



NANTWICH TOWN COUNCIL

MINUTES OF THE FINANCE COMMITTEE HELD ON 29th OCTOBER 2020

Present – Councillors: David Marren (Chair), Arthur Moran, Stuart Bostock, David Greaves, Phil Staley, John Statham, with the Facilities Manager David Thomas and Samantha Roberts the Town Clerk.

Also present: Councillor Pam Kirkham and Peter Groves

7 APOLOGIES FOR ABSENCE

Apologies were received from Councillor Stephanie Wedgwood

8 DECLARATIONS OF INTEREST

There were no declarations of interest expressed.

9. MINUTES OF FINANCE COMMITTEE OF 24th SEPTEMBER 2020

Committee approved the minutes of the Meeting held on 24TH September 2020.

10. INCOME AND EXPENDITURE

Members considered the previous circulated report detailing the income and expenditure to 30 September 2020. The Clerk advised members that at the mid-year point the council had been able to make savings on expenditure equal to the loss of income compared to the same period last year.

Councillor Moran thanked the Clerk for the well managed budget despite the current pandemic, and suggested that the council continue to act with caution as the report recommends.

Resolved: It was resolved:

- a) To note the report and approve the review of income and expenditure and the bank reconciliations as of 30 September 2020;
- b) Continue to act with caution and refrain from unnecessary expenditure.

11. BUDGET 2021/22

Members considered the previously circulated budget proposals prepared by the Clerk. The Clerk informed members that since the preparation of the draft budget the town council had received its first interim internal audit. During the audit the Clerk had been advised by the Auditor that it would be prudent for the town council to consider alternative budget proposals taking into consideration a “worst case scenario” situation for 2021/22 should the pandemic continue. The Clerk advised that worst case scenario would mean a similar position to 2020/21 but without any government finance support such as the job retention scheme grant. The Clerk presented members with an alternative budget showing figures for a worst case scenario.

The Clerk also advised that council would also need to consider the implications of the Civic Hall extension and the impact this project will have on the reclaiming of VAT. The Clerk reminded members that as most of the project relates to creating hireable facilities, this means that most of the project VAT (along with any other VAT on exempt activities for the year) will be unrecoverable. The budget will need to take into consideration a negative impact on the inability to claim VAT for the extension and for exempt activities for the year. The Clerk also advised members of the importance of building a general reserves which this year has been hit by the loss of income due to the pandemic.

Councillor Moran commented that by putting the precept up to £959K, equating to £1 per week per household, which is less than a cup of coffee it would ensure that the budget is met, adding that the council needs to build the general reserves in case there is a need to fall back on it in the future.

Councillor Statham added that it will be a grim situation over the coming weeks and months and the budget needs to be considered in detail. He suggested that the approach taken with expected reduced income also needs to be done with a potential for reduced expenditure if the pandemic continues. He suggested that a large percentage increase would be difficult to accept in the news.

The Clerk advised members that the alternative budget presented does show a reduction in expenditure as well as a further reduction in income should the pandemic still impact on services throughout 2021/22.

Councillor Moran added that it is important to have a resilient budget for when the country does come out of the pandemic.

Councillor Groves supported all the comments made by members, adding that the council should also consider the impact of Brexit and a potential no deal. He also suggested that it is important how you communicate any precept increases with residents, if an explanation was given to residents carefully detailing the reasons then it may be more accepting.

The Chair supported the suggestion of careful communication with residents by Councillor Groves, as did Councillor Bostock who also added that he believes residents would look at the monetary value of any precept increase rather than the percentage value. Councillor Bostock also advised that the draft Corporate Strategic Plan had been well received by the community.

Councillor Staley added that he believed the community would be accepting of an additional £1 per week on the precept, particularly given the situation so long as it was explained properly.

Councillor Statham asked how much the £959K precept or £1 per week per household equate to in percentages, and suggested that more time should be given to considering the budget. The Clerk advised that it would equate to 42.5%.

Councillor Moran proposed to recommend to full council the original draft budget as presented by the Clerk with a precept increase of £1 per week for a typical band D property (42.5%).

Councillor Statham requested a named vote.

Those in favour of the proposal by Councillor Moran – Councillors Stuart Bostock, Phil Staley, David Marren (Chair) and David Greaves.

Those against the proposal by Councillor Moran – Councillor Statham

There were no abstentions.

Resolved: It was resolved to recommend to full council the original budget as presented by the Clerk with a precept increase of £1 per week per band D property (42.5%).

12. ACCOUNTS AND PAYMENTS

Resolved: That the schedule of payments be approved in accordance with the previous resolution of the Town Council to use the General Power of Competence, the total sums as follows:

One Card = £3,312.27
Trading Account = £181,115.07
Current Account = £1950.65

The meeting ended at 7.40pm

Signature of Chair :.....

Date :.....