

To All Members of the Finance & Policy Committee: Cllrs Dave Biddleston, Clive Fricker, Andy Halliday, Hal MacFie, Andy McGuinness (Chairman), Brian Simmons and Jonathan Wallcroft

Dear Councillor

## REMOTE CONSULTATION – TUESDAY 11<sup>th</sup> JANUARY 2022 7.30PM

In accordance with the Schedule of Delegation approved by Town Council on April 22<sup>nd</sup> 2021 the Town Clerk/Deputy Town Clerk is required to exercise delegated power (in consultation with the members of the Committee) to make decisions on the following items:

Items 1 – 2

You are therefore invited to a consultation with the Acting Town Clerk on Tuesday 11<sup>th</sup> January 2022 at 7.30 pm

Join the consultation.

<https://us02web.zoom.us/j/89118744510?pwd=UlpDcDQxa3FicWdZUIQ1SFB3UzF3QT09>

Meeting ID: **891 1874 4510**

Passcode: **976900**

Signed on 6<sup>th</sup> January 2022



By Dawn Drury (Acting Town Clerk)

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### 1. BUDGET TOWN COUNCIL BUDGET 2022-2023

The Acting Town Clerk/RFO presented the draft budget in December. A full report accompanied the spreadsheets and the Committee considered the same.

#### (a) Changes to nominal codes and allocations to budget headings

These detailed changes proposed to the nominal codes in the accounts – essentially either moving a code to a different heading or splitting a general maintenance code into maintenance and minor works.

1058 – S106 Youth Funding – External

4008 – Assistant Town Clerk  
4009 – Cultural consortium Engagement Officer  
4011- Working from home  
4016 – Office Locum  
4065 – BACS errors  
4093 – Training – **Councillors/Admin**  
4099 - Mosaics  
4114 – Community Video  
4304 - Salaries Ground Maintenance 3  
4305 - Salaries Ground Maintenance 4  
4512 – Ground Maintenance Training  
4609 – Bandstand Roof **repairs**  
4714 – Bandstand Roof **Reserve**  
4718 – Capital Equipment Reserve  
4753 – Community Transport Reserve  
4754 – CIL Mosaics  
4803 – **Pensions** deficiency recovery

We will need to allocate additional codes for the new posts of Responsible Financial Officer, Business and Community Engagement officer, Youth Development Worker

To note the above, in preparation for the meeting of the Finance and Policy Committee to be held on 18<sup>th</sup> January 2022 and make recommendations at this meeting to Town Council to approve the same.

#### **(b) Forecast Expenditure 2021-2022**

The forecast expenditure for this current financial year (£525,829) was approximately £84k less than budgeted (£609,941). The RFO on setting the budget forecast the expenditure as being approximately £260k less than the budgeted figure for 2020/21.

Once again COVID had impacted the current budget and provided a list of where savings have been made. A considerable amount was owing to freezing of recruitment so was a saving on salary costs.

#### **(c) Forecast Surplus and Transfers To and From EMR 2021/2022**

Given the underspend on capital projects, not all of the EMR money (which includes CIL) has been spent, and the amount of funds to be transferred back to EMR at the end of this year was forecast as being some £183k as follows:

##### **(a) Allocations budgeted for from revenue/CIL (red shaded boxes on spreadsheet)**

CIL community projects (from general CIL)	£10,000
Play areas (from revenue)	£11,000
Bandstand Roof (from revenue)	£ 2,000
Cemetery extension (from revenue)	£ 5,000

Cemetery reserve (from revenue)	£ 5,000
Chapel reserve (from revenue)	£ 5,000
New Vehicle reserve (from revenue)	£ 2,500
Capital Equipment reserve	£ 3,000
<b>TOTAL</b>	<b>£43,500</b>

**(b) Transfer of year-end surpluses**

In addition the following cost codes have been previously identified by Finance & Policy Cttee and will have surpluses transferred to EMR subject to final approval as follows: (yellow shaded boxes on spreadsheet)

Timeline	£14,436 (existing EMR)
Bandstand surplus	£ 3,425
Unspent but allocated CIL	£36,132
NDP	£41,976
Notice boards surplus	£ 3,000
Winter Festival	£ 2,750
Bins and benches	£ 1,706
Youth salaries	£18,958
Youth s106 (4118)	£ 6,300
Youth (4119)	£ 10,965
Keynsham Now	£ 550
<b>TOTAL</b>	<b>£140.198</b>

**RECOMMENDATION**

To note the above, in preparation for the meeting of the Finance and Policy Committee to be held on 18<sup>th</sup> January 2022 and make recommendations at this meeting to Town Council to approve the same.

