

NOTES of the FINANCE KEY AREA GROUP MEETING held in the Council Chamber on Monday 23 January 2023 at 18.30 hours.

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

Also Present: Cllr Peter Chapman  
Cllr Matthew Cornish  
Steve Cridland - CEO  
Cllr Robert Eggleston  
Cllr Tofojjul Hussain

\*Denotes absence  
*Meeting started 18.30 hrs*

## **116. APOLOGIES FOR ABSENCE**

Graham Allen, Andrew Barrett-Miles

## **117. SUBSTITUTES**

Robert Eggleston for Graham Allen

## **118. DECLARATIONS OF INTEREST**

Robert Eggleston as a Trustee of the Beehive CIO being an item on the agenda.

Peter Chapman as a volunteer for the Escape Youth Club formerly operating out of the Park Centre in Burgess Hill being an item on the agenda.

## **119. CHAIRMAN'S ANNOUNCEMENTS**

A full listing of payments made, including those via the town council's business card, are displayed on the council's website on a quarterly basis and can be reviewed accordingly.

## **120. NOTES OF THE PREVIOUS MEETING**

The Notes of the previous Finance Key Area Group meeting, dated 14 November 2022, were approved by Members and were signed by the Chairman as a correct record.

**121. ISSUES ARISING FROM THE PREVIOUS MEETING** - if not included in the agenda as a separate agenda item

Members were updated in regard to

- a) The town council's Fidelity insurance being increased to £2mil, and
- b) the RFO initialling bank statement on a monthly basis.

**RESOLVED:**

To note the contents of the report.

**122. BUDGET MONITORING REPORT 2022/23**

Members received a report, as set out in the agenda item 7, dated 23 January 2023, with regard to the projected year end result for the or the 2022/23 financial year compiled as at 31 December 2022.

The report highlighted an estimated surplus of just under £18k being made up of an increase on budgeted income of £29k and an increase in budgeted expenditure of £11k.

**RESOLVED:**

- a) To approve the 2022/23 financial year end forecast.

**123. PRICING FOR GOODS AND SERVICES OFFERED BY THE TOWN COUNCIL**

Members received a report, as set out in the agenda item 8, dated 23 January 2023, with a recommendation to increase the prices charged by the town council for its good and services by 7.5%.

During the ensuing discussion, Members accepted inflation was still running at some 10+% and the town council was not immune from these inflationary pressures, however, Members were keen, where possible, to limit the burden of price increases on residents and community groups and accept the recommendation of 7.5%

**RESOLVED that:**

- a) To increase prices for goods and services offered by the town council by 7.5%, and
- b) Increase the burial ground interment charges by 7.5% or the increase in charges from the burial contractor which-ever was the greater.

## **124. 2nd DRAFT REVIEW BUDGET 2022/23**

Members received a report, as set out in agenda item 9, dated 23 January 2023, providing a 2<sup>nd</sup> Draft Revenue Budget for the 2023/24 financial year with a recommended Precept of £965,833.

The report noted that despite challenging conditions, with the forecast improvement in income of £28k combined with a reduction of £40k being transferred to the Community Buildings and Projects Reserve, and an upward movement in Tax base, the overall increase on the prior year's Band D rate was £1.19 for the year, equating to just 1.6%.

### **RESOLVED that:**

- a) The budget for 2023/24 as presented by approved, and
- b) To recommend to Council a Precept of £965,833.

## **125. CAPITAL BUDGET PROGRAMME**

Members received a report, as set out in agenda item 10, dated 23 January 2023, providing a first draft Capital Budget Programme.

The purpose of the report was to present to Members, in a consolidated format, potential projects forwarded by the various KAGs and/or Council, that could not readily be absorbed within the council's Revenue Budgets, and for them to come to fruition required funding from either reserves held by the town council and/or required funding from external/3<sup>rd</sup> party sources, such as PWLB, S106, and/or substantial growth in the tax base (house building) and/or increases in the Precept.

The report highlighted the overall size of these projects was in excess of £6 million and with interest rates approaching 5%, funding these projects would be a challenge, with every £1million borrowed, annual repayments would be in the region of £52k.

*The Beehive* - It was agreed the original plan to redevelop the old RBL site was currently not in a position to progress to the build stage. Members were appraised of a high-level conversation about the potential to move The Beehive to the Martlets Shopping Centre as a way of supporting the redevelopment of the shopping centre. It was agreed that whilst these discussions continued expenditure on design fees should be delayed until this discussion was ruled in or out.

