



LEOMINSTER TOWN COUNCIL

FINANCE & GENERAL PURPOSES COMMITTEE

BUDGET DEVELOPMENT TASK & FINISH GROUP

Wednesday 7th November 2018

To: All Members of the Budget Development Task & Finish Group:
Councillors Marsh (Chair F&GP), Mr P Davies, Murdoch, Rumsey, Sutcliffe
and Williams
(Copies to other Councillors for information)

NOTICE OF MEETING

You are hereby summoned to attend a meeting of the Budget Development Task & Finish Group to be held on Wednesday 14th November 2018 commencing at 2:00pm in the Council Offices, 11 Corn Square, Leominster HR6 8YP.

Paul Russell
TOWN CLERK

AGENDA

1. APOLOGIES FOR ABSENCE

Schedule 12 of the Local Government Act 1972 requires a record be kept of the members present and that this record form part of the minutes of the meeting. Members who cannot attend a meeting should tender apologies to the Town Clerk as it is usual for the grounds upon which apologies are tendered also to be recorded. Under Section 85(1) of the Local Government Act 1972, members present must decide whether the reason(s) for a member's absence are acceptable.

2. DECLARATIONS OF INTEREST

Under the Localism Act 2011 (sections 26-37 and Schedule 4) and in accordance with the Council's Code of Conduct, members are required to declare any interests which are not currently entered in the member's register of interests or if he/she has not notified the Monitoring Officer of it.

3. REQUESTS FOR DISPENSATIONS

To consider requests for dispensations (must be notified in writing).

4. QUESTIONS FROM THE PUBLIC (maximum 15 minutes)

5. MINUTES OF PREVIOUS MEETING

To receive and approve as a correct record the minutes of the Budget Development Task & Finish Group meeting held on 19th October 2018 (attached).



LEOMINSTER TOWN COUNCIL

FINANCE & GENERAL PURPOSES COMMITTEE

6. 2019/20 BUDGET

To review the draft 2019/20 Budget. A revised draft is attached for information and discussion and includes a revised staff salary figure.

7. CORPORATE PLAN

To review the amended Corporate Plan. Please refer to Version 2 of this Plan and note that Version 3 is currently being developed and will be submitted for approval to Full Council once it has been fully amended.

8. MEDIUM TERM FINANCIAL PLAN (MTFP)

To review the amended MTFP. Please see above. There have been no further amendments to this document. Once an agreed final precept increase has been adopted by Council then the MTFP will be finalised and submitted to Full Council for approval.

9. DATES OF THE NEXT MEETING

To agree a date for the next meeting.

LEOMINSTER TOWN COUNCIL

BUDGET DEVELOPMENT TASK & FINISH GROUP

Minutes of the Budget Development Task & Finish Group meeting held on Friday 19th October 2018 commencing at 14:00 hours in the Council Offices, 11 Corn Square, Leominster HR6 8YP.

MEMBERS PRESENT: Councillors Marsh (Chair), Mr P Davies, Murdoch, Rumsey and Sutcliffe (2.35pm).

OFFICERS PRESENT: Town Clerk

BTF09/18 APOLOGIES FOR ABSENCE

Apologies were received and accepted from Cllr Williams.

BTF10/18 DECLARATIONS OF INTEREST

There were no Declarations of Interest made.

BTF11/18 REQUESTS FOR DISPENSATIONS

No requests for dispensations had been received.

BTF12/18 QUESTIONS FROM THE PUBLIC

There were no members of the public present.

BTF13/18 MINUTES OF PREVIOUS MEETING

To receive and approve as a correct record the minutes of the Budget Development Task & Finish Group meeting held on 13th September 2018 (attached).

