

SHREWSBURY TOWN COUNCIL

**Meeting of the Finance & General Purposes Committee
Held in Committee Room, Livesey House
At 6.00pm on Monday 3rd June 2024**

PRESENT

Councillors: A Mosley (Chair), E Addams, R Dartnall, N Green, P Moseley, A Phillips and R Wilson

IN ATTENDANCE

Helen Ball (Town Clerk), Andy Watkin (Head of Resources), Stuart Farmer (Acting Operations Manager), Ian Thorpe (Commercial, Markets and Events Manager) and Heather Phillips (Committee Clerk)

01/24 APOLOGIES FOR ABSENCE

RESOLVED:

That apologies be accepted from the Councillor Dean, Councillor Vasmer, Andy Hall (Youth & Community Manager) and Amanda Spencer (Deputy Town Clerk).

02/24 DECLARATIONS OF INTEREST

Shropshire Councillors	Those twin-hatted members declared a personal interest in any matters relating to the Town Council's relationship with Shropshire Council.
Councillor Green	Declared a prejudicial interest in Item 11/24 Markets Update and was a Trustee of The Hive (Item 08/24

03/24 MINUTES OF THE LAST MEETING

The Minutes of the Finance & General Purposes Committee meetings held on 15th April 2024 were submitted and circulated as read.

Councillor Moseley referred to Min 89/23 to request an amendment to the first line of the final paragraph where it referred to Councillor Mosley instead of Councillor Moseley.

RESOLVED:

That upon the above amendment to Min 89/23, the minutes of the Finance & General Purposes Committee meeting held on 15th April 2024 be approved and signed as a correct record.

04/24 MATTERS ARISING FROM PREVIOUS MINUTES

Re Min 93/23 – Co-operative Council's Network - The Town Clerk reported on the benefits to the Town Council of Associate Membership of the Co-operative Council's Innovation Network as requested of the Deputy Town Clerk at the last meeting.

The Deputy Town Clerk had contacted current members of the Co-operative Council's Innovation Network: Burntwood Town Council and Winsford Town Council.

Burntwood Town Council had found membership very useful and that it got lots of information and support from the Network. Burntwood was able to get access to officers and members from other, much larger, councils to pick their brains. It was also able to showcase some of its projects through the Policy Lab and had had help in obtaining grants. Members also attended the CCIN Conference and found it to be an excellent networking event.

Winsford Town Council had found the Network a useful forum for networking and for finding out what others were doing, although it hadn't used it as much as it could.

Councillors concluded that there could be merit in becoming an Associate Member but that it should not become burdensome on officers.

RECOMMENDED:

That the Town Council applies for Associate Membership of Co-operative Council's Innovation Network for one year and reviews the benefit of membership thereafter.

05/24 PAYMENT SCHEDULES

Prior to the meeting, the Responsible Finance Officer (RFO) circulated the Schedule of Payments for the period 1st April to 24th May 2024. These had been agreed by two signatories before the RFO and Town Clerk. No comments or concerns were raised.

RECOMMENDED:

That the schedule of payments passed for payment for the period 1st April to 24th May 2024 be approved.

06/24 PREPARE END OF YEAR ACCOUNTS

Prior to this meeting a report on End of Year Accounting was circulated by the RFO to appraise members on the process for the year end accounts and relevant submission dates.

The RFO presented the Annual Report and Draft Accounts for the year ending 31st March 2024, copies of which had been distributed prior to the meeting. The following documents were included:

- Annual Report
- Statement of Accounting Policies
- Annual Governance Statement
- Income & Expenditure Account
- Statement of Movement of Reserves
- Balance Sheet
- Annual Return (AGAR)

The Annual Report pages 1-9 detailed the activity of the Council and provided a financial comparison for the year compared to the budget.

The RFO explained that overall the position was better than budgeted and better than expected, and that this had generated a surplus which had been allocated in earmarked reserves.

The RFO summarised as follows:

Budget Comparison

- Income was skewed by grants and S106/CIL of £697k which left a positive variance of £325k due to interest, markets and concessions.
- Expenses had increased quarterly as reported but there was some positive variance of budget due to strict monitoring and unreplaced staff. Capital included funded projects but also received income transferred to reserves.
- Overall there was a small surplus of £3,373, but in reality this was higher due to some budgets not used and amounts earmarked. Whilst anticipating a surplus, interest rates had continued to increase, some staff posts were not filled immediately and some expenditure had not been incurred, such as winter maintenance.
- There was a negative capital expenditure variance of (£1,062,279).

