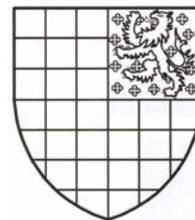


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**LEWES
TOWN
COUNCIL**

MINUTES

of the meeting of the **Finance Review Working Party**
held on **Monday 26th November 2012**, in the **Yarrow Room, Town Hall**, Lewes at **6:30pm**.

PRESENT Cllrs M Chartier; A Dean; S Murray; R O’Keeffe; Dr M Turner (*Chairman*), and also present (*not nominated to serve on Working party*): Cllr J Stockdale; Cllr Catlin

In attendance: S Brigden (*Town Clerk [TC]*)

Also attending: Ms R Eggar, Chairman of Lewes Town Partnership

FWP2012/01 **APOLOGIES FOR ABSENCE:** Apologies were received and accepted from Cllr J Daly, who was on holiday, and Cllr R Rudkin, who was attending university. No message was received from Cllr Eiloart.

FWP2012/02 **DECLARATIONS OF INTEREST:** Cllrs Murray (S) and O’Keeffe declared their directorships of Lewes Town Partnership.

FWP2012/03 **QUESTIONS:** There were none (No public or press were present).

FWP2012/04 **REMIT OF THE WORKING PARTY:**
The working party was asked to examine the detail of estimated expenditure and income for the Council’s operations, and to agree a budget and level of Council Tax precept for the 2013/14 year, for recommendation to Council.

Further: Council asked that the Working Party consider the request of Lewes Town Partnership for continued financial support and also that it considers either identification of a budget-head, or allocation of a sum of money, in the 2013/14 budget; to be spent with the involvement of local people (Public Participatory Budgeting)

FWP2012/05 **BUSINESS OF THE MEETING:**

1 Ms Eggar presented her request for the continuation of financial support for Lewes Town Partnership (LTP). There was discussion on this matter, and various suggestions considered, including a reduction in the amount given. It was acknowledged that the LTP was originally set up in response to government requirements for a popular forum in every locality, empowered to refer to statutory bodies the opinions and aspirations *etc* of their community. Further, it was recognized that the Town Council’s funding was related to the actual costs of the LTP’s single part-time administrative worker, the sum having been originally calculated to a specific rate appropriate to the duties, when District funding was withdrawn some years ago. The discussion concluded with a vote, and **it was resolved that FWP2012/05.1** Council should be asked to continue the funding at £7,000 in 2013/14, and to review the matter again in 2013. Ms Eggar thanked everyone and left the meeting at that point.

2 TC apologized that the computer presentation set up for the evening to allow live modelling of suggestions was unavailable as the projector bulb had failed shortly before the opening of the meeting. Members referred to previously-supplied working papers and considered in detail the background information giving rise to draft service budgets, and a provisional figure for the resulting 2013/14 precept requirement (copies in the minute book).

3 TC outlined the assumptions and basic principles applied in compiling the recommended budget. These were shown in the working notes, and the application to individual accounts and services was explained. It was noted that grants were

Continues...

again being offered to principal councils to encourage “freezing” of Council Tax, yet similar support remained unavailable for parish councils.

4 It was acknowledged that there was a continuing need to address the proper maintenance of the Council’s physical assets and to adequately fund continuing services. The recommended budget combined specific amounts for known costs and committed project items, with prudent allowances for reserves, and provided for a flexible response to any devolution proposals. This had, once again, been achieved without the need for an overall increase in Precept. Reserves earmarked for the Council’s significant service and project requirements were considered suitably robust and adequate to fulfil their purpose. It was recognized that, whilst there were commitments about to be realized that would draw on the Council’s General Fund, it was appropriate to allow this fund to reduce (provided plans were clear for reinstatement) as the balance stood near the maximum of the recommended range.

