

Grundisburgh & Culpho Parish Council
Minutes of a meeting of the Finance Sub-Committee held on the 9th November, 2016
at 8 Post Mill Close, Grundisburgh

Present: Mr.S.Barnett, Mr.D.Higgins, Miss.V.Barker, Mrs.J.Bignell

1. **Apologies for absence** Richard Youngman
2. **Declarations of Interest** No interests were declared
3. **Matters arising from the minutes of the Committee Meeting held on the 19th January, 2016** There were no matters arising,
4. **Review of Financial Standing Orders** It was agreed that the working group which reviewed Standing Orders should be asked to review Financial Standing Orders.
5. **Income & Expenditure to date** The report was examined. Expenditure is in line with the budget.

6. Financial position

Account Balances as at 29th October, 2016.

Business Tracker Account	£62.30
Current Account	£13,550.88
Post Office Investment account	£20,679.42
VAT to claim	<u>£667.82</u>
TOTAL	£34,960.42

7. Insurance The current policy, which ends on the 30th September, 2017 provides the following cover. The Council has entered into a five year agreement for a fixed premium of £271.97 which expires on the 30th September, 2019.

Standard Cover

Business interruption Loss of date – reconstitution of computer records. Sum insured £500

All risks - Office Contents sum insured £2,500 - Clerks home only - Excess £100

Additional items £37,001 Garden equipment and tools £116

Money Loss of Non-Negotiable money limit any one loss £250,000.

Public Liability £10m

Hirer's liability £2m.

Employers Liability £10m - Cover is restricted to Clerk only

Libel & Slander £250,000

Personal Accident Cover is limited to £500,000 any one person and £2m any one incident. Capital sum £20,000. Death or loss of limbs or eyes £20,000. Permanent/partial disability up to £20,000. Temporary total disablement £25 per week up to maximum of 104 weeks. Covers Council Members & Clerk for duties connected with Parish Council only.

Employee Dishonest (Previously known as Fidelity Guarantee) Sum guaranteed £25,000 - protects misappropriation by Clerk or Council Members

Legal Expenses Limit of Indemnity £100,000

Property all Risks

	<u>2014/2015</u>
War Memorial	£12,654
Bus Shelters	£13,438
Village Sign	£3,000
Seats	£3,291
Five Bar Gate	£207
Notice Boards	£1,180
Sand Boxes	£1,016
Village Green Bulls Eye Sign	£218
Fido Bins	£724
Litter Bins	£173
Football Posts & Net	£1,100
<i>Other property all risks</i>	
Mowers	<u>£116</u>
	£37,117

8. Investments National Savings Investment Interest Rate has been reduced to 0.45% from the 1st July, 2016. Was previously 0.75% of

9. Precept Until 2013, the Government set the rules nationally for those who are eligible for Council Tax benefits and funded the full cost of those payments. However the Government introduced in April 2013 a new Localised Council Tax Support scheme (LCTS).

The changes affected towns and parishes because it affects their Council Tax base, the number of households in their area that are used to calculate what the Council Tax charge should be.

By reducing the number of households (the households make up the tax base) who pay full Council Tax, residents could end up paying more even if the district and our parish council did not increase their overall charges (precept etc). This increase per household could be a problem if the Government introduces automatic precept referendum for 'excessive increases' for parish and town councils in future years. So far it has not.

For the financial year 2013/2014 the Government gave district councils a grant to compensate parish and town councils for the amount equivalent to the additional sum that households will be charged because of the changes. The effect on our Parish Council was that our tax base was reduced to 565.76 Band D equivalents so if our precept remained at £17,100 the charge for a Band D Property would be £30.23. For 2012/2013 the number of Band D equivalents was 634.19 and the charge for a Band D property £26.96.

So under the new scheme, if the precept was maintained at £17,100 a Band D property would pay an additional £3.27.

However the parish council agreed that the 2013/2014 precept should be increased by £300 to £17,400 and to apply for the government grant, Council Tax Support Grant (CTSG), £1,847 which was paid via the District Council. This resulted in parishioners paying roughly the same amount in their Parish Council Tax Charge as the previous year.

The same principle was followed for the financial year 2014/2015. The precept was set at £16,100 plus the CTSG of £1,389.

