



CREWKERNE TOWN COUNCIL

TOWN HALL
MARKET SQUARE
CREWKERNE
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Councillors are hereby summoned and members of the press and public are invited to attend the next meeting of the **Policy and Resources Committee** of Crewkerne Town Council to be held remotely on **Monday 11 January 2021** *after the Amenities Committee meeting* and commencing not before **7.15pm**.

Note:

- **Members of the public who wish to attend can access the meeting through the following link:**
<https://www.youtube.com/channel/UCTA9K-7L4Onjcli2Gtz7tCg>
Please note that, when accessing this link, users should click on 'videos'. If there is no livestream already in progress, then it may be necessary to click on 'refresh' to start the livestreaming.
- **Members of the public who wish to speak at the "Open Forum" section of the meeting are kindly requested to contact the Town Council office (details above), where they will be given joining details.**

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Peter Davidson, Town Clerk
5 January 2021

A G E N D A

1. **To note apologies for absence**
2. **Open Forum:** questions may be put to the Committee during this Public Participation Session of up to 15 minutes and a maximum of 3 minutes per person.
3. **To approve the minutes of the previous meeting** held on 10 February 2020.
4. **Declarations of interest** on items on the agenda
5. **To receive the Clerk's verbal progress report** (for information).
6. **Finance:**
 - a) Third quarter income and expenditure financial report: to receive a report.
 - b) Earmarked Reserves: to receive a report on predicted Earmarked Reserves as at 31 March 2021 and recommended transfers to support the budget for 2021/22.
 - c) General Reserves: to receive a report on the estimated level of general reserves as at 31 March 2021.
 - d) Community grant application awards for 2021/22: to review the draft proposal for award of grants for recommendation to Full Council.
 - e) Budget for 2021/22: to consider the draft of the budget and associated precept calculation, for recommendation to Full Council.
7. **To receive any matters of report** (for information)
8. **Date of next meeting:** Monday 8 February 2021.

Third Quarter Income and Expenditure Report 2020/2021

Attached is the third quarter income and expenditure report for 2020/2021. As Councillors are well aware, this has been a year where external factors have significantly impacted on both income and expenditure. Key points to note are as follows:

Coronavirus impact

The obvious impact of the pandemic has been on income, with the closure of the Victoria Hall resulting in a significant loss of revenue for the Council. Additionally, the Council made the decision to waive the fees to community groups, to support them as they struggle to weather the covid storm. This had an additional impact on income.

There have been some direct costs associated with covid, such as:

- Grant awards to community groups to support their efforts to support vulnerable people during the crisis.
- The covid safety measures put in place in the Town Hall front office.
- Additional IT for office staff to enable home working.

But there have also been some savings in expenditure, such as:

- Reduction in expenditure due to the cancellation of the summer fete and Christmas market and lighting-up events.
- Reduced printing and distribution for the newsletter, due to cancellation of paper newsletters being delivered to all households.

There was also a further very significant compensating effect on expenditure, although this is less obvious. The pandemic has affected the rate at which contractor works can be discharged. With most contractors struggling themselves to cope with the effects of the pandemic, the whole process of obtaining quotations and subsequently tasking contractors with progressing work has slowed down very significantly. As a result, this has limited to an extent the expenditure this year. Good examples of this are:

- The repair/rebuild of the allotment wall at Bincombe, a very significant planned expenditure. This task has proven to be very difficult to progress in the current situation, with the result that there will be no expenditure on this task in this financial year.
- Town Hall interior project: similar comments to above.
- New projects: the only new project spend was for the purchase of the Speed Indicator Device (SID). As a result, there will be a significant underspend of the "new projects" sub-budget.

As discussed in the Earmarked Reserves report, these sub-budget underspends have been transferred into Earmarked Reserves for the forthcoming financial year, which has assisted in easing the pressure on the 2021/22 precept.

Staffing costs

With the resignation of the cemetery superintendent part-way through the year and the subsequent need to bring in a contractor to undertake cemetery maintenance tasks, this has resulted in a significant underspend in salary costs, a saving which has been transferred to Earmarked Reserves, to ease the pressure on the 2021/22 budget.

There was, of course, a knock-on increase in the cemetery grounds maintenance spend (because of the contractor costs), although the net effect was still a reduction in overall costs.

GRC

With the sad demise of CSYAL during the year and the subsequent closure of the building for public use, it was necessary for the Council to step in and manage the GRC building directly. It quickly became evident to the Council that there were a number of very significant issues with the state of repair of the building that required to be urgently addressed, before any consideration could be given to its reopening. These works (some of which are still ongoing) have proven to be costly, with a significant impact on the end-of-year expenditure.

