**HEREFORD CITY COUNCIL**

**FINANCE AND POLICY COMMITTEE 15TH December 2015**

**MINUTES OF MEETING**

**Present :** Councillors Edwards, Griffiths, Dykes, Tawn and Boulter

**Officers Attending :** Steve Kerry Town Clerk, Lesley Bruton Finance Officer, Eleanor Mason Administrative Officer

**F2015/16.38 APOLOGIES FOR ABSENCE**

Apologies were noted from Councillors Hall, Baker, Michael and Wilcox

**F2015/16.39 APPOINTMENT OF SUBSTITUTES**

Noted that Councillor Dykes was substituting for Councillor Michael

**F2015/16.40 DECLARATIONS OF INTEREST**

None

**F2015/16.41 MINUTES**

The minutes of the meeting of 4th November 2015 were approved as a correct record and signed accordingly by the Chairman.

**F2015/16.42 SCHEDULE OF PAYMENTS**

The schedule of items paid since the last meeting was presented by the Finance Officer. There being no questions, the schedule was approved.

**F2015/16.43 BANK RECONCILIATION**

The Finance Officer presented bank reconciliations for items since the last meeting. Councillor Edwards asked if we have system for handling late invoices from BBLP. It was confirmed that these are followed up but sometimes responses are slow from BBLP and Herefordshire Council. Where necessary we make a provision for costs we know are due such as election expenses.

The reconciliations were noted.

**F2015/16.44 REVENUE BUDGET AND COUNCIL TAX 2016/17**

The Finance Officer introduced the report and background papers, which reflected priorities given by earlier meetings of the committee, and an expectation that we would not be receiving any council tax support grant payment from Herefordshire Council. We have not yet received the tax base calculation from Herefordshire so estimates of the effects of this budget on the final band D Council Tax level are provisional. This is not unusual at this stage, although it is somewhat frustrating. Noting that council tax support grant was projected at £92,000 this year, if we absorb that loss without making other savings we would need a significant tax rise. The savings identified have reduced that impact somewhat, but to avoid any rise at all would require another £46,000 in savings.

Councillor Tawn asked if in view of possible service devolution we were making sufficient provision for possible future costs, noting that this might be the last year that parishes were exempted from council tax referendum rules. It was noted that there is a general reserve of £403,000 with a forecasted contribution this year of £26,000. In addition, certain budgets continue to be under spent.

Councillor Edwards recalled the request from Community Development Committee to increase the ward allocations to £3,000 pre ward to allow for funding parks and play areas small works and could not find this within the proposals. It was identified that the £2,000 per ward is drawn from the parks and open spaces budget and £1,000 from street scene, although that balance can be varied. The funds remain within those budget headings but can be drawn upon by members for small items in their wards. Councillor Edwards was satisfied with this as long as it was minuted, but added that it was incumbent on the council to try and spend the money we were raising on schemes beneficial to the community and although large reserves were necessary because of the uncertainties regarding the council tax support grant they should not be allowed to rise any higher.

Councillor Tawn asked for clarification on the Christmas Lights contract. This is in a one year extension, from the three years. In 2016 we will invite bidders to compete with their offers against our budget to re-test the market.

Councillor Edwards proposed, Councillor Tawn seconded and it was

**RESOLVED**

**That the Committee approves the allocation of the revenue estimates as set out in Appendix A and section 7 of the report.**

**That the Committee reviews and approves the recommended level of reserves and balances and the recommended transfer between reserves.**

**That the Committee agrees and recommends to Council, subject to confirmation of the tax base,**

**A budget requirement of £785,085**

**An estimated precept requirement for 2016/17 of £785,085 (subject to change)**

**The Band D Council Tax for City Council purposes be £50.30 (subject to change) a 6.3% increase :**

**Band A Band B Band C Band D Band E £33.53 £39.12 £44.71 £50.30 £61.48**

**Band F Band G Band H**

**£72.66 £83.83 £100.60**

**(The Committee notes that the above is subject to change depending on the revised tax base to be received from Herefordshire Council.)**

**F2015/16.45 REQUEST FOR FINANCIAL SUPPORT FOR 39a BUS SERVICE**

The Clerk introduced a report concerning the Sunday bus service from Hay on Wye. Subsidy for this service had been cut by Herefordshire Council last year and a voluntary group had managed to provide a service, with support from Hay Town Council and rural parishes along the route into Hereford. There was some benefit to Hereford from having this service as it enhanced the tourist offer. Councillor Edwards suggested that it would be reasonable for the City Council to make a contribution but not to cover the entire shortfall reported.

