

Minutes of the Finance Committee Meeting
held in the Council Chamber, Emersons Green Town Council,
1900hrs on Thursday 24th November 2022.

- Present:** Councillors James Hunt (Chair), David Somers (Deputy Mayor), Colin Hunt, Caroline Johnson, Christopher Edwardson, and Richard Nichols.
- Attending:** Cllr Simon Budd (Mayor).
- Absent:** None.
- In attendance:** Town Clerk, Ian Lyons.
- Apologies:** None.
- Public:** None.
- Notes:** The meeting began at 1900hrs. All resolutions are passed with a majority vote, by a show of hands, unless otherwise stated.

FIN_2022.75 Welcome and Introductions.

- Minutes:** Cllr James Hunt (Chair) welcomed everyone present at the meeting and explained the emergency procedures.

FIN_2022.76 Declaration of Interest – Localism Act 2011.

- Minutes:** Cllr James Hunt (Chair) reminded members of the requirement to declare an interest.

FIN_2022.77 Public Participation.

- Minutes:** No members of the public were present.

COUNCIL ADMINISTRATION

FIN_2022.78 Minutes.

- Motion:** It was moved by Cllr James Hunt (Chair), supported by Cllr Colin Hunt, and resolved that:

Resolved: The Minutes of the Finance Committee meeting held on the 27th of October 2022, copies having been circulated, be approved as a correct record, and signed by the Chair.

Minutes: The minutes were signed at the meeting by Cllr James Hunt (Chair).

FIN_2022.79 Outstanding items from the previous minutes.

Minutes: At the invitation of Cllr James Hunt (Chair), the Town Clerk delivered a summary of the work undertaken as a result of the resolutions and action points from the previous meetings. As follows:

- The Financial Regulations were adopted at Full Council.
- Treasury Deposits were delegated to the Town Clerk in consultation with the Finance Committee and listed on the payments schedule.
- The photocopier contract was commissioned.
- Barclays.net application is being processed.
- Standing orders for staff salaries will be set up for December payments (November varied).
- The grant to Citizens Advice is listed for payment.
- A letter has been sent to Citizens Advice to enquire about an enhanced service for Emersons Green, and the reply has been circulated.

FINANCE

FIN_2022.80 Bank Reconciliations.

Minutes: The committee read the circulated documents and they were signed by the Chair.

FIN_2022.81 Monthly Payments & Investments.

Minutes: At the invitation of Cllr James Hunt (Chair), the Town Clerk provided a summary of the monthly payments and consulted with the committee about a Treasury Deposit of £100,000 with Barclays Bank for a period of 12 months. No objections were raised.

Motion: It was moved by Cllr James Hunt (Chair), supported by Cllr Richard Nichols, and resolved that:

Resolved: The monthly payments list, copies having been circulated, be approved, and signed by the Chair.

Minutes: The Chair signed the payments list.

FIN_2022.82 Budget Monitoring.

Minutes: To begin with, Cllr Caroline Johnson raised questions about the level of expenditure on pension contributions (4020 & 4050), and IT (4270). In reply, the Town Clerk explained that this month's pension contribution had temporarily increased due to the calculation of back pay for the Assistant Clerks, following the National Association of Local Councils (NALC) pay and working conditions settlement, agreed upon by Full Council.

After this, the Town Clerk read aloud entries from the Resolution Register, connected with decisions made by the Finance Committee and Full Council in relation to the IT contract. After that, a detailed analysis took place with the committee on the provision of IT services through the Council's contractor, and a full breakdown was displayed on the projector screen, including a detailed report, with visual aids, on the level of Council use.

Next, an open discussion on IT provision took place, starting with a personal account from Cllr Simon Budd (Mayor), which was described as positive and efficient. Likewise, the Town Clerk described the experience for Staff members as invaluable, particularly during short notice problems, such as Op London Bridge. Overall, the current provision was described as excellent value for money, a view that was supported by Cllr James Hunt (Chair) in a summary of the decision-making process.

Finally, Cllr Caroline Johnson requested that the availability of this resource be shared more widely, with an announcement at Full Council.

Action: Town Clerk to provide a reminder of IT support available to members at a future meeting of the Full Council.

FINANCIAL PLANNING

FC_2022.83 Budget 2023.

Minutes: At the invitation of Cllr James Hunt (Chair), the Town Clerk presented a draft budget for 2023, which Cllr James Hunt (Chair) explained was based upon the ambitions in the Strategic Plan and the recommendations from a variety of committees and working groups.