*St Johns Pavilion* – It was noted the St Johns Pavilion was owned by a charity (with MSDC as the sole trustee) and was not meeting its charitable objectives but forwarded to the town council an opportunity to be an equal partner in the development of an important town asset for the benefit of the whole community. Whilst concerns were raised by a Member as to whether the community need to develop the pavilion had been established, the general consensus of the meeting was this is a project the town council should be involved in. It was accepted, however, there were still a number of issues to resolve, as there were with the Park Centre project, particularly in the area of trusteeship and governance.

*Allotments* – A member of the public raised the issue in regard to a lack of allotment sites around the town and that the sourcing and development of more allotment sites should be part of the town council’s Capital Programme. During the ensuing discussion it was noted that the sourcing of land was not the only challenge, but the land itself needed to be suitable as an allotment site taking into consideration issues such as location, access and contamination. It was noted, also, the Northern Arc development could deliver additional land for allotments.

Members went on to consider the Capital Programme as a whole and agreed to adopt a “traffic light” system (with commentary) to determine the status of each project :-

*Green* – Project to go ahead with use of own funds and/or external funds to be sought,

*Amber* – Project to remain part of the Capital Programme but various issues remained outstanding such as ownership and governance, agreements required from external parties, funding and viability,

*Red* – Project would not be funded by the town council and removed from the Capital Programme.

#### **RESOLVED THAT:**

- a) To adopt a traffic light system based on the above parameters, and

To recommend to Council on each of the projects detailed within the Capital Programme:

- b) Basket Ball Court Upgrade: RED – supported by the town council but referred to MSDC for funding,
- c) Batchelors Farm Community Orchard: GREEN – funds (£9.5k) to be ring-fenced from the 2022/23 surplus,
- d) Beehive Centre: AMBER - Investigate new project concept and defer any additional expenditure on design work,
- e) Burial Ground Phase 2: GREEN - funds (£250k) to be ring fenced from the Community Building and Projects Reserve, however, the seeking of external funding should continue,
- f) Parish (church) Clock: GREEN - funds (£25k) to be ring fenced from the Community Building and Projects Reserve, however, the seeking of external funding should continue,
- g) Park Centre: AMBER - Charity formation, Trusteeship, Governance, Financials remain outstanding, and for the project to be split into two phases, “Repair and Refurbishment” and an optional “Extension Build”, and
- h) St John’s Pavilion: AMBER - Charity formation, Trusteeship, Governance, Financials remain outstanding.

## **126. RESERVES (AS AT 31 DECEMBER 2022)**

Members received a report, as set out in agenda item 11, dated 23 January 2023, providing an update on the council's Earmarked and General Reserves.

The report noted that as at 31 December 2022, the town council had £692k of reserves allocated to various Earmarked projects including £412k allocated to the Community Buildings and Projects Fund (Capital Programme). The town council had, also, £197k in its General Reserve.

### **RESOLVED THAT:**

To approve the Earmarked Reserves Schedule

## **127. REVIEW OF FINANCIAL REGULATIONS**

Members received a report, as set out in agenda item 12, dated 23 January 2023, reviewing the town council's financial regulations to ensure they adhere to the latest legislation and, where appropriate, to NALC's latest model.

The report noted there were 4 amendments to be made to the town council's Financial Regulation covering Budgetary Control and Financial Administration and that they were of a technical nature.

### **RESOLVED THAT:**

To update the town council's Financial Regulations (being part of the council's Standing Orders) with the following amendments:

- a) Additional Standing Order 27.3 (g) to include "the provision of a summary schedule showing the actuals-to-date when compiling the Monitoring Reports",
- b) Additional Standing Order 27.3 (h) to include "the provision of accounting statements for the year in the form of Section 2 of the Annual Governance and Accountability Return",
- c) Additional Standing Order 27.1 (e) – to allow councillors and local electors, on reasonable notice, the right to inspect and copy the
- d) council's accounts and orders of payments subject to compliance with the General Data Protection Regulations, and
- e) Replacement/Amendment to Standing Order 26.2 (e) – to include "Exclusion from the Public Contracts Regulation 2015 (contracts over £25,000) is limited to Purchase by Auction."

"Should Council wish to apply further exclusions not shown within the legislation, legal advice should be considered."

## **128. BANK RECONCILIATION AND INVESTMENTS**

Members received a report, as set out in agenda item 13, dated 23 January 2023, providing a recent bank reconciliation for review and details of the town council's current balances.

The report noted that an additional Time Deposit of £250k, as agreed at the November Finance KAG, had been placed with Santander for a period of 6 months

### **RESOLVED that:**

- a) To note the contents of the report and approve the bank reconciliation.

## **129. DATE OF NEXT MEETING**

Members were informed the date of the next meeting would be in June 2023.

*Meeting ended 20.15 hrs*