

STRATFORD-UPON-AVON TOWN COUNCIL

FINANCE & AUDIT COMMITTEE MEETING

16 NOVEMBER, 2021

MINUTES

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Present:
Councillors:

Coles (Chairman)	How
Curtis	Jackson
Dowling	Lee
Fojtik	Vos

Clerk: Responsible Financial Officer

Press: None

Public: None present (meeting was streamed live via YouTube)

29. To Accept Apologies for Absence

Apologies were received from Cllr Dyer and accepted for the reasons given. Mayor Taylor was attending a mayoral engagement.

30. Declarations of Interest on items on the Agenda

There were no declarations of interest.

31. To Receive Written Requests for Dispensation for Disclosable Pecuniary Interests.

There were no written or verbal requests for dispensations.

32. To Grant Any Requests for Dispensation

There were no requests for dispensation required.

33. Public Participation

No one wished to speak during public participation.

34. To Approve Draft Open Minutes of the Finance & Audit Committee Meeting held on 7 September, 2021

It was Proposed, Seconded and unanimously

RECOMMENDED: That the Open Minutes of the Finance & Audit Committee Meeting held on 7 September, 2021 be approved as a correct record.

35. Management Accounts for the period 1 April 2021 – 31 October 2021

The report was noted.

36. Draft Budget Review for the financial year 2022-23

A verbal update was given and a number of queries were raised and addressed as follows:

- The 5% retention from the extensive Town Hall external maintenance works which are currently in progress will be confirmed once the work has been completed. This will be after receipt of the final stage payment invoice, which is expected to be in January 2022. Payment of the retention amount will be due twelve months later in the following financial year. A figure of £10,000 is currently included in the draft budget for 2022-23.
- There is no provision in the latest draft budget or the latest management accounts for the additional Town Hall maintenance expenditure recently identified, but it is currently expected that this can be funded by an underspend elsewhere within the current year's budget. This will be reviewed in January 2022, before the final budget for 2022-23 is recommended for approval.

- Members were advised that the contingency figures which are shown separately in the draft budget do not relate to every item with the associated budget section, so may appear to be lower than would otherwise be expected.
- The budget provisions of 1.5% in 2021-22 and 1.75% in 2022-23 for Salaries, Wages and Related Costs are based on national pay scales negotiated and agreed by the National Joint Council (NJC) for local government services and it was recognised that these are below the expected rate of inflation.
- The Annual Rate Charge increase of 2.5% in the current draft budget is also below the rate of inflation. As explained in the report, it is based on the increase approved by the Town Council for 2021-22 and is not intended as a recommendation. Any increase is for Council to debate and agree before the final budget is approved in January 2022 and the precept request is submitted to the District Council.

Some questions were raised on other aspects of the budget which fall entirely within the control of the Town Council, and it was confirmed that there had been an increase in the civic budget over the last five years which included an increase from £15,000 to £25,000 in the contribution to the Shakespeare Birthday Celebrations “pot” and the addition of a contingency for Event Security (£7,500 proposed for 2022-23) which had not been present prior to increased terrorist threats a number of years ago. It was also confirmed there had been a significant underspend in the civic budget in 2020-21 because of the coronavirus pandemic restrictions and cancellation of events, and this was also expected to be the case, although to a lesser extent, for the current financial year 2021-22.

A review of the Finance & Audit Committee’s version of the draft budget indicated that very few budget items remain within the remit of the committee now that budget responsibilities have been delegated to the other committees. There was some concern that the function of the Finance & Audit Committee should not be limited to “rubber stamping” budget proposals made by the other committees, and that they should continue to have oversight of the budget as Council’s financial “experts”.

37. Membership of the Warwickshire and West Midlands Association of Local Councils (WALC) and National Association of Local Councils (NALC)

Members were reminded of the benefits outlined in the Town Clerk's Open Report for the Town Council meeting on 26 January 2021 when she recommended taking advantage of reduced fees to re-join WALC/NALC in 2021/22.

They were also reminded that it is the Town Council as an organisation which is a member of WALC/NALC, while the Town Clerk, as an individual, is a member of the Society of Local Council Clerks which also provides considerable advice and guidance on local government matters.

After some debate, it was Proposed, Seconded and unanimously

RECOMMENDED: That, subject to confirmation that the Town Clerk recommends that Council should continue their membership of WALC/NALC, the draft budget should be adjusted to cover the increased sum of £2,558 for WALC/NALC fees for 2022/23.

38. Investment Strategy Review

After confirming some of the current investment arrangements and the need for increased liquidity to cover the budget deficit for 2021-22, it was Proposed, Seconded and unanimously

RESOLVED: That the fixed rate bonds maturing in November and December 2021 should be transferred to short term investments to support Council's cash flow requirements over the rest of the current financial year.

It was further AGREED that the situation can be reviewed again once the year end accounts have been finalised in May 2022 and the actual deficit for 2021-22 is known.

39. Responsible Financial Officer's Verbal Report – for information only

It was confirmed that the sum of £21,319.58 had recently been received from the District Council as the latest tranche of Community Infrastructure Levy (CIL) funding. This will be reflected in the Management Accounts next month. In line with Council's previously agreed strategy, the money will be added to the designated reserve to build up funds for use on future projects and initiatives.

40. Date of Next Meeting

The next meeting is Tuesday 18 January 2022 at 6:30pm at the Town Hall.

The Chairman declared the meeting closed at 7:20pm