

NOTES of the FINANCE KEY AREA GROUP MEETING held in the Council Chamber on Wednesday 15 November 2023 at 18.30 hours.

KAG MEMBERS: Cllr Richard Cherry – Vice Chairman
Graham Fairbairn - Responsible Finance Officer (RFO)
Cllr Bob Foster
Cllr Matthew Goldsmith
Cllr Janice Henwood
Cllr Simon Hicks
Cllr Cedric De Souza (Chairman)
Cllr Adam White

Also Present: Cllr Diane Black
Cllr Matthew Cornish
Steve Cridland - CEO
Cllr Brenda Williams
Cllr Peter Williams

*Denotes absence

Meeting started 18.30 hrs

18. APOLOGIES FOR ABSENCE

None

19. SUBSTITUTES

None

20. DECLARATIONS OF INTEREST

See Chairman's announcements.

21. CHAIRMAN'S ANNOUNCEMENTS

The Chairman announced there was a full listing of payments made, including those via the town council's business card, displayed on the council's website on a quarterly basis and can be viewed accordingly.

The Chairman announced, also, the introduction of an additional item in regard to the Park Centre project. Members of the KAG were asked if there were any objections to which there were none and would be included at agenda item 11.

Cllrs Cedric De Souza and Richard Cherry declared an interest in agenda item 11 as they were both nominated to be Trustees of the Park Centre Burgess Hill CIO.


22/11/2024

22. NOTES OF THE PREVIOUS MEETING

The Notes of the previous Finance Key Area Group meeting, dated 23 January 2023, were approved by Members and signed by the Chairman as a correct record.

23. EXTERNAL AUDIT – 2022/23

Members received a report, as set out in agenda item 6, dated 15 November 2023, stating the external auditors [Moore UK] had completed their audit of the 2023/24 Annual Governance and Accounting Return (AGAR) and there were no items that needed to be brought to the attention of Members.

RESOLVED

To note the contents of the report.

24. BUDGET MONITORING REPORT 2023/24

Members received a report as set out in agenda item 7, dated 15 November 2023, highlighting an estimated out-turn surplus for the financial year 2023/24, as compiled at 31 October 2023, to be in the region of £30,000.

The report included a summary of income and expenditure with a detailed variance analysis and a number recommendations with regard to the disposition of the surplus.

During the ensuing discussions, Members forwarded arguments in support of the recommendations contained within the report with the Resolutions made by Members being detailed below.

It was accepted that should the estimated Surplus be materially lower than forecast, a review of some of the resolutions may need to be made.

RESOLVED

- a) Defer the additional £4k requested by the Grants Panel to the next Council meeting to be held on Monday 27 November 2023,
- b) Allocate an additional £10k from the 2023/24 Surplus to the 2024/25 Events programme as requested by the Community Engagement KAG,
- c) Allocate £2.3k from the Surplus towards the purchase of software and tablets to enable the council's maintenance team to work and report remotely in regard to safety inspections and other off-site activities, and
- d) Allocate £19k from the Surplus towards the provision of a new town council Depot.

25. INTERIM AUDIT 2023/24

Members received a report as set out in agenda item 8, dated 15 November 2023, highlighting the results of the interim internal audit conducted by Mulberry and Co on 11th October 2023.

The report, in summary, noted that in the opinion of the internal auditor the controls of the council can be relied upon to ensure the risk of error or misstatement is low. The report did note two minor issues relating to the updating of some Members' Declarations of Interest, and some minor negative balances on the Earmarked Reserves.

The RFO reported to Members at the meeting these issues had been resolved.

RESOLVED:

To approve the interim internal audit report for the 2023/24.

26. 1st DRAFT REVENUE BUDGET 2024/25

Members received a report as set out in agenda item 9, dated 15 November 2023, giving Members a first view of the financial pressures faced by the town council for the 2024/25 financial year and for the report to act as a discussion document for Members to consider as part of the budgeting process.

The report noted the 1st Draft Budget had been prepared on a status quo basis to include only the standard/usual operating and fund expenditures that would normally be included, with additional expenditure items requested being set-out separately for Members to consider.

In summary, the draft budget, prior to inclusion of the additional items, showed an increase in the Precept of £39k giving rise to a £2.01 per annum increase on a Band D rate (from £76.51 to £78.51) equating to a 2.6% increase.