5 The working party began assessment of each service, and questions were asked on various details. As this commenced; attention was drawn to the All Saints Centre (ASC) account, by Cllrs Dean and Stockdale, who challenged provisions related to the new cinema service. TC explained the “prudence principle” applied (as with all accounts), where all predictable expenditure was allowed-for but income consciously underestimated. Cllr Stockdale insisted that the budget should reflect the full potential income mentioned during original consideration of the new service. TC maintained that: based upon actual performance in the first few weekends of film at All Saints it was prudent to estimate a lower sum. Whilst remaining confident of the potential, it remained unrealized at the point the budget was drafted. Cllr Stockdale refused to accept this principle, rehearsing criticisms of the original cinema proposals to Council; talking over the Town Clerk’s answer, and becoming extremely assertive. Cllr Dean added further criticisms and quoted her own recollections of the original discussions in Council, stating that she shared with Cllr Stockdale (who had left the meeting by this time [7:25pm]) concerns “...not just about All Saints, but across the board” claiming that “a veil was drawn over issues”. Volubly and with no regard for the authority of the Chairman, Cllr Dean then continued; casting various non-specific aspersions on the integrity of colleagues and of the Town Clerk, despite attempts to caution her. She criticized an omission in detail of one element of the ASC account and was emphatically reminded by several of those present that the documents were clearly introduced and labelled as draft working papers – if a refinement was requested to any detail presented on them it could easily be accommodated upon reasonable request. She then left the meeting (7:35pm), and some discussion took place as to the behaviour recently witnessed.

6 Members returned to their interrupted task of scrutinizing service budget estimates, and a question was raised about salary provision. It was explained that the proposed budget anticipated no pay award in 2013, the fourth consecutive year in which staff had not received an increase. Members asked several questions regarding the general position of staff, borne of a humane concern for their continued “earnings recession”, and TC explained the national framework and anticipated developments in this respect. Members were interested to learn that a recent national survey of larger parish councils had placed Lewes in the lower (most “efficient”) 50% with regard to staff cost as a proportion of overall expenditure.

7 After further comprehensive discussion, and a general review of continuing and anticipated projects, the Chairman apologized to TC on behalf of the Council for the treatment he had received, and thanked him for his work on the budget. Other Members expressed appreciation for the clarity of presentation.

8 On the matter of Public Participatory Budgeting; after reviewing service accounts and project budgets, Members considered that the most appropriate budget to identify for public involvement was the reserve (R8) earmarked for Environmental Enhancements. If Council accepted the Working Party’s

recommendations, this would offer a balance of £21,000 in 2013/14.

FWP2012/06

RECOMMENDATIONS/CONCLUSIONS

1 That the budgets for service expenditure and income for the 2013/14 financial year, as recommended and accompanying these minutes, be approved.

2 That the Council Tax precept for the 2013/14 year be set at £782,000.

3 That the Council pays Lewes Town Partnership a support grant of £7,000 in 2013/14, and reviews the matter again in 2013.

4 That the reserve fund designated R8 in the Council's accounts and earmarked for Environmental Enhancements, is identified as suitable to allow public participation.

FWP2012/07

The Chairman thanked those present for their valued contribution and declared the meeting closed.

The meeting closed at 7:55pm

Signed:

Date:

NOTE: In accordance with a resolution of Council on 24th January 2013, and following debate as to the accuracy of these minutes, a full transcript of the audio recording made at the meeting of the Finance Working Party on 26th November 2012 is appended to these minutes:

TRANSCRIPT of audio recording: Finance Working Party 26 November 2012

transcribed by APA Secretarial Services, Lewes

MT = Cllr Micheal Turner (*Chairman of Working Party*)
SM = Cllr Susan Murray
MC = Cllr Michael Chartier
JS = Cllr John Stockdale (*not appointed to Working Party*)
AD = Cllr Amanda Dean
SC = Cllr Stephen Catlin (*not appointed to Working Party*)
ROK = Cllr Ruth O'Keefe
TC = Town Clerk
RE = Rosey Eggar (*Chairman, Lewes Town Partnership*)