The Parish Council Tax Charge increased from the previous year by only 77p.

This policy was followed in the following and current financial years.

The effect of this policy on the proportion of council tax paid in their Parish Council Tax Charge has been minimal over the period that the CTSG has been operating and the Parish Council's precept has remained practically the same. Bearing in mind the enormous cuts in funding the District and County Councils' have had to bear we have got off lightly.

There will be no CTSG for the 2017/2018 financial year

Tax Base

1997/1998	539.93 band D equivalent	Precept £10,240 ÷ 539.93 = £18.96		
1998/1999	549.42 band D equivalents	Precept £10,240 ÷ 549.42 = £18.63		
1999/2000	559.90 band D equivalents	Precept £12,000 ÷ 559.90 = £21.43		
2000/2001	587.73 band D equivalents	Precept £12,000 ÷ 587.73 = £20.42		
2001/2002	606.20 band D equivalents	Precept £13,350 ÷ 606.20 = £22.02		
2002/2003	604.72 band D equivalents	Precept £14,000 ÷ 604.72 = £23.15		
2003/2004	615.74 band D equivalents	Precept £15,200 ÷ 615.74 = £24.68		
2004/2005	617.29 band D equivalents	Precept £15,200 ÷ 617.29 = £24.62		
2005/2006	617.16 band D equivalents	Precept £15,200 ÷ 617.16 = £24.63		
2006/2007	627.16 band D equivalents	Precept £15,650 ÷ 627.16 = £24.95		
2007/2008	635.15 band D equivalents	Precept £16,200 ÷ 635.15 = £25.50		
2008/2009	634.71 band D equivalents	Precept £16,600 ÷ 634.71 = £26.15		
2009/2010	638.43 band D equivalents	Precept £16,600 ÷ 638.43 = £26.00		
2010/2011	637.53 band D equivalents	Precept £16,600 ÷ 637.53 = £26.04		
2011/2012	631.77 band D equivalents	Precept £17,100 ÷ 631.77 = £27.06		
2012/2013	634.19 band D equivalents	Precept £17,100 ÷ 634.19 = £26.96	CTSG Total	
2013/2014	565.76 band D equivalents	Precept £15,553 ÷ 565.76 = £27.49	£1,847	£17,400
2014/2015	569.68 band D equivalents	Precept £16,100 ÷ 569.68 = £28.26	£1,389	£17,489
2015/2016	582.68 band D equivalents	Precept £16,600 ÷ 582.68 = £28.49	£882	£17,482
2016/2017	595.17 band D equivalents	Precept £17,000 ÷ 595.17 = £28.56	£501	£17,501

The charge for each other bands is calculated by multiplying the Band D charge by the appropriate scaling factor i.e. Band A - 6/9 B 7/9 C 8/9 E 11/9 F 13/9 G 15/9 H 18/9

To maintain the same level of income as in 2016/2017 the 2017/2018 Precept would have to be increased by £500 to £17,500.

This would increase a Band D annual charge by 84p, The Committee agreed to recommend an increase of £500.

Before CTSG it had been the Parish Council's policy that it would be wise to annually increase the precept by small amounts to maintain the council's finances and to avoid the necessity of a large increase sometime in the future. The Committee recommends that this policy should continue.

10. Review of Earmarked Reserves

	<u>Closing balance at 31 March 2016</u>	<u>Estimated 2016/2017 Movements</u>	<u>Estimated balance 31 March 2017</u>
Allotments	£1,255.63		£1,255.63
Allotment holders fund	£244.67		£244.67
Elections	£823.32		£823.32
New Village Hall	£571.12	+£450.00	£1,021.12
Bus Shelter Repairs	£1,402.27	+£200.00	£1,602.27
Village Stream Wall	£4,000.00		£4,000.00
War Memorial	£808.00	+£100.00	£908.00
Emergency Committee	£1,000.00		£1,000.00
Total	£10,105.01	+£750.00	£10,855.01

11. Grants It is agreed that applications should be considered at the January 2017 Budget meeting and that Posters, inviting applications should be placed in the Parish Notice Boards and posted on the What's on in Grundisburgh News Group asking that village organisations that wish to apply for a grant should do so by 3rd January.

12. Date of next meeting Budget Meeting 17th January 2017