

UNADOPTED
MINUTES OF A MEETING
OF THE POLICY AND RESOURCES COMMITTEE
MALVERN TOWN COUNCIL
held on Wednesday 27 November 2019
Council Chamber, Belle Vue Terrace, Malvern at 6.00 pm

Councillors

Present

J Thomas (Ch)
C Hooper (VCh)
J Dallow
N Houghton (from 6.13pm)
L Lowton
N Mills
R McLaverty-Head

Absent

J O'Donnell
D Roberts (apologies)
P Tuthill (apologies)

In attendance

Linda Blake - Town Clerk
Louise Wall - Minute Clerk

46. APOLOGIES FOR ABSENCE

Apologies for absence were received and accepted from:

- Cllr Dan Roberts
- Cllr Paul Tuthill

47. DECLARATIONS OF INTEREST

None.

48. MINUTES OF PREVIOUS MEETING

It was **RESOLVED** that the minutes of the following meetings be approved and adopted as a correct record of the proceedings and they were signed by the Chairman:

- Policy and Resources Committee held on 30 October 2019
- Budget working party held on 4 November 2019

PUBLIC PARTICIPATION

None.

49. FINANCIAL REPORTS

Report PRC01/19 was received and accepted, along with cash report ref CR1 and the bank payment schedule for October 2019.

The Town Clerk explained that the new online banking system included a robust checking procedure so that all payments made had to be set up and authorised by two separate officers. It was **NOTED** that there should be a contingency plan in case either of these officers was incapacitated, and this was partly in place.

Cllr Houghton entered the chamber.

It was noted that total bank balances at the end of October 2019 amounted to £672,254, approximately £83,000 higher than at the same period last year; debtor and creditor days are low, and well within the Council's target of 30 days.

Cash Report CR1 October 2019

Committee **NOTED** the cash report for October 2019.

Bank Payments Schedule October 2019

Committee **NOTED** the bank payments schedule for October 2019.

50. REVIEW OF BUDGET RE-FORECAST FOR 2019/20 AND INITIAL BUDGET FIGURES FOR 2020/21

Report PRC02/19 was received and accepted.

The Town Clerk reported that she and the Operations Manager had reviewed the expenditure for the half-year to create a re-forecast for 2019/20. This was then used to build the budget for the following year, looking at expenditure requirements for individual cost headings for 2020/21 and including the recommendations put forward by the budget working party at its meeting on 4 November and the Operations and Planning Committee at its meeting on 2 October.

Officers are forecasting an underspend against the original budget with the re-forecast predicted at approximately £25,000 under budget.

Members then asked a number of questions about the detail of the budget and these were answered by the Town Clerk. The following items were **NOTED**:

ADMINISTRATION

- Administration income has been kept at the same level as 2019/20, the assumption being that the flats are fully let by April 2020 and all other income remains the same.
- The salary budget shows a saving from 2019/20 with the re-organisation of administration staff resulting in the reduction of staffing numbers by 0.5.
- An increase on staff salaries of 3% has been assumed, although this cost of living increase will be set nationally and therefore the Town Council has no control over it.
- An assumption is made that all administration staff will be enrolled in the pension fund.
- Utility costs have been increased by 3%.
- Business rates have been increased by 2.5%.
- Cleaning costs have increased due to the renegotiation of the cleaning contract to include salaries at living wage level.
- General maintenance costs of buildings are expected to remain constant although it should be noted that there are projects ongoing to renovate the flats and to overhaul the internal drainage on the top floor at Belle Vue Terrace.
- Communication costs are largely the same as the 2019/20 budget but stationery and postage costs have been reduced as a result of the switch to paperless council administration which has meant less photocopying and lower postage costs.
- The insurance contract is due for renewal in August 2020, and an increase is anticipated.
- The Grants and Donations budget has been increased to reflect the larger number of applications for this scheme in 2019.
- The Events Budget has been increased to £45,000, as suggested by the budget working party.
- It is anticipated that there will be no election costs for 2020/21.