Statement of Accounting policies

There was no change in the Statement of Accounting Policies.

Annual Governance Statement

The Annual Governance Statement fed into the Annual Governance and Accountability Return (AGAR) and showed how the Council met the assertions. This was updated annually by the Town Clerk and the RFO.

Assertion 8 Significant Events (p20) was updated since last year and read as follows:

- (i) The proceedings brought against Shropshire Council by Dr Day in relation to the planning decision on a parcel of land previously owned by the Town Council was concluded. The Supreme Court upheld Dr Day's claim. The Town Council has concluded its negotiations with CSE and an agreement to repurchase the land has been agreed. This shall be completed in the early part of 2024/25 Financial Year.
- (ii) The Town Council continues to be greatly impacted by significant emergency scenarios that were unforeseen and beyond their control; namely significant flooding of the River Severn.
- (iii) The Town Council continues to be in negotiation with Shropshire Council over the future of the Horticultural Service Level Agreement which is scheduled to expire on 31st March 2025.

- (iv) In February 2024 Shropshire Council published its MTFP outlining the need to make £62m of cuts to its revenue budget in 2024/25. These cuts are likely to impact on non-statutory services many of which are provided in Shrewsbury. The Town Council has set up a Member/Officer working group to consider the implications of these budget cuts both to the Town Council and the town.

Income and Expenditure Account

There was a surplus of £170,423 due to large capital expenditure outweighed by savings and large non-revenue receipts such as S106/CIL treated as income. Most years this fluctuated between large surplus/(deficit) by items classed as non-revenue under normal accounting treatment. There was a positive variance for Youth and Sports Facilities due to Alternative Curriculum work that was not budgeted and the VAT reclaim from HMRC.

Under expenditure, the major positive variances were down to delayed recruitment eg Democratic (the Mayor's Driver) and business rates re-evaluation. Not all expenses were as predicted eg fuel costs were higher.

Statement of Movement of reserves

The movement of net reserves was self-explanatory and showed general reserves increased by £3,269 to £348,848; earmarked reserves were explored later; capital financing represented fixed asset movements.

Balance Sheet

There was a slight increase in working capital, ie net current assets to mirror the overall position of surplus and the transaction relating to Greenfields not included in these accounts.

Notes to the Accounts

Councillor Mosley referred to the Council's contribution of £30k to the Beaver Project with the Wildlife Trust and asked if this meant that the whole liability of this project belonged to the Town Council? The RFO confirmed this.

Earmarked reserves

There was a lot of movement other than the budgeted amounts added, or where the Town Council have used reserves in the year to finance expenditure. The RFO brought the following figures to members' attention:

- £163k – Establishment Fund (project completed and transferred the residue to Greenfields Recreation Ground which is new this year)
- £127k – Bus Shelters Phase 3 (balance of Phase 2 fund £27k + £100k from the year's accounts to set up new fund)
- £24k – Wall Repairs (estimated liability on repairs due)
- £438k – Greenfields (reserve set up to meet costs - £163k from establishment and further £275k from accounts)

The RFO added that a sizeable sum was needed for capital purposes. Some projects had been done, which was shown in the negative figures, and some projects had not used all the allocated funds and this was moved to a different place.

The Establishment Fund had been used for the office move to Livesey House but there was now no need for this so £162,666 would go into General Reserves and moved to cover the associated Greenfields costs.

IT upgrade and infrastructure used a reserve of £11,641, the Splash Park used a reserve of £7,227 and Climate Change used a reserve of £41,791. The Skatepark upgrade had used up its budget. The £26,958 left over from Phase 2 of the new Bus Shelter instalments was transferred to Phase 3 and another £100k added. Ash-die back work used £21,488 and the Footway lights reserve was finished off. The Beaver Project monies had been used for the enclosure and fencing. Wall repairs (Holy Trinity Church with St Julian, Belle Vue) was still to be done and was estimated at £24k.

Greenfields had £162k transferred in from the Establishment fund and interest. Therefore, there was £437,666 to go towards this liability.

The RFO invited members questions and comments from members.

Councillor Dartnall asked about the budget for the Dana path works. The RFO replied that there was £50k allocated for these works.

Councillor Wilson was pleased to see that Phase 3 of the bus shelter replacements was in sight and asked how many more would be replaced. The Projects Officer replied that a good few would be replaced but did not have a definitive figure.

