

Minutes of the meeting of Belbroughton Parish Council Finance Committee held on 18th March 2013 in Belbroughton Recreation Centre

Present: Councillors J Kitson, J Bradley, K Green, C Hine, T Jones, S MacDonald, D Roberts, P Shotton and C Scurrall.

In attendance : Katie Limm (Clerk).

073/13 Apologies : There were no apologies.

074/13 Declarations of interest: No interests were declared.

075/13 Minutes of the meeting on 18th February 2013

The Minutes of the previous meeting were approved.

076/13 Bank reconciliations

The bank reconciliations for the Council's two accounts were noted.

077/13 Accounts for Payment

Payments for March were agreed.

078/13 Income and Expenditure for 2012/13

A note on estimated income and expenditure for the current financial year was circulated. There were a few outstanding transactions relating to the current year, however the projected out-turn was that the Council's total income and expenditure would be broadly in balance with a small overall 'profit' for the year. Ordinary income and spending were likely to show a small deficit of just under £1,000 whilst for Other income and spending a profit of about £5,000 was projected. Points to note were:

- the figures excluded spending of £18,000 on the Jubilee grants which had been taken from the Council's reserves and were not part of budgeted expenditure
- expenditure to date (£11,000) on repairs to the Queens Hill wall had been covered from within budgeted spending; this had been possible largely because of the relatively generous provision of nearly £8,000 for contingency spending. It had been anticipated that this would be used for costs connected with splitting the Council which had not materialised.
- outstanding commitments of about £3,500 would reduce the 'profit' for the year. These commitments included two capital grants of £1,000 each and improvement of the footpath near Belbroughton Cricket Ground for which Cllr Moore had provided a grant of £1,500. This grant had been included in 'Other income'.

079/13 Parish precept 2013/14

The Clerk had circulated background information about the handling of the precept and council tax for 2013/14. The impact of Government changes to council tax benefits meant that the parish council tax base (the figure representing band D households in each parish which was divided into the precept to produce the charge for a band D equivalent household) had been reduced. To offset the consequential increase in council tax payable by a band D for a given level of precept the Government had provided a parish grant via the District Council. Bromsgrove had decided to pass only a proportion of this on to the parishes - Belbroughton's grant was £3,800.

To mitigate the impact of the change in the tax base, when calculating council tax demands the District should have deducted the grant from the precept requested by the parish council (£55,000) and arranged to collect the remainder (£51,200) from Belbroughton residents. The precept request sent to the District made clear that this was what the Parish Council expected to happen. However, the District had demanded the full precept of £55,000 from residents resulting in a 6.43% increase in the parish council element of their council tax.

The District's finance officer had apologised for this mishandling of the grant and had suggested 2 options:

1. for the District to repay the excess Council Tax to parish residents – payments would be small (£2.91 for a band D in Belbroughton parish) and would be disproportionately expensive to administer

or

2. for the Parish Council to be paid the full precept plus the grant. It would be open to the Parish Council to use the grant to offset any increases in the precept in the next financial year.

The Committee agreed that option 2 was the better approach. Refunding a small amount to residents would not be sensible or cost effective. Moreover, the Committee also noted that next year's financial position was uncertain- central Government might not provide a parish grant; if it did the District might not pass it on to parishes; the tax base might be changed again; and parish councils might be included in the controls against excessive council tax rises. It would therefore be helpful to maintain the flexibility to use the current grant to help deal with any of these eventualities.

It was agreed that the Clerk should draft a short explanation of the council tax situation that could be used to explain this to residents.

080/13 Grants

The Committee agreed that the grant application process for capital and maintenance grants for 2013/14 should be the same as in previous years. Applications for capital grants should be returned by the end of May. This timetable should also apply to the new small grants but if the money available was not fully committed then applications could be accepted later in the year. The note drafted by the Clerk about the Council's grants policy was approved subject to one amendment to make clear that capital grants 'normally' meet up to 50% of the costs of a project or item.

Payment of the 2012/13 capital grant to Belbroughton Church Hall for new windows and tiles was approved. The actual costs were slightly higher than anticipated but the Committee agreed that the amount of grant should be the sum offered – in line with the Council's usual policy.

There were two outstanding grants to be paid for 2012/13 - of £1,000 each for Belbroughton Cricket Club and Holy Trinity Church. The Club was awaiting a response about a grant from the English Cricket Board and in the meantime could not begin its project; the final cost of work on the Church spire and the amount the PCC would have to contribute were not yet clear. The Committee therefore agreed to hold over these two grants to 2013/14 until further information was available.

The Committee agreed that installation of a new disabled toilet at Fairfield Village Hall at an estimated cost of £1,400 would be a valid use of the Jubilee grant offered to the Committee.

081/13 Legal Advice

The Clerk outlined the terms and charges for legal advice from the Council's solicitor in connection with the tenancies for the Council's agricultural holdings. The Committee noted and approved the cost of the initial advice received. Further charges would depend on the view taken by the Council about how to proceed.

082/13 Lengthsman

The County Council had confirmed that the allocation for the lengthsman scheme in 2013/14 would be the same as for 2012/13 (£3,145). The Committee therefore agreed that the lengthsman should be offered a further one year contract on the same basis as the current year. It recommended that the Council should review the lengthsman's rate of pay if a general increase in local government pay scales was agreed during the year.

083/13 Investments

One of the Council's one year investments of £25,000 with Natwest had matured on 25th February. The Committee had agreed that this should be invested in a Nationwide or Santander one year fixed rate account at 2% interest. However on further investigation the Nationwide account had not been available to the Council and the Santander account had now reduced its rate to 1.75%. It was agreed that for the time being the funds should be transferred back to the Scottish Widows 7 day notice account paying 1.1%.

084/13 Meeting room furniture

There were a number of items in the Parish Council meeting room that would need to be disposed of before a tenant could take it over- these included tables, chairs, a Hoover, ramp, and crockery. It was agreed that Belbroughton Recreation Centre and Fairfield Village Hall should be asked if they would be interested in having any of these items free of charge if they would be prepared to arrange their removal.

085/13 Maintenance work

The footpath along Hartle Lane needed to be cleared – Clerk to ask lengthsman.

Woodhouse Orchard - shrubs, etc encroaching onto path at junction with Hartle Lane- WCC to be approached.

CLr Green confirmed that Bernard Edwards was willing to continue to undertake gardening work for the Council in Fairfield.

The Meeting closed at 9.35 pm.

Signed.....Chairman