UNADOPTED

- The cost of IT expenses has been increased due to the provision of email exchange addresses for all councillors and staff. There will also be a monthly charge for the upgraded accountancy package.
- All other costs remain largely in line with the 2019/20 budget.

OPERATIONS

- Proposed income for 2020/21 has been reduced from 2019/20. This is due to a fall in cemetery income as well as fewer football teams wishing to play from the council's pitches.
- Payroll costs have been increased by 3% for the next budget year and provision has been included for both the Victoria Park park-keeper and the Saturday football caretaker within these figures.
- Overtime and temporary staff costs have been kept at the same levels for 2020/21.
- Pension costs have assumed the same number of operational staff will be making pension contributions during the year. No changes are expected despite the re-enrolment date being during this period. It is anticipated that some staff members will opt out again.
- As assumption has been made that costs for Victoria Park will reduce due to the planned pavilion refurbishment project and the currently planned timetable.
- Utility costs have been increased by 3%, business rates by 2.5% and fuel costs by 5%.
- Grounds maintenance costs are expected to increase slightly in 2020/21
- Equipment running costs have been lower in the current year due to lower fuel costs and low repair costs. The budget for 2020/21 assumes a similar expenditure to the current year's budget.
- Vehicle running expenses are expected to remain at a similar level.
- Risk assessment costs are expected to increase. The council's current contractor is retiring and enquiries have indicated any replacement will mean an increase in charges.

It was **AGREED** that during the cleaning contract three-month review, the Town Clerk would check whether the living wage was being passed on to the staff at the cleaning company.

It was **RECOMMENDED** to accept the draft budget as presented and that the precept should be set at £682,890, an increase of £19,890 (3%) from last year. The exact impact of this increase on a Band D household will not be known until the Council Tax Base is confirmed and this will most likely be in January 2020.

It was **RECOMMENDED** that the 2020/21 budget which should be brought before Council should be as follows:

- i. The re-forecast for 2020/21 which results in a balance being put into reserves of £25,358 for the financial year.
- ii. The level of increases to be applied to services run by the Town Council should be:
 - No increase on allotment charges which should remain at £36.00 for 125 square metres
 - Charges for Great Malvern Cemetery will be increased by 2% (rounded up)
 - Charges for sports facilities will be increased by 2% (rounded up)

- iii. The precept for 2020/21 should be set at £682,890. This represents an increase of 3% from last year or £1.90 per annum on a Band D Council Tax. (This figure may decrease if the number of households has increased.)

51. REVIEW OF UTILITY CONTRACTS AND SUPPLIERS

Report PRC03/19 was received and noted.

It was **AGREED** that when renewing any energy contracts, 'green' suppliers would be investigated. The environmental panel would also be looking at this as part of their meetings.

52. REVIEW OF MALVERN TOWN COUNCIL'S COMPLAINTS PROCEDURE POLICY

Report PRC04/19 was received and discussed.

The complaints procedure is in place for members of the public to follow if they have a complaint about town council procedures, administration, policies or actions of town council staff. It does not cover complaints about councillors – these are covered by the Councillor Code of Conduct.

It was **RECOMMENDED** that the Council's Complaints Procedure as attached at Appendix A to the report was accepted with no amendments being required.

53. APPROVAL OF BACS PAYROLL SERVICES TRANSFER

Report PRC05/19 was received and approved.

It was **AGREED** to approve the transfer of the BACS/BACSTEL IP Services to the Council's new bank account with Unity Trust Bank and as per the attached Excerpt minute authorisation, and this was signed by the Chairman.

54. DATE OF NEXT MEETING

It was **AGREED** that the next meeting of the Policy and Resources Committee will be Wednesday 11 December 2019 at 6.00 pm.

The meeting closed at 7.12 pm.

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(Chairman)