Councillor Wilson suggested a working group was set up to discuss where the money will come from for the liabilities associated with Greenfields and to form alternative plans as necessary. Councillor Mosley said that the net figure may become available so this could be on hold until the Autumn. The RFO said that he could revisit the figures in the light of Earmarked Reserves available now and update the schedules previously provided.

The RFO continued to the Deferred income/grant funds figures under Notes to the Accounts. The Neighbourhood Fund (CIL) and Commuted Sums (£106) net figures fed into accounts and needed to be spent before the deadline. There was no change to Receipts.

Annual Governance and Accountability Return (AGAR)

The AGAR was presented and highlighted that it has been signed by the Internal Auditor.

Section 1 and 2 were completed by the Town Council, section 3 is to be completed by the External Auditor. The AGAR along with further information would be submitted to External Auditors at the end of June and the deadline for completed audit was the end of September. Councillor Mosley asked if item 8 in Section 1 covered the Greenfields activity. The RFO said that the External Auditor had been fully aware of the issue.

Councillor Mosley thanked the RFO for the comprehensive and accurate work done on the accounts.

RECOMMENDED:

- (i) **That End of Year Accounts for the Year Ended 31st March 2024, incorporating the following be approved:**
- a. **Annual Report**
 - b. **Statement of Accounting Policies**
 - c. **Annual Governance Statement**
 - d. **Income & Expenditure Account**
 - e. **Statement of Movement of Reserves**
 - f. **Balance Sheet**
- (ii) **That the Annual Return for the Year Ended 31st March 2024 be approved and forwarded to the External Auditor for unqualified audit.**

RESOLVED:

That the Report and timetabled dates be noted.

07/24 INTERNAL AUDITOR

The RFO reported that the Internal Auditor had completed the final audit and was able to sign page 3 of the Annual Return (AGAR). The audit was clean apart from a small recommendation regarding paperwork for the Market Hall; the auditor will reinspect this during the first audit in 2024/25. It was noted that the new markets manager, Ian Thorpe, was now in post.

RECOMMENDED:

That the Internal Auditor's final audit report for the financial year ending 31st March 2024 be accepted, and page 3 of the AGAR submitted to external auditor.

08/24 YOUTH ACTIVITIES

The Youth & Community Manager circulated a report on youth activities and club statistics prior to the meeting. The Town Clerk added that the youth team had been very active recently particularly with new activities eg the café at The Hive and the Youth Council.

Councillor Mosley noted that a grant had been received for football sessions and that the youth team were working with Shrewsbury Town Football Club and providing more activity in the Monkmoor area.

Councillor Wilson said he had met, and been very impressed by, members of the Youth Council; he was sure that they would prove to be an asset to the town. The Town Clerk added that the young members had similarly enjoyed it. Voting for the Mini-Mayor will take place at the next meeting of the Youth Council.

Councillor Wilson said that the Youth & Community Manager had managed to obtain access to a minibus free of charge and he was hoping to get some magnetic livery to attach to it.

RESOLVED:

That the report be noted.

09/24 TENDER WORK

A report on tendering activity and details on tender progress were circulated to members prior to the meeting. The Projects Officer remarked that it was currently a busy time for tenders especially with concessions in the Quarry.

Councillor Wilson asked if the Town Council would be re-tendering for the next phase of bus shelter replacements. The Town Clerk said that there would not be a re-tendering for this project as it had been a robust tendering process initially. Out of 107 bus shelters, 45 have so far been replaced.

Councillor Addams remarked that since one of the bus shelters in the Harlescott area had been replaced, there had been no instances of graffiti which had previously been a regular occurrence.

RESOLVED:

That the report be noted.