BTF14/18 PWLB DRAFT REPORT

It was agreed to bring this item forward on the agenda. Members discussed the draft PWLB report in detail. Following discussion, the following **RECOMMENDATIONS** were proposed:

- The final costs regarding the completion of the holiday flat would be funded from the capital receipt received from the sale of 17 West Street;
- The development of the Secret Garden be included in any PWLB loan application submission. This would include a minimum investment into basic toilet infrastructure;
- The refurbishment of the Grange public conveniences be reviewed and considered as part of the Master Planning consultation exercise currently being undertaken by the Town Council;
- That the refurbishment of the Central car park public conveniences be included in any PWLB loan application submission;
- That funding for the Grange open space be included in any PWLB loan application submission. This may include funding to help refurbish the play area or to act as match funding for a grant application;

- That additional funding be included in any PWLB loan application submission for additional signage to compliment the LEADER funding bid;
- That additional funding be included in any PWLB loan application submission to help fund the purchase of equipment and invest in the Depot for the Environmental team.

That it be noted that a grant fund of £21,000 had been allocated by Herefordshire Council to enable Parish Councils to purchase grounds equipment. An application would be submitted.

The following **RECOMMENDATIONS** were agreed to be put forward to Full Council for consideration at its meeting to be held on 29th October 2018:

- **Option One:** To consider applying for a Public Works Loan Board loan amounting to £125,000 over a 10 year period to fund the following projects:
 - Provision of infrastructure in the Secret Garden;
 - The refurbishment of the Central car park public conveniences;
 - Funding towards the delivery of the Grange Open Space Master Plan;
 - Additional signage to compliment the signage hopefully being funded via the LEADER funding application;
 - Investment in the depot and grounds equipment.
- **Option Two:** To consider applying for a Public Works Loan Board loan amounting to £150,000 over a 10 year period to fund the following projects:
 - Provision of infrastructure in the Secret Garden;
 - The refurbishment of the Central car park public conveniences;
 - Funding towards the delivery of the Grange Open Space Master Plan;
 - Additional signage to compliment the signage hopefully being funded via the LEADER funding application;
 - Investment in the depot and grounds equipment.
- **Option Three:** To consider applying for a Public Works Loan Board loan amounting to £200,000 over a 10 year period to fund the following projects:
 - Provision of infrastructure in the Secret Garden;
 - The refurbishment of the Central car park public conveniences;
 - Funding towards the delivery of the Grange Open Space Master Plan, including the Grange public conveniences;
 - Additional signage to compliment the signage hopefully being funded via the LEADER funding application;
 - Investment in the depot and grounds equipment.
- **Option Four:** To consider applying for a Public Works Loan Board loan amounting to £200,000 over a 20 year period to fund the following projects:

- Provision of infrastructure in the Secret Garden;
- The refurbishment of the Central car park public conveniences;
- Funding towards the delivery of the Grange Open Space Master Plan, including the Grange public conveniences;
- Additional signage to compliment the signage hopefully being funded via the LEADER funding application;
- Investment in the depot and grounds equipment.

The table below outlines the cost per annum of each option recommended for consideration above. Interest rates are as at 22/10/18:

OPTION	PERIOD	AMOUNT	INTEREST	COST
One	10 years	£125,000	2.16%	£13,965.68
Two	10 years	£150,000	2.16%	£16,758.82
Three	10 years	£200,000	2.16%	£21,425.12
Four	20 years	£200,000	2.61%	£12,899.70

BTF15/18 2019/20 BUDGET

Members reviewed the draft 2019/20 Budget, which was currently projecting an 8.91% increase on the Council tax, subject to a 1.15% increase to the Leominster D Band tax base for 2019/20. This included an additional sum allocated to Capital Projects of £25,000 and a sum of £13,520 for a PWLB loan.

BTF16/18 CORPORATE PLAN

Members deferred a review of the Corporate Plan until a decision had been reached regarding a loan and the 2019/20 budget had been finalised.