- 1 **00m:00s** MT: Steve to do a brief introduction in telling us what all the papers are all about and then for people who have questions to ask them and we'll take those in turn and see how we get on.
- 2 SM: What about Rosie, is she going to...
- 3 TC: Can I suggest you do Rosie first so she doesn't have to sit through the rest of the, the boring stuff, Mike?
- 4 MT: Okay. Sorry, Rosie what are you here for?
- 5 RE: Lewes Town Partnership.
- 6 MT: Right.
- 7 RE: I'm the chair and I was asked to come to this meeting to add to what was discussed at the full council meeting.
- 8 MT: Yes, I remember now. Sorry. Yes, we will take you first.

- 9 MC: Sorry, if I interrupt. No, I'm not being rude deliberately but I do feel that we ought to have at least declarations of interest before we actually deal with any item otherwise inadvertently a member could be compromised.
- 10 MT: True.
- 11 JS: Chair, could I have a set of papers please.
- 12 TC: We don't have any spare papers; I'm afraid you're going to have to share. We don't do working papers for non-members for this because they're big format and in colour. Can you share with Amanda or Susan?
- 13 SC: I'm sharing.
- 14 SM: Yes, we're already sharing. Well I shall declare an interest in the director of the Lewes Town Partnership.
- 15 JS: You are?
- 16 SM: I am declaring an interest.
- 17 JS: Are you a director?
- 18 SM: I am. I think I know that!
- 19 JS: I don't.
- 20 RE: Because we've got the two observers, Catlin, Councillor Catlin who is the Town Council observer and Councillor Stockdale at the end there who is the District Council observer.
- 21 MT: Right and you've come to ask us about the grant?
- 22 RE: Yes. Well...yes the money that we are receiving from you.
- 23 TC: The council asked you back in October to make a decision about the continuation of £7,000 funding, which is on the back of your agendas. I have got spare agendas, do you want one of those, John?
- 24 JS: Thanks.
- 25 TC: That's the resolution on the back which is why Rosie is here this evening and subject to your scores...
- 26 MT: I remember there was some discussion about whether or not we should pay the full £7,000 or whether there was a surplus in the funds sufficient for us to pay less this year.
- 27 RE: Right, in fact I can say to that in fact the figure that was in the figures that you saw was not an accurate figure because there was an amount in there that had not been paid to our administrative worker so it was...sorry, I am not very good on accounts but it was like an accrual that was still owed and so it was somewhat misleading because there was also in that a back payment to the administrative worker. So we've got just over, I think it's £2,000, available which we could say no, sort of if it was used as part of the payment but what would then be a problem would be to hold any public meetings or anything in a building where we had to pay rent.
- 28 MT: Sure. Does anyone have a proposal to make about this? Should we pay the full £7,000 that was asked for or should we make it up to £7,000 by giving £5,000?
- 29 TC: Is everyone familiar with the background to this, can I ask, before you make a decision? Why it was £7,000 in the first place, would that help?
- 30 SC: I would find it useful chair.
- 31 MT: Yes, certainly.
- 32 TC: The original suggestion, coming back to the earliest days of this agreement, set it at a value that was equated to a comparable post when the worker who was employed by the District Council across the 5 towns on a one day a week per town basis. When the District ceased to fund that the worker was employed directly by Lewes, Newhaven and Telscombe Cliffs, not by all 5 I have to say, and although the salary establishment over there was considerably more generous than it was thought appropriate for admin support such as Rosie's describing we calculated at the time, the chairman of the Town Partnership got some figures together that I verified, and it was actually established as a comparable post for the requisite 7 hour day, 1 day a week. In fact it's a 6½ hour day, I think, isn't it, Rosie?