**Quarterly Report: 3rd Quarter 2020/21
Overall Summary**

	Actual 2019/20			Budget 2020/21			Income/Expend to date 31/12/2020			Yr. End Forecast 2020/21			Net expenditure: comparison of year end f'cast to budget	Prime reason(s) for variance
	Expend	Income	Net	Expend	Income	Net	Expend	Income	Net	Expend	Income	Net		
Staff Costs	199981		199981	210020		210020	154445		154445	199398		199398	-10600	Resignation of cemetery superintendent. Transfer underspent budget to Earmarked Reserves.
Admin and bank interest/charges	45947	2036	43911	42013	1700	40313	33134	640	32494	42070	664	41407	1100	
Town Hall project			0	10000		10000	0		0	0		0	-10000	Assume no spend this FY on Town Hall project. Transfer unspent budget to Earmarked Reserves.
Town Hall & Victoria Hall (all other expenditure/income)	79893	12228	67665	28070	10547	17523	22662	567	22094	29455	630	28825	11300	Negligible Victoria Hall income + no charge to SSDC for use of CAP in Front Office + costs to implement covid safety enhancements in Front Office
Grounds Maintenance & Open Spaces	57032	7778	49254	59060	7708	51352	31900	6524	25376	40989	6518	34471	-16900	Transfer unspent budget to Earmarked Reserves.
War Memorial Grounds	2159	2864	-705	2850	2930	-80	3296	0	3296	4250	50	4200	4300	Fees waived for allotments, Severalls bowling club and Phoenix Brass
Cemetery	41277	30084	11193	42,122	30,770	11352	42122	19251	22871	42122	28084	14038	2700	Reduced recharges due to reduced CTC staff costs
Aqua Centre	4913	1000	3913	500	1000	-500	493	0	493	500	0	500	1000	Rent waived
George Reynolds Centre	23220	1	23219	10000	500	9500	26949	6199	20749	51529	8674	42855	33400	GRC maintenance/repair + running costs
Grants	12108		12108	12500		12500	13956		13956	15000		15000	2500	
Youth service	20064		20064	16000		16000	9681		9681	13665		13665	-2300	No venue hire to pay. Transfer unspent budget to Earmarked Reserves.
Public toilets	16051		16051	16000		16000	11288		11288	16000		16000	0	
Projects	1065	941	124	16000	0	16000	3485	0	3485	3485	0	3485	-12500	Speed Indicator device. No other projects. Transfer unspent budget to Earmarked Reserves.
Events	16410	2281	14129	12600	1500	11100	3743	690	3053	10039	690	9350	-1800	Summer fete and lighting up event cancelled. Transfer unspent budget to Earmarked Reserves.
TOTAL	520119	59213	460907	477735	56655	421080	357153	33871	323282	468502	45309	423193	2100	

Within or on budget	
Over budget but fully covered by Earmarked Reserves	
Over budget by < 10% or over budget and partly funded through Earmarked Reserves	
Over budget by > 10%	

Earmarked Reserves

2020/21

	Opening	Forecast		Year end balance	Comments
		Yr end added	Yr end used		
Tennis Courts Upgrade	4,356	5,000		9,356	
Invest for Crewkerne's Future	6,752			6,752	
Bincombe	844			844	
Youth Town Council	4,940			4,940	
Playgrounds	6,316		1,000	5,316	
Trf Services Youth Service	2,705	2,335		5,040	
Barn Street rec. ground	2,847			2,847	
Replacement Grounds Maint. Vehicle	4,000		4,000	0	Transfer unspent budget of £4k to Refurb of Falkland Square public toilets
Town Hall Project	0	10,000		10,000	
Staff Costs	0	10,600		10,600	
Neighbourhood Plan	0	1,000		1,000	
New Projects	5,000	6,500	6,500	5,000	Transfer unspent budget of £6.5k to Refurb of Falkland Square public toilets
Grounds maintenance	0	17,000		17,000	
Refurb of FS public toilets	0	10,500		10,500	
Events	0	1,800		1,800	
TOTAL	37760	64735	11500	90995	

Estimated balance of General Reserves for the year ending 31 March 2021

	£	
Cash Balance		
Expenditure to date	357,153	
Forecast Expenditure to Year End	468,501	a
Income to date	33,871	
Forecast Income to Year End including Precept	466,389	b
Overall Cash Balance B/fwd as of 1 April 2020	197,666	c
Forecast Year End Cash Balance	195,553	d = c + b - a
Earmarked Reserves		
Opening Balance 1st April 2020	37,760	e
Forecast Year End added	64,735	f
Forecast Year End used	11,500	g = e + f
Forecast Year End Balance	90,995	h = e + f - g
General Reserves		
Forecast Year End Cash Balance	195,553	from d
Less Forecast Year End Earmarked Reserves	90,995	from h
Forecast General Reserves as at 31st March 2021	104,558	i = d - h
% of Precept	24.8%	

Conclusion

The estimated level of General Reserves at 31 March 2021 is approximately £105,000 representing 24.8% of the Precept. This is very marginally below the minimum level of General Reserves of 25% required to be compliant with the Town Council's policy.

This level is considered acceptable, although the Council should aim to ensure that, at subsequent budgets, the General Reserves are not allowed to fall below this level.

