

Minutes of the meeting of the Belbroughton Parish Council Finance Committee held in the Meeting Room Belbroughton on Monday 20th June 2011

Present: Cllrs J Kitson (Chair), J Bradley, K Green, S MacDonald, P Shotton and C Scurrall.
In attendance: Mrs C Limm, Clerk.

199/11 Apologies

Apologies were received and accepted from Councillors Hine, Jones, and Roberts.

200/11 Declarations of Interest

Cllr MacDonald declared a personal interest as a Committee member of Belbroughton First Steps, an allotment holder, and member of Belbroughton school PTA in any decisions relating to those organisations.

201/11 Minutes of the Previous Meeting

The Minutes of the meeting on 23rd May were agreed and the Minute book signed by the Chairman.

202/11 Bank reconciliations

The bank reconciliations for the Council's two accounts were noted by the Committee and signed by the Chairman.

203/11 Accounts for Payment

The Clerk circulated a schedule of accounts for payment. The payments were approved by the Committee.

204/11 Income and expenditure

The Clerk circulated information about income and expenditure for the first quarter of the financial year.

205/11 Grants

The Committee agreed payment of outstanding grants for 2010/11 following receipt of copy invoices from the organisations concerned for spending on the agreed projects or items. The grants were £1,600 for Belbroughton Church Hall for new windows and external paintwork, £1,200 for Belbroughton cricket club for refurbishment of their cricket roller, and £107 for research and a report on Fairfield War Memorial.

The Committee endorsed the recommendations of the grants sub-group for **maintenance grants** for 2011-12. The recommendations were as follows:

	10/11 Grant £	10/11 Costs	11/12 estimates	Recommendations for 11/12
1) Belbroughton Rec.				
a. Hall	600	2,436	2,500	600
b. Grounds	800 + grass cutting, etc.	1,078	1,900	700
2) B. Church Hall	600	1,084	1,200	600
3) Fairfield Village Hall	600	3,166	2-2,500	600
4) F. Churchyard	700	760	760	700
5) B. Churchyard	900	2067	Less than 10/11	900
6) B. Church clock	200	198	212.40	212.40
7) B. United Charities- strimming Jubilee Orchard	120	120	120.00	120.00
TOTAL (budget provision £4,400)	4,520			4,432.40

The Clerk reported the response from Belbroughton Recreation Centre to the Council's decision that the Rec. should take responsibility for the annual inspection of the children's play equipment. They had asked if the Council would continue to pay for the inspection. The Committee agreed that it was not appropriate for the Council to do so, but agreed that Cllrs Kitson, Green and MacDonald should offer to meet members of the Rec. Committee to receive an update on the Rec.'s current situation and to explain the Council's approach to support for the Rec.

The **Capital grants** suggested by the sub-group were also endorsed:

Applicant	Amount Sought	Cost of project	Purpose	Grant in 10/11	Recommendation 2011/12
1. Fairfield Village Hall	£2,250	£4.5-7k	Double glazing	Yes £793	£2,250
2. Fairfield Welcome Club	50% +	£330	Outing for members	No	£160 (on this occasion)
3. Belbroughton WI	50% +	£70	Glasses and cutlery	No	£40
4. Belbroughton First Steps	£250	£350	Multi-cultural resources	No	£175
5. Belbroughton Recreation Centre	£1,250	£2,500	Play equipment for older children	Yes £750	£1,250 (Cllr MacDonald to check that Cmttee confident that equipt will be well used)
6. Belbroughton Church Hall	£2,000	£2,185 plus	New windows and toilet improvements	Yes £1,600	c £1,500 subject to copies of satisfactory quotes for the work
7. Belbroughton Rec. for Youth Group	£180	£280	Pool table	No	£140 subject to match funding
8. Bromsgrove CAB			Grant for running costs	Yes £200	£200
Total					£5,715

The Committee noted that suggested grants exceeded provision by c£700 but that funds could be vired from parish projects if necessary.

In relation to the grant application from Belbroughton PTA for a substantial grant (£35,000 representing half the cost of their project) for a conservation and activity facility, the Committee agreed that this should be considered separately from the grant process by the whole Council.

206/11 Capital fund

The Committee had been asked to consider the objectives and parameters for managing the capital fund and to produce recommendations for the Council. Cllr Green said that it was worth noting that the Council had achieved its aim of maintaining the real value of the capital fund over the last few years. The reserves had kept pace with inflation since the Council had acquired £150,000 to invest following the sale of part of Stoneybridge Farm in 1991. The reserves now stood at about £225,000.

The Committee suggested the following general principles for the reserves:

- 1) The Council's land was a sound investment and in effect inflation proofed. The Council could continue to spend the rental income on projects and grants.
- 2) In general the Council should meet ordinary running costs out of the precept and other sources of everyday income (eg the lengthsman scheme) without drawing on capital or the income from capital. However it was important to bear in mind that there was always some flexibility at the margins about whether an item of expenditure was classified as a routine running cost or as a project.
- 3) The objective of meeting routine costs from ordinary income should not be applied rigidly each year regardless of circumstances- it should be an objective over a run of 4 years (the life of a Council) so that any overspending in early years should in principle be rectified in later years.
- 4) Ideally the objective of retaining the value of the capital fund should be maintained. It should follow that if the Council did not earn sufficient interest to both preserve the fund's value and allot money to grants and projects then spending on these items should be curtailed accordingly. Income from rents would still be available for these.
- 5) It was not appropriate for the capital fund to be maintained by using income from the precept.
- 6) However, the capital fund was intended for the long term benefit of the parish. The Council should be prepared to consider spending capital on a project which would produce long term value to the parish. It should avoid chipping away at the fund on a series of worthy but small projects of short term benefit.
- 7) Any potential project should be considered on its merits but factors taken into account should include long term viability, sustainability, the benefits (financial and non-financial) to the community and the benefits in proportion to the costs.
- 8) If capital was spent on a project of substantial benefit to the community then it would not be necessary to replace the capital sum used. But the Council should be fully aware that reducing the capital fund would reduce future income to spend on projects and grants.

207/11 Council inflation rate

Cllr MacDonald suggested that the Council should try to calculate an inflation rate for its spending to inform budgetary and investment decisions. This was debated but the Committee concluded that it was too complicated an issue for the Council to pursue. In general the Council used published figures, generally the RPI, to inform its decisions.

208/11 Maintenance work

The Clerk circulated information about 4 potential gardeners. It was agreed to appoint James Callaghan for Belbroughton and Bernard Edwards for Fairfield on the same hourly rate. Cllr Green volunteered to liaise with the gardener for work needed Fairfield and it was agreed to ask Cllr Roberts to do the same for Belbroughton.

It was agreed to have the meeting room hedge and the bank on the Stourbridge Road in Fairfield cut.

209/11 Other Finance business

Cllr MacDonald mentioned for information that it would be necessary for the Council to deal with any problems caused by the wire for its Christmas tree lights on the village green in Belbroughton. This was wrapped around a neighbour's guttering.

The meeting closed at 9.50 pm.

Signed.....Chairman