- 33 RE: Yes, it's a bit variable because...
- 34 TC: And that's what it pays for and it's linked to national salary increases of which there have been none for the last 3 years but that was the arrangement, that is where the value comes from. I have no idea how you may have accrued a surplus in any fund because in theory you have been paying out our money direct as a salary.
- 35 RE: Well it may also be that because we had some money for a map, you know, it may be some of that money is still required for the map project. I don't think it's any of the £7,000 that is in our bank account but it is amounts that we have accrued through other activities.
- 36 MT: Right, so we have an explanation. We have a proposal that we pay the £7,000 across to Lewes Town Partnership to pay for their administrative support. All those in favour or are there any further comments for debate?
- 37 SM: Don't think I can vote.
- 38 MT: You can't vote?
- 39 TC: He is not a member.
- 40 **06m:30s** SC: I am not a member of this committee. I am just here which begs a question, chair, there are only 4 members of 8, ah, there's now 5 so I shall shut up about that.
- 41 *ROK arrives at this point*
- 42 ROK: I think you should, yes.
- 43 MT: Right, Ruth we are just putting the motion that we pay the £7,000 to Lewes Town Partnership.
- 44 MC: Well actually to be, sorry I know it's me again but Ruth has just arrived and...
- 45 SM: She's a director too so she can't vote either.
- 46 ROK: I can't vote.
- 47 MC: Okay, I was just...getting silly this.
- 48 MT: Well the best thing we could do it take it back to council isn't it?
- 49 MC: No, we can agree to it.
- 50 TC: Turner, Chartier and Dean are members of this committee and can vote. Do you agree?
- 51 MC: Yeah, I agree.
- 52 AD: No.
- 53 SM: Why not?
- 54 MC: No, she doesn't have to, she doesn't have to say why not. So it's two to one.
- 55 MT: Is that sufficient?
- 56 TC: I don't know. What are you voting on, for or against?
- 57 MT: I've voting for.
- 58 TC: Then it's two to one.
- 59 AD: Is that sufficient though if it isn't half the committee?
- 60 TC: Doesn't have to be half a committee... the committee is quorate. Two of you have declared your interests.
- 61 MT: Well I think that settles that.
- 62 TC: Voting is a matter between the majority of those present and voting. The meeting, the committee is quorate.
- 63 MT: We've got so much on tonight.
- 64 **08m:00s** RE: Yeah. Well thank you very much for inviting me along and thank you very much for actually, you know, sort of agreeing the payment for next year because there's plenty happening during the year which I hope the town partnership can...
- 65 MT: We'll be talking about neighbourhood planning soon which...
- 66 RE: You may, yes, like us to support you on that.
- 67 MC: I think it should be stressed that this is for next year, okay. Other years are another matter.