To begin with, the Committee reviewed the budget documents that were circulated, in paper and electronic format, using the projector as a visual aid. Next, the discussion focused on an examination of the Council Tax base, and the overall effect of the draft budget on the average precept per household. Potentially, it was estimated that the proposal could result in an increase of £4 per household per annum, or 7.7 pence per week, which was slightly below the September rate of inflation.

After this, Councillor Richard Nichols asked for an explanation of the mileage budget and the rationale for budgeting in general. In reply, the Town Clerk

provided a nominal ledger report for that for the mileage cost centre and explained that the Council had been much busier than usual, particularly with events. So, based upon actual spending in the year to date, and forecast events, a sensible figure was arrived at with a small amount for contingency. Likewise, other budget lines were estimated based on the same principle. Furthermore, it was emphasised that this was a budget and not a commitment to spend. However, it was sensible to have a small contingency in each budget line to avoid trivial referrals to Full Council, as required by the Council's Financial Regulations.

After that, Councillor Colin Hunt spoke in favour of the proposed budget and thanked the Town Clerk for the attention to detail. In particular, Councillor Hunt drew attention to the budget for staff costs, which allowed for significant growth, and described this as a positive step for the Council which would provide a decent service to local residents. Similarly, Councillor Richard Nichols described it as a significant moment for the Council, a 'Chicken and Egg' scenario, that would provide the Council with greater capacity to deliver on its ambitious commitments.

Moreover, Cllr Caroline Johnson spoke in favour of the proposal and highlighted how a small increase in the budget could also increase value for money by re-balancing the ratio between staff costs and spending on Council projects. At this point, the Town Clerk confirmed that a large proportion of the staff costs, related to the provision, improvement, replacement, operation or maintenance of infrastructure could be covered by CIL receipts and should be spent within 5 years.

In sum, Cllr James Hunt (Chair) highlighted that the budget proposal also reflected an ambition to reduce dependency on CIL receipts over the next five years, and without plundering capital reserves earmarked for community projects in the Strategic Plan.

In conclusion, the Committee had a brief discussion about the relative size of Emersons Green Town Council in comparison to other Town and Parish Councils in the local area with similar ambitions. Finally, it was widely agreed to proceed with the draft budget in its current form.

Motion: It was moved by Cllr James Hunt (Chair), supported by Cllr Colin Hunt, and resolved that:

Resolved: The Finance Committee recommends the budget, copies having been circulated, be approved by the Full Council.

CONTRACTS

FIN_2022.84 **Contract – Rialtas Cloud.**

Minutes: At the invitation of Cllr James Hunt (Chair), the Town Clerk provided the following advice:

Rialtas Cloud.

LEGAL POWER OR DUTY TO ACT

- Local Government Act 1972, s.133.
- Local Government Act 1972, s.142.

RECOMMENDATIONS, CONDITIONS, AND OTHER CONTROLS

- Resolve that: “The Finance Committee delegates authority to the Town Clerk to enter a contract for the ‘Rialtas Cloud’ accounting software service, copies having been circulated.”

REASONS FOR RECOMMENDATION

- To provide an enhanced service at Finance Committee meetings.
- To allow staff members to work on the accounts remotely.
- To improve security (avoids standalone PC's being left on).
- To improve efficiency, particularly with energy and the requirement for backups.

FINANCIAL IMPLICATIONS & RISKS

The current total budget for IT costs is £6000, and the current spend to date is £5338. As previously reported, this budget is expected to be exceeded. In previous years, the budget has been set at £10,000 and may double for 2023/24 to accommodate expected projects.

The Council already has a contract with Rialtas, and this is an extension of £19 per user (3), per month. Of course, this is likely to increase with inflation and other costs, subject to contract.

In any case, the Council currently has a substantial General Contingency, of £175,164, and other earmarked reserves, totalling £755,307. There is also a significantly predicted underspend on the annual revenue budget in other cost centres too, totalling over £40,000.

Motion: It was moved by Cllr James Hunt (Chair), supported by Cllr Colin Hunt, and resolved that:

Resolved: The Finance Committee delegates authority to the Town Clerk to enter a contract for the ‘Rialtas Cloud’ accounting software service, copies having been circulated.

FIN_2022.85 **Dates and Timings.**

Minutes: Cllr James Hunt (Chair) announced that the next meeting of the Finance Committee was scheduled to take place:

Thursday 15th December 2022 at 1900hrs in the Emersons Green Town Council Chamber.

Cllr James Hunt (Chair) concluded the formal business of the meeting at 2030hrs and announced that an informal ‘round-table’ discussion would take place afterward.