

**COLWALL PARISH COUNCIL****Minutes of the meeting of the FINANCE & GENERAL PURPOSES COMMITTEE held in the Jean Simon Room at Colwall Village Hall on Wednesday 18<sup>th</sup> November 2015 at 7.50pm**

**Present:** Chairman – J Mills, Councillors Haynes, Beard, Rees, Stock and the Clerk.

**1. Apologies for Absence.**

Apologies were received and accepted from Councillor Carless.

**2. Declarations of Interest**

None were declared.

**3. Minutes of the last meeting**

The minutes of the meeting held on 22<sup>nd</sup> April 2015 were approved and signed by the Chairman.

**4. 2016/17 Budget**

Copies of the draft budget had been circulated to all Councillors prior to the meeting. The administrative budget and other administrative costs e.g. Insurance, Audit Fees etc are proposed by the Clerk and endorsed by the Chairman of the Finance & General Purpose Committee; these are based on expenditure in the current year and allow for inflationary rises and the expected one spinal point pay grade increase for the Clerk.

The major change for this year and succeeding years is the inclusion of a Pension scheme for the Clerk, which is a legal requirement.

The proposed budget includes Pension costs based on Colwall Parish Council joining the Local Government Pension Scheme “LGPS”, which is administered locally on behalf of all LGPS employers in the designated area. Worcestershire County Council is the LGPS administering authority for all LGPS employers based in Herefordshire or in Worcestershire. This role is separate from Worcestershire County Council's other functions and it keeps separate accounts and has separate banking arrangements for the Pension Fund.

The rate of each LGPS employer's pension contribution is determined by the Fund Actuary based on the Fund Valuation. This is reviewed and a full Fund valuation is undertaken every 3 years which assesses the funding position of the Fund as a whole and of each employer within the Fund. This takes account of the membership profile of each LGPS employer and the value of Fund investments. Based on this valuation, the rate of contributions for both employer and employees are set.

The LGPS is a defined benefits scheme.

IT WAS AGREED the Clerk will investigate Pension provider options, and provide an assessment and summary to the committee members during the next 3 weeks. This will enable the committee members to make a decision on which scheme the Parish Council will enrol in, and this will be put to Full Council for formal ratification along with the budget at the December Full Council meeting.

The Village Amenities section of the budget is as proposed by that committee for acceptance.

Turning to the income - it is assumed that we will continue to receive the same level of grants from Herefordshire Council for the Footpaths Scheme (P3) and the Lengthsman Scheme. Should Herefordshire Council subsequently decide to cut these grants due to budgetary pressures, the Parish Council can comfortably fund either or both of these items from the unallocated reserves for 12 months which would then be reviewed again this time next year when the following years budget is set.

It is proposed for that the library surcharge continues at the level raised last year £16,000. The library costs are estimated to total £11,168 for the current year, these costs relate to staffing costs only as there have been no costs associated with the building, as Herefordshire Council have continued to maintain the repairing lease as per the terms of the lease thereby reducing the total costs that were forecast. At the end of the term of the current lease, if not negotiated before the building will revert back to the Parish Council together with all the costs associated with the running of the building and it's repairs. Therefore any surplus remaining at the year end will be transferred to the Library Reserve fund as previously.

It was proposed that a library reserve will be created, whereby any funds surplus to that raised, will be held; as the building will revert to Colwall Parish Council at the end of the lease in 7 years, if not negotiated before, and with that will bring potential considerable costs/liabilities. Councillors agreed with this approach.

The Chairman summarised, that allowing for all the above, this results in a proposed budget that runs to a small deficit of £2,755.

After the various likely additions and subtractions to and from the accumulated funds the unallocated reserve will be decreased by £5,011 from the likely starting figure of £36,787 to £31,776 by the end of the Budget Year.

In addition to the general reserves there are considerable reserves in specific Allocated Funds, which have been utilised, as they should be, during the current financial year to fund repairs to Orlin Road Play Area and to cover the costs of the Neighbourhood Development Plan. These Allocated Reserves are forecast to total approximately £45,279 by the end of the Budget year, 31 March 2017.

**Main Budget: IT WAS AGREED to accept the proposed budget, in so doing, there would be a 2.0% increase in the precept.**

**The total precept in the 16/17 year will be £61,259 plus the Library Surcharge of £16,000 totalling £77,259 (the precept in the year 15/16 was £60,058 plus Library Surcharge of £16,000 totalling £76,058).**

**The budget will be recommended to Full Council for approval on the meeting on the 16<sup>th</sup> December 2015.**

## **5. Annual Internal Review**

No changes to The Council's Internal Control Procedures and Risk Assessments financial processes had been recommended by the internal auditor.

**6. Correspondence**

i) Precept: The Council's Precept had to be decided by 31<sup>st</sup> December 2015 and the appropriate form completed. The Chairman of this committee would bring this to Council's attention at the December Full Council meeting.

ii) Review donation requests:  
None received.

iii) Colwall Parish Council donations - All donations will be paid in November 2015 as per the previously approved 2015/16 budget.

**7. Date of Next Meeting**

The next scheduled meeting of the Finance and General Purposes Committee would be held on Wednesday 20th April 2016 with a short meeting called on the 16<sup>th</sup> December 2015 for the approval and signing of these minutes.  
The meeting closed at 8.20 pm.

Chairman.....

Date.....