During the ensuing discussion, a number of "high-movement" items were noted relating to, in the main, the estimated national staff cost of living rise, improvements in energy costs, the loss of some Partner Income and the removal of an income provision (previously set-against Partner Income).

The report included, as noted previously, a number of additional items of expenditure covering an increase in the Annual Grant Fund from £12k to £40k (to include £10k for "green" grants), additional events of £10k (estimated), additional part-time staff Member (to deliver the additional events), and the delivery of a council depot.

During the ensuing discussion, Members were keen to support the increase in grant funding, but recognised the need to draw a balance between the overall increase in the Precept and providing additional funding for grant giving.

In regard to the request for additional funds for community events and the associated increase in staff, Members felt the programme of events presented at the recent Community Engagement KAG was more than sufficient and could be managed by existing staff, and did not feel this additional expenditure was a priority.

It was clarified, the £10k agreed towards additional events as part of the disposition of the 2023/24 surplus (Minute 24. Resolution (b)) is a separate item to that discussed in this Minute (26).

Members also noted, as part of the first draft budget, the income provision of some £18k had been removed and the National Pay award for 2024/25 had yet to be agreed between the Employers' Association and the unions.

RESOLVED:

- a) To defer approval of the requested increase in the Annual Grants fund from £12k to £40k to the Finance KAG to be held in January 2024, and for the RFO, during the interim period, to review the town council's reserves to assess the potential to support the requested increase,
- b) Not to approve the request from the Community Engagement KAG to allocate additional funds from the 2024/25 Revenue Budget towards the Events Fund,
- c) Not to approve the request from the Community Engagement KAG for an additional employee resource, and
- d) To approve the town council entering into negotiations to secure a lease for a Depot at Bolney Grange with an annual budget allocation of £45k towards the lease and other running costs.

27. RESERVES (AS AT 31 OCTOBER 2023)

Members received a report as set out in agenda item 10, dated 15 November 2023, providing an update as to the status of the council's reserves.

During the ensuing discussion, it was confirmed the Help Point doors' accessibility mechanism, for auto opening of the doors, would be funded from the Inclusivity Initiatives Fund at a cost of circa £6k.

RESOLVED:

To approve the schedule as presented.

28. ST JOHN'S PAVILION – FLOOD RISK SURVEY

Members received a report as set out in agenda item 11, dated 15 November 2023, detailing a request from Burgess Hill Cricket Club to fund a flood risk assessment to a cost of circa £2.5k as part of their planning application for the wider development plans of the St John's Pavilion site.

The report recommended that any such request should be considered as a Grant Application.

RESOLVED

To approve a refundable Grant of up to £2,500 to Burgess Hill Cricket Club to carry out a flood risk survey on the condition the town council's standard grants application form is used and up-to-date financial information is provided to the town council's RFO and for the club to look to raise its own funds towards the survey with any such funds being raised repaid to the town council up to the value of the grant given.

29. PARK CENTRE

Members received a verbal report from the Finance KAG Chairman in regard to the status and latest developments in progressing the Park Centre project. The Finance KAG Chairman noted his potential conflict of interest in that he had been nominated to be a Trustee and Treasurer of the new Park Centre Burgess Hill CIO and, therefore, for Members to fully consider the item, Councillor Simon Hicks would lead the discussion.

During the ensuing discussion, Councillor Hicks highlighted to Members the project itself was a designated project that Council had previously stated it wished to support. It was noted the majority of initial costs centred around legal/consultancy fees in regard to the asset transfer process, and the employment of a structural engineer to provide an invasive survey of the facility, this being essential for the town council to consider ongoing support for the project.

RESOLVED

To allocate £20k from the Community Building and Infrastructure Fund towards the Park Centre Project to cover preliminary costs associated with legal/consultancy costs, building surveys and other costs of a minor nature.

30. BANK RECONCILIATION AND INVESTMENTS

Members received a report as set out in agenda item 12, dated 15 November 2023, providing a copy of the recent bank statement for members to review and to highlight the status of the town council's cash/deposit position.

RESOLVED

To note the contents of the report.

31. DATE OF NEXT MEETING

To be held in January 2024 – exact date to be confirmed.

Meeting concluded 20.30 hours

