope to reduce expenditure on markets
- in the event that the council borrows money to fund a scheme of enhancement for Wisbech Market Place, provision would need to be made in the 2019/20 budget for loan re-payments; the council's Reserves budget of £10,000 (introduced in the 2018/19 budget) could be used for such a purpose
- there is a need to review estimated income and expenditure in respect of Wisbech Castle. The budget for the current financial year shows no income but estimated costs (such as business rates, telephony, loan re-payments etc) of £30,000
- the council's salaries budget could be reduced (by around £6,000), to reflect the decision at minute S3/18 in relation to the replacement of the post of Assets Manager with one of Assets Supervisor
- the current Precept of Wisbech Town Council is £364,237.00; this equates to £57.87 for a Band D property
- every 1.0% increase in the council's current level of Precept generates approximately £3,642 in income.

Members decided that the information reported be noted, that the items listed above be reflected in an initial draft budget, to be prepared by the Clerk, for consideration at a meeting of this committee to be arranged for 12 November 2018.

Post meeting note: The proposed date of the additional meeting of this committee was subsequently changed from 12 to 26 November 2018.

Meeting finished at 8.40 pm.

Signed.....

Dated.....