



WOODBIDGE TOWN COUNCIL

Shire Hall Market Hill Woodbridge Suffolk IP12 4LP

Locum Town Clerk: Mr G E Diaper

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TO MEMBERS OF THE FINANCE COMMITTEE

Cllr Bale	Cllr Sanders
Cllr Gillard	Cllr Sutton
Cllr Holdcroft	Cllr Sylvester
Cllr O’Nolan	Cllr Walsh

You are hereby summoned to attend the **MEETING** of the **FINANCE COMMITTEE** to be held virtually on: **WEDNESDAY 19th AUGUST 2020 at 6.00PM**

Greg Diaper
Locum Town Clerk
13th August 2020

Public Attendance

Members of the public and press are welcome to join the Zoom meeting. Members of the public will be invited to give their views/questions the Town Council on issues on the agenda, or raise issues for consideration or inclusion at future meetings. This item will be limited to 15 minutes duration but may be extended at the discretion of the Mayor. The Zoom login details are provided below;

<https://us02web.zoom.us/j/85231826105?pwd=VS9Dc0p2LzdOcmNJK2EvSjhucUlyQT09>

Meeting ID: 852 3182 6105

Passcode: 289531

AGENDA

- 1. ELECTION OF CHAIRMAN**
To elect a Chair of Committee
- 2. ELECTION OF VICE-CHAIRMAN**
To elect a Vice-Chair of Committee
- 3. APOLOGIES**
To receive apologies for absence.

- 4. TO RECEIVE DECLARATIONS OF INTEREST**
Members and officers are invited to make any declarations of Disclosable Pecuniary or Local Non-Pecuniary Interests that they may have in relation to items on the Agenda and are also reminded to make any declarations at any stage during the meeting if it becomes apparent that this may be required when a particular item or issue is considered.
- 5. TO CONSIDER REQUEST FOR DISPENSATIONS**
Councillors with a Pecuniary Interest in an item on this Agenda, who wish to remain, speak and/or vote during consideration of that item, may apply for a dispensation in writing to the Town Clerk prior to the meeting. Applications may also be considered at the meeting itself should the nature of the interest become apparent to a Councillor at the time of the meeting.
- 6. PUBLIC QUESTION TIME**
15 minutes maximum.
- 7. TO RECEIVE AND APPROVE THE MINUTES OF THE MEETING HELD 17th DECEMBER 2019**
To receive and approve the minutes of the meeting held 17th December 2019
- 8. TO CONSIDER FUTURE FINANCIAL DEMANDS ON THE COUNCIL AND THE IMPLICATIONS THEREOF**
- 9. CLOSURE**

ITEM 8

TO CONSIDER FUTURE FINANCIAL DEMANDS ON THE COUNCIL AND THE IMPLICATIONS THEREOF

It is important to start looking ahead to future demands on the Council, and Council Tax, at this point in the year.

There are some knowns to be considered:-

- a) The increasing rise in households claiming housing benefit will reduce the overall Council Tax base. It is not possible at this stage to properly calculate the reduction but on the current budget a reduction of one property will represent a loss of around £100 from the precept. We know that our colleagues in the County and District Councils have received reassurances from Central Government that their previous levels of income will be “supported” by the Government, but where does that leave us? Previous experience suggests that we cannot rely on this “support” being passed down.
- b) The 2020/2021 Staffing Budget, based on the regarded scales, represents an increase of £1,000.
- c) There is an accumulated backlog of maintenance on the Council’s property and assets – that on benches alone was estimated at £11,000. As Officers we have had a stab at a long-term maintenance schedule – the first draft identifies a £9,050 requirement in the annual budget (up from £8,738), and an annual contribution towards future long-term maintenance of £38,279. Last year the contribution towards future long-term maintenance was £3,000.

There are also some unknowns to consider:-

- a) The impact of inflation. The Staffing Budget assumes a 3% backdated increase for 2020/21 and a further 2% for 2021/22. Given the intense financial pressure the County and District Councils are under as a consequence of COVID19 this is probably a realistic assumption.

But for other areas of the budget there is greater uncertainty – will there be greater or less competition for routine work post-COVID19 and will the price of inflation on certain items immediately post lockdown return. And that’s without the impact of Brexit on certain goods. If we remove staffing from the budget, a 1% increase in 2020/21 likely costs results in a nearly 60p rise in Council Tax (£1,800 per annum).

- b) The security of our income. Fortunately, our income streams are minor and a small reduction can be accommodated. However, if one of our tenants fails as a consequence of COVID19 then we might be faced with significant additional costs. We tried to alleviate their immediate financial concerns by deferring their service charge payments until March 2022, but there is no guarantee that post-COVID19 they can recover their former levels of income, nor balance their books against rising inflation.

And then there's ambition – to do more, to do different things (perhaps as a lingering consequence of COVID19), to retain important services in town.

Members are asked to consider, for continued debate now or at a future meeting:-

- a) What would be considered as an acceptable level of Council Tax increase for 2021/2022 in percentage terms ?
- b) Where is the Council's future direction ? Are there new opportunities we would wish to pursue ? Or that are likely to be thrust our way ?
- c) Are there any potential savings for us to pursue ? Can we divest ourselves of certain properties and still have an input ?
- d) ESC are looking at taking grounds maintenance back in house; should we ?