BTF17/18 MEDIUM TERM FINANCIAL PLAN (MTFP)

Members deferred a detailed review of the Medium Term Financial Plan until a decision had been reached regarding a loan and the 2019/20 budget had been finalised. The following items would be included:

- Paragraph 3.3, bullet point 3 – amended to read: However, for the 2019/20 budget, Council would consider increasing the precept by up to a maximum of 10% as agreed by Council at its meeting on 24th September 2018 to enable it to meet the growing demands to deliver services;
- Amend the precept tables in paragraph 3.6 once a final precept had been agreed;
- Amend the Capital Budget, paragraph 4.1 following a Council decision regarding a loan;
- Confirm the recommended level of general reserves to be held and include this recommendation at 7.1;
- Add a bullet point under 9.1, Conclusion, outlining the Town Council’s commitment to identify income generating opportunities but not at the detriment of services delivered.

BTF18/18 DATES OF THE NEXT MEETING

The next meeting of the Budget Development Task & Finish Group would be held on Wednesday 14th November 2018 at 14:00 hours at the Council Offices, 11 Corn Square, Leominster HR6 8YP.

The next meeting would finalise the Medium Term Financial Plan and Corporate Strategy.

There being no other business the meeting closed at 3:35pm.

CHAIR:

DATE:

DRAFT BUDGET 2019/20

A draft budget has been prepared and is outlined below. Please note that an additional £5,000 has been included under 201 Open Spaces income. This will be from the P3 scheme we are part of this year (2018/19) but will be reimbursed for in 2019/20). Current increased is being projected at 6.5% approximately.

		Budget	Actual	Budget	Budget
101	<u>Administration Central Costs</u>	2017/18	2017/18	2018/19	2019/20
4012	Software, IT and support	£3,500	£5,388	£5,500	£6,000
4014	Website	£400	£439	£500	£1,000
4016	Photocopier	£1,500	£2,494	£2,500	£2,700
4019	Recruitment	£500	£106	£250	£500
4020	Advertising	£0	£0	£1,000	£1,000
4025	Miscellaneous	£0	£13	£0	£0
4027	Equipment	£2,000	£3,193	£800	£1,000
4030	Telephone	£4,000	£3,958	£5,500	£5,000
4035	Postage	£1,000	£501	£750	£700
4040	Printing & Stationery	£1,500	£1,728	£1,500	£1,800
4048	Subscriptions	£3,100	£2,507	£3,000	£3,000
4050	Insurance	£6,500	£6,009	£6,200	£6,200
4900	Contingency/Data Protection	£2,500	£616	£2,500	£2,000
	Total	£26,500	£26,952	£30,000	£30,900

		Budget	Actual	Budget	Budget
101	<u>Income Administration</u>	2017/18	2017/18	2018/19	2019/20
1076	Precept	£422,148	£422,148	£484,632	£0
1090	Bank Interest	£200	£0	£200	£0
1500	Miscellaneous	£0	-£4,254	£0	£0
1100	Event Income	£0	£0	£8,000	£0
1100	Grant Income	£0	£0	£0	£0
	Capital Receipt	£0	£168,500	£0	£0
	Total	£422,348	£586,394	£492,832	£0

		Budget	Actual	Budget	Budget
103	<u>Salaries</u>	2017/18	2017/18	2018/19	2019/20
4000	Administration Salaries	£101,075	£136,161	£117,558	£101,600
4000	Environmental Salaries	£59,500	£35,228	£98,012	69,600
4000	Tourism & Events Salaries	£55,608	£40,127	£60,653	34,500
4000	Caretakers/Cleaners	£0	£0	£0	8,600
4000	Markets	£0	£0	£6,240	6,240
4000	Percentage increase (2%)	£0	£0	£0	5,700
4000	NI Employer Contributions	£0	£0	£0	16,800
4000	Pension Contributions	£0	£0	£0	45,600
	Total	£216,183	£211,516	£282,463	£288,640