- 68 TC: Well the original proposal was when, whenever it was, the year before, was you agreed 2011/12 and 12/13, the current year, with 13/14, 14/15 left to review this year so I have to say I interpret that as the decision.
- 69 MT: Which we have agreed to do on a yearly basis.
- 70 TC: It doesn't actually say that. You can, if you wish, make that clear tonight.
- 71 MT: I think it should be on a yearly basis.
- 72 MC: Agreed.
- 73 TC: So: review again next year?
- 74 MT: So we've got an apology from the machine...
- 75 TC: Well yeah. [Laughs]. I'm afraid, just before you, well literally as Councillor Catlin arrived, not that that's relevant at all, the bulb blew with a very loud report, threw me out my chair, and I'm afraid we have no projector: so it is the A3 sheets that you have and the laptop which you can all huddle round if you wish or I'll call out numbers but I'm afraid the projection went bang.
- 76 Can I just ask, Chairman, whether you are thinking of doing the other odd element tonight which has been asked of you, which is the public participatory budgeting, *after* you've sorted out service budgets? I think that might be practical?
- 77 MT: I think that will be the best thing to do. I think we should get the budgets sorted first.
- 78 TC: Okay. In which case, I'm sorry non members don't have a full set of working papers because they're quite bulky. Those of you who do, as I said in the memo that accompanies it, it may contain errors and it did! We've got the wrong pages 1 and page 7 although the one I'm giving you is actually labelled page 8. So what you have... one to Amanda, one for Ruth [passing papers]...
- 79 RO: So insert page 8 instead of page 7.
- 80 TC: Two replacement pages, one is the front page: page 1, the blue and yellow scratch pad which, I'm sorry, fouled up and the one that is actually labelled page 8 is page 7. That is simply because there is more than one copy of this. One's on the laptop, one is on my desktop and I've printed you the wrong one. So: there's been a lot of jiggering and jiggling this year as you might imagine.
- 81 **11m:25s** Okay, so: with apologies for not having it on screen, can I do what I do every year and take you through some of the basic assumptions and starting on Page 1, the blue and yellow scratch pad page as I call it, the first thing to draw to your attention is where we begin - which is the salary budget, which is two-thirds of the way down and to remind everyone, because I think you've all been on this working party for some while, you'll know we start every year individual by individual working out the average time allocation in an average week across our service cost centres and we add up those minutes, those minutes are converted to salary. Salary obviously has with it on-costs at fixed rates such as superannuation, national insurance and so on and there are some variable elements like overtime because they may or may not attract superannuation contributions, they may or may not be a draw on that side of things, but that little table is replicated across the service heads as you go through page by page and there is a little grey column, the aggregate percentage, we use and it will recur as we go through service budgets. It's used for things like telephones, photocopiers, general stationery, stuff that you would expect to be consumed across every service and it's too fiddly and not worth the effort of working out precisely how many of anything went to the Priory, amenities, allotments or whatever. So it's dealt with on that fairly conventional, cost accounting basis.
- 82 Above it is a little double table. One is just to help you if you have questions as we go about this evening's business: what if the precept increases by...?, by an amount of money or a fixed percentage, so that just gives you some assistance. The little table to the right, the assumptions, are mainly specifics. We know what to expect in terms of most of those areas. We have things like national and non domestic rate is RPI based so we know from District what to anticipate for that. We have formulae for contracts, whether they are labour intensive or materials intensive. There's a suggestion of a 3% increase in fees and charges. There is again no anticipated pay award for local authority staff next year. It is mooted that there's likely to be a bit stronger argument from the unions and so on later in the New Year. If anything... I very much doubt if there is agreement on anything it would be more than 1% in which case I've not allowed for it on the basis that if that should happen you would be able to absorb that from your general reserve.

