

NOTES of the FINANCE KEY AREA GROUP MEETING held in the Town Council Chamber on **MONDAY 20 JANUARY 2020** at **18.30 hours**.

KAG Members: Graham Allen
Andrew Barrett-Miles
Roger Cartwright
Anne Eves
Graham Fairbairn - Responsible Finance Officer (RFO)
Janice Henwood
Simon Hicks - Chairman

Also Present: Peter Chapman
Matthew Cornish
Steve Cridland - CEO
Robert Duggan
Robert Egglestone
Joe Foster
Lee Gibbs

*Denotes absence

start 18.30

29. A member of the public raised a query in regard to the £40k allocated from Council finances towards an indoor market.

Members confirmed the money had been reallocated from, in the main, existing Earmarked Reserves and that discussions had been held with New River Retail and the National Market Traders Federation. Prior to any plans to progress the initiative there would need to be, first, a *proof of concept* stage and *financial viability* assessment. It was confirmed, also, the option for an outdoor market had not been excluded.

30. **APOLOGIES FOR ABSENCE**

None received

31. **SUBSTITUTES**

None

32. **DECLARATIONS OF INTEREST**

Cllr Janice Henwood declared an interest in agenda item 8.10 relating to funding for the Foodbank's potential relocation from the ex-RBL building in Cyprus Road as she was a member of the Foodbank committee.

33. **NOTES OF THE PREVIOUS MEETING**

The Notes of the previous Finance Key Area Group meeting, dated 14 November 2019 (previously circulated to all Members), were approved by Members and signed by the Chairman as a correct record.

34. LISTING OF PAYMENTS MADE

Members received a report, as set out in agenda item 6, dated 20 January 2020, advising Members a listing of payments made by the Town Council are held in a yellow folder within the cabinet above Members' blue boxes.

RESOLVED that:

To note the contents of the report.

35. BUDGET MONITORING REPORT 2019/20 AND DISPOSITION OF SURPLUS

Members received a report, as set out in agenda item 7, dated 20 January 2020, giving an update on the estimated outturn for the 2019/20 financial year as prepared at the 31 December 2019.

The report showed the Council would post an estimated surplus of around £60k made up of an increase in income of £14k and a reduction in costs of circa £46k.

During the ensuing discussion, Members received greater clarity in regard to some of the variances being shown, particularly in regard to the decrease in expenditure whereby the largest item of £20k related to the removal of provisions regarding the uncertainty over income where that income had now been confirmed.

Members also considered and agreed to transfer the full £60k surplus towards the Bridge the Gap and other initiatives programme and that this would be considered in more detail at agenda item 8.10

RESOLVED that:

To transfer the full estimated surplus of £60k to the Bridge the Gap and other initiatives programme subject to Members' further scrutiny at agenda item 8.1

36. 2nd DRAFT REVENUE BUDGET 2020/21 INCORPORATING BRIDGE THE GAP AND OTHER INITIATIVES

Members received a report, as set out in agenda item 8, dated 20 January 2020, for Members to consider the 2nd Draft Revenue Budget for the 2020/21 financial year.

The report highlighted the impact on the Band D rate of the one-off £72k credit given in the current year's Precept and how this would give rise to an increase in the Band D rate for 2020/21 of circa £6 per annum (9%). The report showed that once the impact of the current year's £72k credit was removed, the underlying increase in the Band D rate was 2.75%, which was not out of alignment with previous years' Band D increases.

It was confirmed an explanatory leaflet was being written to be included with the delivery of council tax bills in March 2020 so that residents would be able to appreciate more fully the reasoning behind the increase in Burgess Hill Town Council's element of the council tax bill.

During the ensuing discussion, it was confirmed to Members that with the likelihood of the loan for the beehive project not being drawn down until the end of August 2020, the level of repayment shown within the budget could be reduced to release some monies towards the Bridge the Gap and other initiatives programme.

The report showed the draft Net Budgeted Expenditure (Precept) for 2020/21 financial year was proposed at £919,228 giving rise to a Band D rate of £75.32. This is an increase on the prior year's Band D rate of £8.10 (12.05%) but after taking into account the previously mentioned £72k credit in the current year, the underlying rate of increase was 2.75%.

Bridge the Gap and other initiatives

Under agenda item 8.10, Members were presented with plans to help fund various new initiatives including options relating to the Bridge the Gap programme whereby funding would be provided to help revitalise the town centre during the ongoing New River Retail re-development.

The funding for the complete programme of just under £150k drew on the surplus from the 2019/20 financial year, new budget items within the 2020/21 Revenue Budget and a number of re-allocations from existing Earmarked Reserves.

During the ensuing discussion, in regard to the proposed expenditure, the following was confirmed:

- Any application from the Foodbank for a grant to assist with relocation expenses would be considered in the same way other grant applications are considered and would include a financial assessment of the Foodbank's financial position,
- Any plans to progress an indoor market would need, first, to go through a *proof on concept stage* and *financial viability* assessment. The option of an outdoor market had not been excluded,
- The funds allocated to individual initiatives did not preclude the potential to leverage partner organisations to help with funding future projects and activities.

RESOLVED that:

- a) To approve the movement of funds to support the "Bridge the Gap" and other initiative programme,
- b) Approve the Revenue Budget for 2020/21 as presented, and
- c) Recommend to Council a Precept of £919,228.

37. EARMARKED RESERVES

Members received a report, as set out in agenda item 9, dated 20 January 2020, updating Members with regard to the status of the Town Council's Earmarked Reserves.

The report gave a summary of the level of reserves held as at 31 December 2019 with a projection of the likely position as at 1 April 2020. A full breakdown of each individual reserve was given at appendix 3.

RESOLVED that:

to note the contents of the report.

38. DATE OF NEXT MEETING

It was agreed the next meeting would be in June 2020 and the RFO would contact Members accordingly.

Meeting concluded 19.22