		Budget	Actual	Budget	Budget
105	<u>Corporate Management</u>	2017/18	2017/18	2018/19	2019/20
4008	Travel & Subsistence	£1,000	£2,159	£1,000	£2,200
4010	Conferences/Training	£3,000	£1,644	£2,500	£2,500
4025	Miscellaneous	£0	£72	£0	£0
4125	Bank Charges	£800	£656	£750	£800
4130	Accountancy/Corporate Governance	£3,000	£2,025	£2,000	£2,200
4131	Internal Audit Fees	£800	£550	£600	£600
4132	External Audit Fees	£1,000	£2,000	£1,600	£1,500
4135	Legal & Professional	£1,000	£2,897	£1,000	£1,000
4140	Employment/Health & Safety	£2,500	£2,140	£2,140	£2,140
	Total	£13,100	£14,143	£11,590	£12,940

		Budget	Actual	Budget	Budget
110	<u>Democratic Services</u>	2017/18	2017/18	2018/19	2019/20
4200	Elections	£2,500	£3,008	£2,500	£6,650
4210	Mayor's Allowance	£4,000	£979	£4,000	£4,000
4211	Mayor Making	£600	£250	£500	£750
4212	Civic Events	£1,500	£1,849	£1,500	£1,500
4215	Civic Regalia	£500	£463	£500	£1,000
4220	Civic Officers	£1,200	£580	£1,000	£1,100
	Total	£10,300	£7,129	£10,000	£15,000

		Budget	Actual	Budget	Budget
115	<u>Grants</u>	2017/18	2017/18	2018/19	2019/20
4230	Events Fund	£0	£0	£5,000	£5,000
4235	General Grants	£14,000	£10,320	£12,000	£12,000
4236	Community Centre	£6,000	£6,000	£10,000	£8,000
4237	Grange Court	£7,000	£7,000	£7,000	£7,000
4238	Youth Services	£9,000	£9,518	£9,000	£9,000
4239	CAB Grant	£10,000	£10,000	£8,000	£8,000
		£46,000	£42,838	£51,000	£49,000

		Budget	Actual	Budget	Budget
125	<u>Corn Square</u>	2017/18	2017/18	2018/19	2019/20
4180	Cleaning	£100	£1,389	£500	£2,500
4181	Window Cleaning	£960	£445	£700	£700
4182	Electricity	£4,500	£3,612	£4,400	£4,200
4183	Gas	£4,500	£2,011	£3,900	£3,900
4185	Business Rates	£11,000	£9,902	£11,000	£11,000
4186	Water Rates	£1,500	£1,061	£1,500	£1,500
4187	Repairs & Renewals	£1,000	£2,409	£1,200	£3,000
4188	Fixtures & Fittings	£1,000	£2,289	£1,000	£2,000

4700	Loan Repayment (£350k)	£19,680	£19,680	£19,680	£19,254
4700	Loan Repayment (£150k)	£8,692	£8,692	£8,692	£8,480
	Total	£52,932	£51,490	£52,572	£56,534

		Budget	Actual	Budget	Budget
125	<u>Income Corn Square</u>	2017/18	2017/18	2018/19	2019/20
1400	Room Rentals	£2,000	£220	£3,500	£1,500
1400	Secret Garden	£0	£0	£3,500	£2,500
1400	Holiday Let	£6,000	£0	£12,000	£13,000
1400	Office Lets	£14,100	£12,236	£14,000	£13,000
	Total	£22,100	£12,456	£33,000	£30,000

		Budget	Actual	Budget	Budget
130	<u>Tourist Information</u>	2017/18	2017/18	2018/19	2019/20
3000	Cost of Sales	£15,000	£14,308	£18,000	£15,000
3010	Cost - Coach Trips	£0	£6,358	£8,000	£6,500
4126	Credit/Debit Charges	£0	£0	£100	£0
	Total	£15,000	£20,666	£26,100	£21,500