10/24 CAPITAL PROGRAMME

An update on the Capital Programme was circulated prior to the meeting and the Deputy Town Clerk updated members as follows:

- Kynaston drainage works – these were now complete and local residents had already reported drainage improvements in gardens. The large puddle on the basketball court should dry out after recent wet weather.
- Monkmoor Recreation Ground Tennis Courts – an indicative cost of £50k for an outdoor gym equipment installation utilising two of the old courts had been received. It was thought that this could be funded through developer contributions relating to significant development in the vicinity. A wholesale review of activity on the site was to be planned. The Bowling Club had relocated, and safe accommodation of the Archery Club needed to be considered so that it did not conflict with the football. There was also a football coach, promoting coaching, who was gaining access to the all-weather pitch without payment. A new Park Warden had recently been appointed to keep track on activities.
- Castle Grounds – the Shropshire Horticultural Society had finally come to a long-term agreement with Shropshire Council regarding the whole of the outer bailey which meant that the pathway could progress, subject to an application for planning permission for Scheduled Ancient Monument Consent for the revised path. A meeting was planned for next week to discuss.
- Beaver Project – contractors were back on site to undertake the snagging list and install the trash screens. The Town Clerk and Projects Officer were meeting with them to iron-out any anomalies. Arrival of the beavers was expected in Autumn.
- Greenfields Recreation Ground land that had been repurchased had had its Heras fencing re-erected to prevent access. Works were required to make the site safe but

could not be undertaken until the bird nesting season moratorium had ended (end August). This was now to be an Autumn project.

Councillor Mosley said that the Castle Grounds project also required discussion with the prison. It was also noted that the land around the Castle was maintained under the current Service Level Agreement with Shropshire Council but that the Town Council had never charged for this.

Councillor Wilson reported that Councillor Vasmer would like to be involved with the Monkmoor Tennis Court works. Councillor Mosley asked about the efficacy of the outdoor gym equipment installation proposal and whether it was thought that it would be well used considering the amount of indoor gyms in the town. The Town Clerk said that nothing was decided but that something had to be done with the site and it needed to be something its proximity to houses.

Councillor Addams remarked that some play equipment had been removed from the Seven Pitches site. The Town Clerk said that Councillor Parry would need to report this to Shropshire Council as the asset was its responsibility.

RESOLVED:

That the update of the Capital Programme be noted.

Councillor Green left the meeting.

11/24 MARKETS UPDATE

The Commercial, Markets and Events Manager reported that the Market Hall stalls are at 100% capacity and that there were no casual traders nor any in arrears. He said that, as he was new the role, he had been to meet each of the traders and this had been a very positive experience. He said that there was a good atmosphere in the Market. Canopies were to be considered in the future.

Councillor Addams left the meeting, joining Councillor Green, to administer First Aid to a member of the public outside.

Councillor Mosley said he had visited the Sunday Market last weekend and it had been virtually empty. The RFO said that the Council had an operator who managed the Sunday Market on behalf of the Town Council. He added that bad weather tended to keep traders and customers away, and that there were other artisan markets locally to compete with.

Councillor Phillips said that he had noticed a car meet on the same site on Friday evening (about 60-70 cars). The RFO replied that this could have been an illegal meeting - the site was also Shropshire Council's Park & Ride car park - and that the Town Council only had use of it on Sundays.

Councillor Mosley mentioned the terrible state of the toilets on this site. The RFO said that they he would report this concern to Shropshire Council as it was responsible for the toilets.

RESOLVED

- (i) **That the verbal report be noted.**
- (ii) **That feedback be given to Shropshire Council on the state of the toilets at the Sunday Market site.**

12/24 GRANT FUND ALLOCATIONS

The RFO circulated a report on Grant Fund Allocations prior to the meeting following a request at the last meeting to increase the Grant Fund allocations for 2024/25 to £40k. He proposed that the current grant funds be retained while increasing the amounts available for the community scheme and setting up a new scheme with higher limits for specific areas agreed annually ie

- £17,250 Community Grant Fund
- £12,750 Local Councillor Grant Fund
- £10,000 Larger Community Grant Fund

Councillor Mosley thanked the RFO for the report but said that he would prefer to put the increase of £20k into the Community Grant Fund but increase the maximum that could be awarded; the Local Councillor Grant fund to be left as it was. Councillor Wilson agreed and said he would prefer to give grants to more applicants, rather than a higher amount, in order to achieve a wider spread of awards.

After some discussion, it was decided that the extra £20k be added to the Community Grant Fund and that the maximum for each award be raised to £3k. Also that the award amount should be split in half for each award period and any remaining monies carried forward to the next grant period.

RECOMMENDED

That an extra £20k be added to the Community Grant Fund and that the maximum award be raised to £3k.

13/24 CLOSING REMARKS

In closing the meeting, the Chairman thanked members of the public that had logged into listen as well as Councillors and staff involved in the meeting. All papers relating to this meeting could be found on the website www.shrewsburytowncouncil.gov.uk and the minutes would appear in draft on the website within the next month.