**(d) Proposed Budget 2022-2023**

The Committee considered the spreadsheets and supporting information provided in the report. It was noted that the proposal was to increase the budget to £1,024,440 from last year's budget of £967,241 and that figures for the Town Council's budgeting process are skewed by the allocations for capital projects and the receipt/drawdown of restricted monies such as s106 and CIL towards significant capital expenditure. Removing the capital projects expenditure for both the current year and next year resulted in a proposed revenue expenditure increase of some £145k which was represented by the following:

Significant Variations on 2021/22 Budget		
Staffing costs Admin	67,750	Additional RFO, Assistant Clerk, Business & Community Engagement Officer Full Time Professional Youth
Staffing costs Youth	24,550	Development Worker
<i>Increase in grants</i>	10,700	
NDP	27,500	Includes for contractor instead of member of staff
Additional Chapel minor works	9,000	
Establishment	6,000	Professional fees, Audit, Ellis Whittam, Insurance
<b>Total additional expenditure</b>	<b>145,000</b>	

**(e) Commitment from Revenue to Ear Marked Reserves (Previously approved)**

The Cttee considered the following proposed commitments to Ear Marked reserves, which included for the additional £10k for Manor Rd and £2.5k for Community Transport. These commitments had already been approved by Town Council as part of the Capital Projects review.

EMR		Contribution from precept to be transferred in Mar 2022	EMR balance at Apr 2021
327	Cemetery driveway	£5,000	£55,103
335	Cemetery Chapel	£5,000	£53,630
338	Bandstand Roof	£2,000	£7,150
343	Cemetery Extension	£2000	£4000
344	Bus Shelters	Revenue surplus only	£2,966
346	Play Areas	£8,000	£31,894
347	Capital Equipment	£3,000	£9,528
348	Noticeboards	£3,000	£9,535
349	Bins and Benches	Revenue surplus only	£4,880
353	New Vehicle	£2,500	£5,000
354	Play Area Surfacing	£3,000	£11,957
	NEW CIL COMMUNITY	10,000 (from CIL)	£10,000

**(f) Public Works Loan**

In 2020/21 the Town Council budgeted for Public Works Loan of £600,000 towards the acquisition and refurbishment of a specific building. This project has not progressed owing to COVID so the loan has not been required. It is intended, however, for the project to re-commence in the first quarter of this year with a valuation and survey.

A loan of £600k over 50 years if taken out in 2020 could have attracted an interest rate of 3.25%. resulting in annual repayments of £24,360.

Last year, the drop in interest rates meant that the Town Council could take out £750,000 over 50 years for a reduced interest rate of 1.94% and annual repayments of £23,500.

The interest rates have dropped further to 1.93% and annual repayments of just under £23,500.

The budget therefore included for a PWL of £750,000 to progress the asset purchase to provide alternative office and community facility accommodation.

**RECOMMENDATIONS at F & P Committee meeting on 18<sup>th</sup> January 2022  
RECOMMEND TO TOWN COUNCIL  
To include for a PWL of £750k at 1.93% over 50 years  
The Town Council should give serious consideration next year to the opportunity low interest rates currently present in respect of the option of further public works loan funding for other capital projects in its portfolio.**

**2. BUDGET AND PRECEPT REPORT INCLUDING EARMARKED RESERVES  
DRAW DOWN AND GENERAL RESERVES DRAW DOWN (Report to follow)**

**RECOMMENDATION**

To note the above, in preparation for the meeting of the Finance and Policy Committee to be held on 18<sup>th</sup> January 2022 and make recommendations at this meeting to Town Council to approve the same.

**3. DATE OF NEXT MEETING**

To note that the date and time of the next meeting of the Committee is **Tuesday 18<sup>th</sup> January 2022 at 7.00 p.m.** in The Space (before Town Council meeting).