		Budget	Actual	Budget	Budget
130	<u>Tourist Information Income</u>	2017/18	2017/18	2018/19	2019/20
1010	Commission	£2,600	£1,689	£7,100	£1,600
1510	Coach Trips	£3,800	£6,253	£12,000	£6,500
1511	Books & Maps	£6,750	£5,256	£7,000	£5,300
1512	Cards	£1,600	£1,199	£1,700	£1,200
1513	Souvenirs	£5,600	£5,396	£7,000	£5,500
1514	Food/Drink	£2,000	£2,562	£2,000	£4,000
1515	Craft	£2,500	£2,290	£2,500	£2,400
1516	Advertising	£2,400	£98	£1,000	£250
1518	Bed Booking	£250	£0	£250	£0
	Total	£27,500	£24,743	£40,550	£26,750

		Budget	Actual	Budget	Budget
201	<u>Open Spaces</u>	2017/18	2017/18	2018/19	2019/20
4006	Uniforms	£750	£162	£750	£1,000
4025	Miscellaneous	£0	£125	£0	£0
4027	Equipment	£2,000	£1,491	£2,500	£2,500
4187	Repairs & Renewals	£2,500	£2,319	£2,500	£3,000
4300	Maintenance	£5,000	£6,254	£5,000	£6,000
4301	Open Spaces Maintenance	£14,000	£16,893	£12,000	£0
4305	Play Areas	£1,500	£877	£1,000	£1,000
4310	Priory Churchyard	£1,500	£1,315	£100	£0
4311	Millenium Green	£250	£0	£100	£0
4312	P3 Scheme	£6,870	£2,660	£6,870	£3,000

4313	Lengthsman Scheme	£5,175	£9,700	£5,000	£5,000
4320	Vehicle Maintenance	£2,500	£2,925	£2,000	£2,000
4321	Vehicle Fuel	£2,500	£1,026	£2,500	£2,500
4350	Street Cleaning	£2,000	£341	£500	£500
4351	Waste	£4,000	£3,993	£4,000	£6,000
4355	Tree Maintenance	£0	£0	£2,000	£2,500
	Total	£50,545	£50,081	£46,820	£35,000

		Budget	Actual	Budget	Budget
	<u>Open Spaces Income</u>	2017/18	2017/18	2018/19	2019/20
1110	P3 Scheme	£0	£0	£5,285	£5,000
1111	Lengthsman Scheme	£1,725	£17,755	£0	£0
1420	Grants	£0	£9,448	£0	£0
	Resident Services	£0	£0	£2,500	£0
	Total	£1,725	£27,203	£7,785	£5,000

		Budget	Actual	Budget	Budget
203	<u>Allotments</u>	2017/18	2017/18	2018/19	2019/20
4025	Administration	£600	£362	£500	£500
4184	Ground Rent	£1,400	£1,336	£1,500	£1,500
4186	Water Rates	£500	£322	£500	£500
4300	General Maintenance	£1,000	£1,026	£1,000	£1,000
4308	Grasscutting	£1,000	£883	£0	£0
	Total	£4,500	£3,929	£3,500	£3,500

		Budget	Actual	Budget	Budget
203	<u>Allotment Income</u>	2017/18	2017/18	2018/19	2019/20
1120	Allotment Rents	£5,000	£5,574	£5,000	£5,000
	Total	£5,000	£5,574	£5,000	£5,000

		Budget	Actual	Budget	Budget
205	<u>Markets/Events</u>	2017/18	2017/18	2018/19	2019/20
4000	Salaries	£0	£0	£0	£0
4020	Advertising	£1,500	£4,030	£1,000	£1,000
4021	Promotion	£1,000	£682	£1,000	£1,000
4027	Equipment	£1,000	£0	£500	£0
4048	Subscriptions	£400	£0	£400	£400
4182	Electricity	£500	£0	£250	£0
	Total	£4,400	£4,712	£3,150	£2,400

		Budget	Actual	Budget	Budget
205	<u>Income Markets/Events</u>	2017/18	2017/18	2018/19	2019/20
1402	Market Income	£20,000	£15,818	£22,000	£17,000
1500	Miscellaneous	£3,000	£150	£5,000	£0
	Total	£23,000	£15,968	£27,000	£17,000

