

NOTES of the FINANCE KEY AREA GROUP MEETING held in the Town Council Chamber on TUESDAY 17 JANUARY 2019 at 18.30 hours.

KAG Members: Andrew Barrett-Miles
Richard Cherry*
Graham Fairbairn - Responsible Finance Officer (RFO)
Colin Holden - Vice-Chairman*
John Merrill
Chris Thomas-Atkin – Chairman
Julian Thorpe
Christine Cherry (substitute)

Also Present: Steve Cridland
Janice Henwood
Anne Jones (*arrived part way through the meeting*)

*Denotes absence

(start 18.30)

134. APOLOGIES FOR ABSENCE

Colin Holden
Richard Cherry

135. SUBSTITUTES

Christine Cherry for Richard Cherry

136. DECLARATIONS OF INTEREST

None

137. CHAIRMAN'S ANNOUNCEMENTS

None.

138. NOTES OF THE PREVIOUS MEETING

The Notes of the previous Finance Key Area Group meeting, dated 20 November 2018 (previously circulated to all Members), were approved by Members and signed by the Chairman as a correct record.

139. LISTING OF PAYMENTS MADE

Members were informed a listing of payments made by the Town Council during the current financial year are held in a yellow folder within the cabinet above Members' blue boxes.

RESOLVED THAT:

To note the contents of the report.

140. INTERNAL AUDIT – SECOND INTERIM 2018/19

Members received a report, as set out in agenda item 7, dated 17 January 2019, advising Members of the outcome of the recent internal audit completed on 8 January 2019. The RFO was pleased to report that no items had arisen that needed to be drawn to the attention of Members, and the full report would be circulated to Members when received.

RESOLVED that:

To note the contents of the report.

141. BUDGET MONITORING REPORT 2018/19 AND DISPOSITION OF SURPLUS

Members received a report, as set out in agenda item 8, dated 17 January 2019, updating Members with the latest financial forecast outturn for the 2018/19 financial year.

The report showed the Council would post an estimated surplus of just over £13k. The report highlighted the result included an improvement on income of £23k, a reduction in core costs of £56k and the creation of a Venue Support Fund of £65k.

During the ensuing discussion, Members were informed the long standing plan of achieving a General Reserve level of 20% of Net Budgeted Expenditure would be reached by transferring an additional amount of just under £4k from the year's surplus. Members were informed, also, the residual amount from the surplus, estimated at £9,870, would be transferred to the Community Venue Fund, as per the previously agreed standing instruction.

RESOLVED that:

Subject to the final surplus position:

- a) to approve the contents of the report,
- b) to transfer £3,596 to the General Reserve, and
- c) transfer the balance of the surplus, currently estimated at £9,870, to the Community Venue Fund.

142. DRAFT REVENUE BUDGET 2019/20

Members received a report, as set out in agenda item 9, dated 17 January 2019, to consider the second draft Revenue Budget for 2019/20.

The report recommended the Precept for 2019/20 should be set at £801,093 but highlighted the credit adjustments being made relating to the original performance and community venue plan had given rise to a significant downward distortion to the Precept value and Band D rate for 2019/20, and that there would be an upward, smaller distortion for the 2020/21 Precept year.

The report detailed, also, that once account had been taken of the adjustments relating the original venue plan, the underlying increase in the Band D rate was a modest 1.9%.

During the ensuing discussion, Members were keen to ensure residents were fully informed as to the reasons behind the distortion. It was agreed, in addition to using the normal communication methods (website, press releases, social media), to explore sending an explanatory leaflet with the council tax bills both for the 2019/20 and 2020/21 years.

The discussion looked, also, at the phasing and allocation of the Venue Support Fund (standing at £186k at the time of the meeting). Members queried that, perhaps, a smaller amount only would be required. The RFO confirmed the amount of the fund required was “fluid” and would vary dependent on the amount and time of any loan draw-down and the actual growth in tax base. The RFO agreed he would revisit the numbers accordingly and, with the Chairman of the meeting, confirmed there was flexibility of use with the fund and any unrequired amount could be transferred to the Community Venue Fund as it was part of the overall funding plan.

Members had, also, a range of queries in regard to a number of different budget line items, these were responded to by the Chairman of the meeting and RFO to the satisfaction of the Members. The RFO agreed to look into one specific query in regard to the Burial Ground income and expenditure to confirm the budget was represented correctly, it was accepted, however, adjustments, if any, would be not be of a material nature.

RESOLVED that:

- a) To approve the budget as presented,
- b) Recommend to Council a Precept of £801,093,
- c) Forward a Precept explanatory leaflet to the District Council for inclusion with the Council Tax bill,
- d) The RFO to confirm the status of the Revenue Support Fund, and
- e) The RFO to confirm the budget in regard to the Burial Ground.

Anne Jones joined the meeting

143. **EARMARKED RESERVES**

Members received a report, as set out in agenda item 10, dated 17 January 2019, giving a summary of the status and movements of the Town Council's Earmarked Reserves. The report was supported by a detailed listing, at appendix 4, of the all the Council's Earmarked Reserves.

During the ensuing discussion, Members queried the residual amount of £10k in the Queen Elizabeth Avenue Project Fund and whether this could be put towards MSDC's sustainable transport project. Member's queried, also, the disposition of the residual amount of £17k from the Town Centre Partnership fund. Members concluded the latter should remain for future use relating to the town centre development and for the former to be referred to MSDC by the Chief Executive Officer.

RESOLVED that:

- a) To note the contents of the report, and

- b) For the Chief Executive Officer to contact Mid Sussex District Council in regard to the sustainable transport project.

144. BANK RECONCILIATION AND OTHER BALANCES

Members received a report, as set out in agenda item 11, dated 17 January 2019, highlighting a recent bank reconciliation and providing current balances on the Town Council's various accounts.

RESOLVED that:

To note the contents of the report.

145. DATE OF NEXT MEETING

To be in June 2019, date to be confirmed.

Meeting ended 19.35