

MINUTES OF THE EXTRAORDINARY MEETING OF THE FINANCE AND
GENERAL PURPOSES COMMITTEE HELD AT 6.45 PM ON MONDAY 7TH
JANUARY 2013 IN THE COUNCIL CHAMBER, CIVIC HALL, POYNTON

PRESENT

Chairman: Cllr C Gorst

Cllrs. G Bartos, M Beanland, L A Clarke, Mrs J Saunders, A Smith and G Smith

Also attending under SO 53: Cllrs. P Hoyland, Mrs S Horsman, H Murray and R West

36. Apologies for Absence

Cllr M Sewart (overseas on business)

37. Declaration of Interests/Requests for dispensations

None

38. Minutes of the previous meeting of 3rd December 2012

RESOLVED: That the minutes of the F&GP meeting held on 3rd December 2012 be approved as an accurate record and signed by the Chairman (NC)

39. Payment Schedule for November 2012

The Clerk noted two entry payments for gas on the same day. He will seek clarification on these entries and report back at the next meeting.

RESOLVED: That the Payment Schedule for November 2012 be received (NC)

40. Town Council's budget for 2013/14 and Precept Setting

The Clerk explained that when Members last debated the budget there was an increase of some £22,000 over the current year's Precept. Since that meeting the Council had approved expenditure for a fifth PCSO at £11,800 and for an increase of £5,000 in funding for a Neighbourhood Plan for the Woodford site. This has taken the Precept increase up to around £39,000. Meanwhile, to mitigate changes in the Council Tax Support Scheme, Cheshire East is providing the Town Council with a provisional grant of £17,512. This

effectively reduces the proposed increase to £21,843, taking the Precept requirement to £303,893. The tax base as feared has been lowered, which means that the Precept is divided by fewer Band D equivalent households. So whereas the tax base is currently 6058.36 for 2013/14 it has been reduced to 5727.17. The proposed precept, for Member's consideration, is £53.06 for the year, per Band D equivalent household, or about £1.00 a week for the services the Poynton Town Council provides. The Clerk concluded that due to the late budget increases and a reduction in the tax base, this means an increase of 14% in Precept per household. To put this in perspective, this amounts to an extra 12p per week over the 2012/13 Precept.

In his observations the Chairman explained that the provisional grant to be paid by Cheshire East for 2013/14 is somewhat of a red herring, because the Town Council needs to concentrate on the provisional budget for the year. As discussed at the two previous F&GP meetings, the increase in the budget of around £39,000 is explained by the post of Operations and Events Manager becoming full time at an additional cost of £12,000, the funding for a fifth PCSO at a cost of £11,800, additional funding of £5,000 for the Neighbourhood Plan for the Woodford development, a budget of £4,000 to cover the administrative costs of Council elections, the setting up and maintenance of the new Town Council website at a cost of £5,000 per annum, a new Visitor Economy budget at £3,000, and a new woodland management budget of £4,000.

The Chairman added that the budget also includes a transfer to the Civic Hall Maintenance Reserve of £25,000 - the same amount as last year. The Chairman said that in his opinion each of the above items would be supported by a large majority of local residents. The Precept is best expressed as a cost per Band D equivalent household. Currently it is £46.56 for the year, and would rise to £53.06 if the provisional budget is approved. The weekly calculation would rise from 89p to £1.02. In percentage terms this represents an increase of 14% over the current year. The Chairman asked members of the meeting who are all residents of Poynton, to consider the reaction of their local residents, friends and families to the provisional increase. In view of this the Chairman explained that if anyone felt that this should be mitigated to some extent, this might be possible through a call on the reserves.

The Chairman reminded members that this Committee had considered and discussed this at some length at the last meeting. He said it is recommended that Town and Parish Councils have reserves that cover at least three month's net expenditure. For the Poynton Town Council this amounts to £80,000. The actual reserve is at £89,000, and it is projected that there will be a surplus on this year's budget of at least £10,000 which would transfer to the reserve. The Chairman explained that by reducing the Civic Hall maintenance reserve from £25,000 to £15,000 and the balance made up from this year's surplus, this would reduce the rise of the Precept next year to £51.51, or just below 99p per week - an increase of 10.2% as opposed to 14% per week. To conclude the Chairman said that both of these options are viable and acceptable, and invited the views of members.

Cllr Mrs Saunders said that she believed that the proposed increase to the Precept was the best option, without calling on the reserves. She stated that these are difficult times and there will be much greater financial strains placed on the Town Council in the years ahead. CAB funding for example is being reduced by 15%. Cllr Mrs Saunders explained that the CAB is an example of a very good service of benefit to our local residents, and she would rather have this proposed increase to the Precept than risk losing this type of service. The healthy level of Town Council reserves mean that they can be called upon to help maintain such a service, if required.

Cllr Hoyland agreed. One of the issues he has noted is the movement of CE funding for Early Years. These are areas that will be affected by cuts in the same way as other areas. Discretionary items are vulnerable to funding too. Cllr Hoyland concluded that in his opinion it is necessary for the Town Council to enter this budget year as healthily as possible, as it is highly likely that there will be restrictions in future years. There is a massive work plan which will need to be funded over the coming years.

Cllr A Smith agreed with the comments so far, and said that the £1.02 weekly increase rather than a 99p increase, a difference of just a few pence, was justifiable.

The Clerk added that there is no guarantee that another provisional grant will be forthcoming from Cheshire East in 2014/15. The Town Council's only other source of income, apart from the Precept, is rental income from the Civic Hall, which could be difficult to hold up during 2013/14 due to the planned reconstruction work.

Cllr Murray commented on the good written budget brief by the Clerk and clear presentation by the Chairman. He observed that Poynton Town Council is one of the best Councils to cope with anticipated difficulties in the coming years. This was due to the prudence of the Town Council over the last five or six years. Cllr Murray emphasised that the percentage increase is best expressed in monetary terms, which keeps it in perspective.

Cllr Bartos agreed with members that Poynton Town Council delivers a wide range of worthwhile services to local residents, and felt the increase to be justified.

Cllr Clarke proposed therefore to recommend to the Town Council a Precept for 2013/14 of £303,893. This equates to £53.06 per Band D household, an increase of 12p per week.

RESOLVED: That a precept for 2013/14 of £303,893 is recommended to the Town Council (NC)

The meeting concluded at 7.10 pm