		Budget	Actual	Budget	Budget
	<u>Public Conveniences</u>	2017/18	2017/18	2018/19	2019/20
220	Central Area				
4180	Cleaning	£4,200	£4,125	£4,200	£4,500
4182	Electricity	£750	£0	£750	£750
4185	Business Rates	£1,750	£1,384	£1,750	£1,750
4186	Water Rates	£1,600	£1,672	£1,600	£1,700
4300	Maintenance	£500	£818	£0	£0
225	The Grange				
4180	Cleaning	£4,200	£4,126	£4,200	£4,500
4182	Electricity	£850	£1,014	£850	£1,100
4185	Business Rates	£1,550	£0	£1,550	£1,500
4186	Water Rates	£1,500	£1,107	£1,500	£1,500
4300	Maintenance	£500	£461	£0	£0
230	Westbury Street				
4180	Cleaning	£4,200	£0	£4,200	£0
4182	Electricity	£1,650	£0	£1,650	£0
4185	Business Rates	£3,100	£0	£3,100	£0
4186	Water Rates	£3,000	£0	£3,000	£0
4300	Maintenance	£500	£0	£0	£0
	Total	£29,850	£14,707	£28,350	£17,300

		Budget	Actual	Budget	Budget
	<u>Capital Investment - Toilets</u>	2017/18	2017/18	2018/19	2019/20
4360	Toilet Management	£0	£0	£0	£0
4700	Loan Repayments	£0	£0	£0	£0
4710	Capital Fund	£500	£0	£0	£0
	Total	£500	£0	£0	£0

		Budget	Actual	Budget	Budget
	<u>Public Convenience Income</u>	2017/18	2017/18	2018/19	2019/20
1500	Rental	£3,000	£0	£3,000	£0
	Total	£3,000	£0	£3,000	£0

		Budget	Actual	Budget	Budget
	<u>Economic Development</u>	2017/18	2017/18	2018/19	2019/20
4023	Newsletter	£1,200	£1,200	£1,200	£1,440
4047	Market Towns Forum	£100	£150	£100	£0
4370	Leominster in Bloom	£6,000	£3,300	£5,000	£5,000
4375	CCTV	£10,439	£10,439	£10,850	£10,850
4380	Festive Lights	£12,000	£15,911	£14,000	£15,000
	Total	£29,739	£31,000	£31,150	£32,290

		Budget	Actual	Budget	Budget
		2017/18	2017/18	2018/19	2019/20
260	Capital Projects				
4027	Equipment	£10,000	£3,729	£10,000	£10,000
4305	Play Areas	£10,000	£0	£5,000	£10,000
4710	Capital Fund	£0	£77,133	£0	£0
	Total	£20,000	£80,862	£15,000	£20,000

		Budget	Actual	Budget	Budget
		2017/18	2017/18	2018/19	2019/20
260(a)	Loan for Projects				
4700	Loan Repayment (£200k)	£0	£0	£13,472	£15,968
	Total	£0	£0	£13,472	£15,968

		Budget	Actual	Budget	Budget
		2017/18	2017/18	2018/19	2019/20
300	Planning & Highways				
4240	Travel Fund	£10,000	£1,392	£4,000	£5,000
	Total	£10,000	£1,392	£4,000	£5,000

		Budget	Actual	Budget	Budget
		2017/18	2017/18	2018/19	2019/20
	TOTALS				
	Total Expenditure	£529,549	£561,417	£609,167	£605,972
	Total Income	£504,673	£672,338	£609,167	£83,750
	Balance	-£24,876	£110,921	£0	£522,222

	2017/18		2018/19	2019/20
Gross precept	£440,148		£484,632	£522,222
Council Tax Support Grant	£0		£0	£0
Funding From Balances	£18,000		£0	£0
Net Parish Precept	£422,148		£484,632	£522,222
Tax Base	3,565.36		3,606.43	3,647.90
Band D Council Tax	£118.40		£134.38	£143.16
Percentage Increase D Band			13.49%	6.53%