It was proposed by Councillor Edwards, seconded by Councillor Boulter and

**RESOLVED That a donation of £1,000 to support the 39A bus service be made and a further report taken in six months to establish the level of use of the service.**

**F2015.16/46 RENEWAL OF SUPPORT FOR BUS SERVICE TO SHELTERED HOUSING**

The Clerk introduced a report that confirmed that levels of use of the bus service to some sheltered housing units in the City had been consistently above the threshold considered reasonable by the Committee in the past ie £3.00per journey This service had been subject to six monthly review for some time now, creating uncertainty among the users and the provider. With a steady level of use established the Clerk suggested it was time to move to an annual commitment with the proviso that should use drop significantly for more than one month this will be the subject of an exception report.

It was proposed by Councillor Boulter, seconded by Councillor Tawn and

**RESOLVED That the bus service to sheltered housing units be supported at £500-00 per month for the next financial year, subject to an exception report if use levels drop significantly for more than one month.**

**F2015/16.47 GOVERNANCE AND FINANCE RISK REGISTER**

The Finance Officer introduced a proposed risk register that complies with revised government and audit requirements for financial and governance risks to be managed together. This would be reviewed annually and established that the Council was operating at an acceptable level of risk with amelioration measures in place where necessary.

It was proposed by Councillor Tawn, seconded by Councillor Edwards and

**RESOLVED That the proposed risk register be approved and reviewed annually.**

**F2015/16.48 LOCAL COUNCIL TAX SUPPORT GRANT UPDATE**

The Clerk introduced a report on his research concerning the possible legal questions arising from Herefordshire Council’s cabinet’s decision to pass on council tax support grant to some parishes, but not to most, including the City. There is some doubt about the validity of the approach taken and it may have given rise to special expenses being paid which should be charged to tax payers in the parishes benefiting, not equally across the County. The report also set out draft response to the enquiry being run by Eric Ollerenshaw MP on behalf of the Prime Minister into the operation of the council tax support grant.

It was proposed by Councillor Edwards, seconded by Councillor Boulter and

**RESOLVED**

**That the Committee notes the work done to challenge the current position of Herefordshire Council and will receive further reports as this situation develops.**

**That the Committee endorses the proposed position set out in the report for inclusion in the national survey being run by DCLG and the Treasury in response to Mr Ollerenshaw’s enquiry.**

**F2015/16.49 EXCLUSION OF THE PRESS AND PUBLIC**

It was resolved under the Public Bodies (Admission to Meetings) Act 1960 Section 1(2) to exclude the press and public on the grounds that the next item on the agenda contained personal data about members of staff who could be identified from the report.

**F2015/16.50 2016/17 SALARY ESTIMATES**

The Finance Officer presented, as required by financial regulations, a report of individual payments projected to be made to staff including service increments where appropriate. The total figure had already been approved as part of the budget estimates debated earlier. The estimates were noted.

**F2015.16.51 READMISSION OF THE PRESS AND PUBLIC**

There being no more confidential business the Committee resolved to readmit the press and public.

**F2015/16.52 ITEMS FOR FUTURE MEETINGS**

Proposals for devolution of more public toilets, parks and rights of way, noting that a more coherent approach from Herefordshire Council would be a great advantage.

Financial report for the third quarter.

**F2015/16.53 DATE OF NEXT MEETING**

This was confirmed as 26th January 2016 at 6 pm in the Town Hall.

There being no further business the meeting closed at 7.55 pm

Signed ……………………………………………………………..

Date …………………………………………………….