Proposed Grant Awards 2021/22

Organisation	Requested	Proposed award
Citizens Advice South Somerset	£2,000	£2,000
Crewkerne & District Museum & Heritage Centre	£1,500	£1,000
Crewkerne Tea Dance Group	£250	£100
Crewkerne in Bloom	£1,000	£1,000
Henhayes Community Centre	£2,500	£2,000
The Speedwell	£1,500	£1,000
Crewkerne Community Church	£2,000	£0
Crewkerne Men's Shed	£1,000	£1,000
Severalls War Memorial Gardening Group	£200	£200
Crewkerne Cricket Club	£1,000	£500
Radio Ninesprings	£1,000	£100
Total	£11,950	£8,900

Note

The draft budget for 2021/22 contains an allowance of £13,000 for grant funding, which provides a margin above the funding amount shown here. This allows the Council to consider grant applications which may be received during the course of the year.

Budget and Precept Report 2021/2022

Attached is the proposed budget for 2021/22. The following narrative highlights the key aspects of this budget and the associated precept to be levied.

1. Principle drivers for the budget

Staffing costs

- Grounds maintenance: as Councillors are well aware, with the resignation of the cemetery superintendent, the Council is now operating with only two members of grounds staff. Although routine cemetery maintenance is being handled by contractors, the overall effect of the reduction in grounds staff is that grounds maintenance tasks across the amenities areas of Crewkerne are having to be strictly prioritised, and there is no scope for the taking on of new projects. In order to address this shortfall, the budget assumes that an additional grounds maintenance person is recruited from October onwards.
- Management of the GRC: with the demise of CSYAL, the Town Council is now responsible for the management of the GRC. Looking forward to the time when the GRC is able to be re-opened to the public, it will be necessary to appoint a person to efficiently manage this community facility. The budget makes due allowance for recruitment of a person into this role during the forthcoming financial year.

Refurbishment of the Falkland Square public toilets

The Falkland Square public toilets are a very well-used facility by both residents and visitors to Crewkerne but are now in a very poor state of repair and urgently require a major refurbishment. The budget allows for the task of refurbishing the toilets to be carried out. In order to minimise the impact on the precept, the Council has applied to the SSDC Market Towns Investment Group for grant funding and the budget assumes that this funding request will be successful.

Use of Earmarked Reserves

As the current financial year draws to a close, it is clear that there are several areas which will be underspent at year end (further detail on this is provided in the Third Quarter report). As a result, it has been possible to transfer a significant amount of unspent budget into Earmarked Reserves, which is then available to be drawn down in the forthcoming financial year. This significantly assists in managing the precept for 2021/22.

Maintenance and running costs for the GRC

As noted above, the Council is now responsible for directly managing this important town centre community facility. Due allowance has been made for the necessary maintenance and running costs for the GRC. With the covid pandemic ongoing, it is a harsh reality that, for this coming financial year, the GRC is likely to remain closed to community groups and the public for a significant part of the year. The budget has therefore taken a prudent approach to the amount of income that might be generated for this financial year.

2. Precept

The overall budget proposed is £440,047. This represents an increase of 4.5% on the precept in comparison with last year. In order to understand what this means per household, the precept must be divided by the Tax Base, which is the equivalent number of Band D properties in the parish of Crewkerne. Each year, the Tax Base is calculated by SSDC and presented to all town and parish councils. For Crewkerne this year, there has been a 1.1% reduction in the Tax Base. As a result, the 4.5% increase in the precept actually equates to a 5.6% increase in the Band D charge.

It must be emphasised that this percentage increase actually equates to an increase of only £9.52 per annum per Band D household.

Crewkerne Town Council

PRECEPT 2021/22	20/21 Precept			2021/22 DRAFT Precept		
SUMMARY PAGE	Expenditure	Income	Net Cost	Expenditure	Income	Net Cost
SALARIES	210,020	0	210,020	203,603	0	203,603
ADMIN	42,013	1,700	40,313	47,780	750	47,030
TOWN HALL AND VIC. HALL	38,070	10,547	27,523	30,022	2,050	27,972
GROUNDS MAINTENANCE	59,060	7,708	51,352	39,649	6,523	33,126
WAR MEMORIAL GROUNDS	2,850	2,930	-80	3,000	50	2,950
CEMETERY	42,122	30,770	11,352	42,906	19,300	23,606
AQUA CENTRE	500	1,000	-500	500	0	500
GRC	10,000	500	9,500	32,750	11,000	21,750
GRANTS	12,500		12,500	13,000		13,000
YOUTH PROVISION	16,000		16,000	11,000		11,000
PUBLIC TOILETS	16,000		16,000	42,500		42,500
PROJECTS	16,000		16,000	0		0
EVENTS	12,600	1,500	11,100	13,000	0	13,000
SUB TOTALS	477,735	56,655	421,080	479,710	39,673	440,037
AMOUNT TO COLLECT FROM CREWKERNE COUNCIL TAX PAYERS			421,080			440,037
TAX BASE			2,495.07			2,468.22
Equivalent Band D charge			£168.76			£178.28
% change compared to previous precept			2.9%			4.5%
£ change in Band D charge			£3.83			£9.52
% change in Band D charge			2.3%			5.6%

Signed

Date