

MINUTES of the Finance Committee meeting held in the meeting room at the Red Lion on Ash Brow, Newburgh on Wednesday 16 January 2019 at 7.30pm.

PRESENT: Cllrs Moore (Chair), O'Keefe, Baker (Finance Committee) and Clerk S Jones.

Cllrs Turner, Atty, Roughneen and Casey also attended.

1. APOLOGIES: Cllr Citarella
2. DECLARATIONS OF INTEREST  
None
3. SPENDING PLANS 2018/19 AND BUDGET 2019/20  
Discussions centred on the appendices attached to the Agenda, which were examined and understood.

#### **Forecast Year End Expenditure and Income 2018/19**

It was noted that a small underspend in running costs is predicted for the end of the current financial year compared to the budget, partly due to less money being spent on village environment issues during the year than originally planned. Less expenditure has been incurred as Parish Councillors and residents have been litter picking and taking part in other tasks during the year to keep the village tidy. In addition, the Parish Council was also successful in gaining grants from the West Lancashire Borough Council Capital Scheme and the Lancashire County Council Parish Champion, which helped to contribute towards the cost of repairing two of the village bus shelters and the purchase of a new Parish Council computer. The Clerk confirmed that the Concurrent Grant from West Lancashire Borough Council is forecast to be fully spent by the end of the financial year.

#### **Forecast Year End Reserves 2018/19**

Overall, reserves are expected to be increased by the forecast underspend. The breakdown of the resulting reserves will be amended, although the Twinning, and External Audit reserves will remain unchanged. The Footpath Delegation Scheme reserve will be increased from £975 to £1,110 to take account of the additional monies received from Lancashire County Council during this financial year. The Elections reserve has been reduced to £200 following the Parish Council election in 2018. The additional monies from the forecast underspend could be added to the general reserve or held in a specific Village Maintenance reserve, depending on the decision taken at the Parish Council meeting. Councillors are also asked to consider setting up a new reserve for the £200 underspend from the contribution to the demographer hired by CPRE (Campaign to Protect Rural England) Lancashire to investigate the methodology used in the West Lancashire Borough Council Local Plan consultation document.

#### **Budget 2019/20**

- a) Although there are some unknowns this year, many budgets are proposed to stay the same or increase slightly. Some budgets recommended to increase include the clerk's salary, donations and general administration. In the case of the Clerk's salary, the national pay award is known for the year and has been included.
- b) With regards to income, the Concurrent Grant budget has stayed the same following three years of successive cuts by West Lancashire Borough Council.
- c) Items of Capital expenditure were discussed by Councillors and focussed on three main areas: improvements to village signage on the bus shelter on Ash Brow and the neighbouring footpath sign and the purchase of equipment to assist with the village clean up initiative. An application for a grant could be made to the West Lancashire Borough Council Capital Scheme, however, confirmation will only be received around May and this may be too late for both areas of expenditure which really need to be carried out by year end if possible. Based on the year end forecast, it is likely that the underspend would cover both areas of expenditure with any additions being met by the Parish Council reserves which should be minimal. Councillors were asked to consider the options and a final decision will be made at the Parish Council meeting on 23 January.
- d) There are two issues which will need to be addressed by the Parish Council during 2019/20 and both could result in major expenditure.

- **Improvements to canal footpath between Parbold and Newburgh**  
A joint project has been recently set up to look into the possibility of improving the canal footpath between the two villages. There are a number of uncertainties due to the complexity of the situation as various landowners are involved and their permission is needed before the matter of funding is progressed. A basic estimate prior to any surveys being undertaken is £70,000, which is beyond the reach of both Parishes so funding would be essential for the project to go ahead.
- **Proposed gift of Bluebell Wood and adjoining field to the Parish**  
The owners of Bluebell wood and the adjoining field have recently contacted the Parish Council with the offer to gift the land to the village in memory of family members who lived in Newburgh. No details are yet known so discussions will have to take place to confirm the actual land included in the gift and any ongoing commitments the Parish Council would have to undertake which could prove to be costly. There is also the possibility of legal fees should the transfer go ahead.

Although the Parish Council will use reserves when required, it is important that all the reserves are not used up in case an unforeseen emergency may arise, for which we would not get grant funding. The level of current reserves should be sufficient when considering expenditure known to the Parish Council at this stage. However, without increasing the budget, we would have to use some of the reserves to pay for any initial costs arising during the year for the two projects outlined above.

**The Council is asked to consider two options at the Parish Council meeting on 23 January:**

- **Keep the budget the same at £14,148 with the possibility of having to use reserves for any unexpected costs including the two projects outlined in paragraph 3d, or**
- **Increase the budget by £1,000 to £15,148 to provide for the unexpected costs for 2019/20 including the two projects outlined in paragraph 3d. The increase of £1,000 would represent 7.4% increase to the precept and an additional £2.22 per household for the year.**

4. **LEVEL OF PRECEPT 2019/20**

Precept history was presented and considered at the meeting.

**The Council is asked to consider two options. Keeping the budget the same would result in a minimal increase of 5p per household per year (£30.02 total), while increasing the budget by £1,000 would result in 7.4% increase and an additional £2.22 (£32.19 total) per household per year. The minimal increase of 5p per household as a result of keeping the budget the same, is due to other parts of the calculation which are determined by West Lancashire Borough Council.**