



**WISBECH TOWN COUNCIL**  
**POLICY AND RESOURCES COMMITTEE**

**26 NOVEMBER 2018 – 7.30 pm**

**MINUTES OF MEETING**

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

**Apologies:** None (all members were present).

**Public Participation:** None requested.

The minutes of the meeting of the Policy and Resources Committee held on 8 October 2018 were confirmed and signed.

**R11/18 Budget 2019/20**

Further to minute R10/18, members considered an initial draft budget, which had been circulated by the Clerk (and RFO) in advance of the meeting, for the financial year 2019/20. The initial draft budget is based upon the current year's budget but takes into account known and estimated additional costs, as well as known and anticipated reductions in income which the council would or could face in future financial years.

The Clerk (and RFO) also 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 (which he had taken into account in the preparation of the initial draft budget), 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 needs factor-in this reduction in income when setting its budget for the financial year 2019/20
- 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
- the council needs to ensure that it makes sufficient financial provision in relation to the costs of utilities and maintaining its assets.
- the council must 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 Clerk (and RFO) anticipates, having estimated the council's financial year-end 2018/19 situation, that the council's general reserves could be in excess of £70,000 as at 31 March 2019
- 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 very recently estimated the cost of “all out” Wisbech Town Council elections in May 2019 at around £26,000. It is also prudent to make financial provision for at least one potential by-election within that financial year

- the council may wish to consider whether its 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 being reduced or withdrawn; 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, the 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. At its meeting on 8 October 2018 (minute R9/18 refers), this committee decided that 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). At its meeting on 19 November 2018 Wisbech Town Council decided (minute 93/18 refers) that it would increase the annual special grant funding to the Wisbech in Bloom team from £2,500 to £5,000 per annum with effect from 2019/20
- in the event that the council needs to borrow money to fund a scheme of enhancement for Wisbech Market Place, it would need to be able to fund the loan re-payments. The Reserves Contribution (of £10,000), if continued in future years’ budgets could be used for such; alternatively, the ear-marked reserve (of £13,000) in the council’s accounts for Market Place improvements could be used to meet payments for at least the first financial year; there would also be the option to include specific financial provision for Market Place Improvements in the council’s 2019/20 budget
- 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. This matter had been discussed by the Clerk (and RFO) and the Chairman of the Wisbech Castle Management Committee since minute R10/18
- the council’s budgets relating to staff costs can be reduced overall, to reflect the decision at minute S3/18 in relation to the replacement of the post of Assets Manager with one of Assets Supervisor. It is, however, necessary to include provision for a pay award to all local government employees with effect from 1 April 2019 and an increase of 1.7%, with effect from that date, in the Employer’s Pension contributions.

The Clerk informed members also that

- according to research undertaken by the DHCLG, the national average Parish Precept set by a local council in 2018/19 is £64.05.
- the total number of Council Tax chargeable dwellings in Wisbech for the financial 2019/20 is estimated – by the Council Tax Charging Authority (i.e. Fenland District Council) - at 8,280; this “converts” to 6,383 Band D equivalent properties for the purpose of calculating the average Council Tax
- when presenting the Local Government finance settlement to the House of Commons in December 2107 the Secretary of State for Communities and Local Government had announced “that the government intends to defer the setting of referendum principles (i.e. capping) for town and parish councils for 3 three years”.



- although the Chancellor of the Exchequer had announced in his recent budget that the requirement to pay business rates in respect of public toilets would cease, this does not come into effect until the financial year 2020/21.

Members were informed by the Clerk that initial draft budget which he had produced requires an increase in the 2018/19 Precept of £364,237 (by £4,963) to £369,200 for the financial year 2019/20. This equates to the Precept for a Band D property of £57.84 for the financial year 2019/20; an annual reduction by 3 pence of the 2018/19 figure (of £57.87). This would, in effect, be a 0% increase in the Precept for a Band D equivalent property in Wisbech for the financial year 2019/20.

Councillor Oliver suggested that, given the decision of the council (minute 93/18 refers) to increase the annual special grant funding to the Wisbech in Bloom team from £2,500 to £5,000 per annum with effect from 2019/20, it would be appropriate for the council to provide special grant funding (of say £500 per annum) to the Wisbech in Bloom group. He reminded members that the Waterlees in Bloom group had been awarded small grant funding by Wisbech Town Council in the past but, because the group needs to “compete” with other applications from community groups for funding from that “pot”, grant funding could not be guaranteed for that group; including such funding within the council’s special grants budget would provide that guarantee.

The Clerk (and RFO) responded to members’ questions.

Members acknowledge that although the actual total Precept would increase for the financial year 2019/20, the amount to be paid per household would not increase as the total would be “spread” across a greater number of Band D equivalent properties (because of that number increasing from 6,294 in 2018/19 to 6,383 for 2019/20).

Members decided, unanimously, on the proposal of Councillor Wing, seconded by Councillor Tierney, that

- (1) the information presented by the Clerk (and RFO) be noted;
- (2) £500 of Wisbech Town Council’s special grants provision be allocated to the Waterlees in Bloom group with effect from the financial year 2019/20;
- (3) unless there is some change in circumstances which would necessitate revisions to any of the income or expenditure figures within the initial draft budget for the financial year 2019/20, there is no need for consideration of the budget 2019/20 at 7 January 2019 meeting of this committee;
- (4) subject to (3) above, it be RECOMMENDED to 21 January 2019 meeting of Wisbech Town Council that the draft budget for the financial year 2019/20, as presented by the Clerk, requiring a Precept of £369,200 for that financial year, be approved;
- (5) the Clerk (and RFO) be congratulated on producing a budget for the financial year 2019/20 which enables the council to continue to deliver its services in a cost-effective, efficient and effective manner but without requiring the Council Tax payers of the town to pay more to Wisbech Town Council.

**Meeting finished at 8.10 pm.**

Signed.....

Dated.....