

Minutes of the meeting of WATTON TOWN COUNCIL Finance Committee held on

Friday 29<sup>th</sup> November 2019 at

Wayland Hall, Middle Street, Watton, Norfolk IP25 6AG

Councillors Present: Kathryn Stallard (KS) – Chairman of the Committee, Peter Bishop (PB), Sue Hebborn (SH), Don Saunders and Pat Warwick (PW).

Officers Present: Jane Scarrott Town Clerk

**1. NO APOLOGIES RECEIVED**

**2. NO DECLARATIONS OF INTEREST MADE**

**Additional Report (Urgent item not on the agenda):**

During his interim visit the Town Council Internal Auditor identified errors in the calculation of Watton Town Council National Insurance contributions. Employee and Employer contributions have been underpaid. We have been assured by the Pay Roll provider that correction will be made in the December Pay Roll. It was agreed that the Pay Roll provider will be instructed to inform HMRC of the error so that arrears can be calculated. The Clerk was asked to write formally to the Pay Roll provider to request a meeting to discuss the issues arising from their errors and miss-calculations. The letter and meeting will form part of the audit trail for the Town Council.

It was agreed that following recommendations should be made to Full Council that

- (i) The Town Council should be formally asked to note and support actions agreed and taken so far in this matter
- (ii) The Town Council should, in the first instance, pay the total arrears (i.e. both employee and employer contributions estimated at £3600) and that the employee contributions should be reclaimed from employees by the Council over a three year period.

**Budget 2020/21 and Precept Request**

Each budget heading was considered against actual out-turn for 2018/19, any expected increase for the forthcoming financial year, possibilities of underspends within cost centres and comments made by Councillors at previous Council meetings. Possible new-spending was also identified.

Notable suggested increases or decreases for 2019/20 included:

- Audit down from 6500 to 5000
- IT down from 5000 to 3000
- Subs up from 1200 to 1400
- Trees down from 6000 to 4000
- Wayland Hall gas down from 7500 to 5000
- Wayland Hall window cleaning up from 200 to 1000
- Wayland Hall service contracts up from 500 to 1000
- Toilets water up from 1600 to 2500
- Fireworks up from 10000 to 11000

- Christmas Lights up from 10000 to 15000
- Grant Allocation up from 5000 to 7500

The previous recognition of the need to replace bins (£12k) was acknowledged, and it was felt that as this was a High Street Project it could be met from within the CIF rather than the working budget, and could therefore be removed from the Maintenance Cost Centre.

The suggested changes result in an increased expenditure need. The 2019/20 budget expenditure was set at £425425, suggested figure of £443825 for 2020/21.

A 4% precept increase would provide £383474.

Once expected incomes of £24800 are taken into account it would still be necessary to transfer £35551 from General Reserves to reach the budgeted expenditure figure for 2020/21.

General reserves stand at £307816 and this would drop to £272265. It cannot be confirmed until the end of the financial year (March 31<sup>st</sup>) but it is possible there will be an under spend within this year's budget. If so any underspend will be placed in General Reserves which would help to replenish that transferred.

A 4% precept increase would result in a Band D property charge of **£142.36** (2018/19 was £140.97). This £2.36 increase for the year is less than a 1% increase for individuals with a Band D property.

**4. DATE OF NEXT FINANCE COMMITTEE MEETING:  
Friday December 13<sup>th</sup> at 10.00am**

Recommendations to be made to the Full Council:

1. To note the errors made by Pay Roll provider in calculating NI payments, and further, to note and formally support the actions taken, as outlined in the Finance Committee Minutes.
2. To resolve that in respect of the areas arising from incorrect calculation of NI payments, in the first instance the Town Council should pay the total arrears (i.e. both employee and employer contributions estimated at £3600), and that the employee contributions should be reclaimed from employees by the Council over a three year period.
3. To accept the 2020/21 budget as presented, with expected expenditure of £443825 and to set the 2020/21 precept demand at £383474.