- 83 The table at the top is, at it says, your precept history going back several years. It shows the average growth across what is now 13 budget years and how that equates to population. Although the population is increased we're still showing all figures, as are most councils, based on the 2001 census and at this time of every year all we have for the Band D equivalent number of properties is the current figure and we tend to have that updated by the District Council sometime in February. It usually increases. There is something to say on that whole principle this year. You will have heard me say at council the government's fiddling about with council tax bases; largely driven by the factoring in of discounts and concessions that are allowable to certain classes of people: those who are in receipt of benefit, mortgagees in possession... there are about four different categories which will, if the government's proposals go through, alter all the calculations for what's called the tax base, this theoretical number of Band D properties in an area. The District are being very straight and open about it to all the parishes, got a letter a couple of days ago from Steve Jump, Head of Finance, and they are working on the best information they have at the moment and that is, as the parish sector understands it as well, that the government will probably tell the collection authorities to continue separating out parish tax bases so that they are not affected by this recalculation. If they were, the expectation is that the tax base would reduce which would automatically make an average Band D property look more expensive even if you didn't put the precept up because you are dividing the precept value by less property. It could be, and from the start it's been expected to be anything up to 10 or 11%, which will obviously make the District and the County precept look dearer if they are forced to do it that way but there is supposedly a get out clause for parishes which means they will calculate ours on the old basis. We can't confirm that, apparently the government's decision is expected at the end of November which probably means January, and there is a statutory regulation that unless they change it in the next few days means that all these figures will be dealt with based on records at the 30th November.
- 84 So I've done what I do every year and factor everything in on the known value which at the moment is that 6,545.82 Band D properties. I wouldn't advise you to get too hung up on that because as you have seen it hasn't changed for some years, everyone is used to it. It would probably be quite a story to get across if we suddenly appeared to increase it by 10 or 11% but it doesn't look as if we're going to have to.
- 85 And lastly on that page, the bottom table, reserves and projects, details where we are, how we got where we are and where we ought to go based on decisions already taken by Council, either very long term, very basic fundamental ones like the first one, town hall maintenance - you can't have a place like this and not maintain it - and various projects which you will all recall discussions at Council. I will just briefly touch upon some of those because if you look at the proposed contributions that I'm suggesting in the grey column you will see some of them differ slightly from the previous year. There is a reason for each one of those... obvious reasons; they're very specific earmarked budgets.
- 86 The town hall maintenance - £22,000 - I am maintaining that to give us a decent chance of making a start on works we know are necessary to the façade of the building. This building was taken over in 1998/99 with, I'm told, although the report seems to have disappeared, I think it was, was it £500,000 Mike, dilapidations, as valued at the time by the Crown Valuers, we've ticked away at those over the years. We've done roof lead work, we've done pointing, we've done windows, we've done all sorts of things but there is a lot more still to do.
- 87 All Saints, we can start easing off. You'll see I've reduced that from ten and a half thousand to 6,000 because actually it's in pretty fair shape. Things like the floor, which were expensive, they've been relatively recently overhauled and I think we can take a couple of years off from topping that one up too high.
- 88 Something I should say about reserves generally following from a discussion I was having with our auditor the other afternoon. You are being asked by Eric Pickles to consider freezing your council tax again in the same way as the last 2 years. The district councils are being offered an incentive of 2½% to do that: you're not. The industry, the parish sector, is in general agreement as are all our auditors that the government is probably going to fall shy of imposing restrictions or capping precepts for parishes in the next few years but it may well cap the levels of reserves that you hold. I went through these with the auditor and he actually thinks that these still stack up in line with where we should be.

- 89 Going on down that list the only ones really to comment upon are Malling Community Centre, you'll see I've suggested an increase to £40,000 because, as you know, you've talked about the imminent start of a project which will cost somewhere in the region of £250,000 and while we hope we'll get third party grants for a chunk of it it's reasonable to expect that we'll need a fair amount of our own cash.
- 90 Most of the rest of those are fairly straightforward. The devolution provision that we started last year you can see that as start up money for anything that we take on initially and then transferable to a revenue outgoing for any new costs that might be incurred so at least there is a start there when we talk about detail with the District. Most of those others I won't bore you with the details, you'll remember most of them. I've taken further contributions out of a couple of them for the reasons that we now can see the end in sight, town hall access, for instance, started in 2004 with all sorts of things including the £114,000 we spent on the lifts for disabled access and there are things to do like high visibility signage for the visually impaired and so on which we've already, we have on the shelf. By the time we've finished it that reserve will probably be exhausted and I don't think you need to contribute any more to it.
- 91 I think that's probably all there is to say about that... other than to say your general fund reserve, which ended March 2012 at £426,883... you know you're going to be dipping into that for a few things and that is probably the one area where we ought to say by next year we don't raise it any more, £500,000 would be more than enough. So when we get to this point next year and we see if there has been any unforeseen expense or if we've had to fund the whole of the Malling project from our own money then we'll see where that one stands but that is my recommendation to you for the prudent either continuation of the programmes you've already started or the sensible approach to those where we've either got a change in view or there's no reason to change.
- 92 **22m:35s** MC: As a consequence of the meeting with the Friends of Lewes, I suspect and... definitely and I think other members who were present at that meeting would actually want to look again at the Magic Circle and how we, I think, fund that. There was a very imaginative suggestion, for those who weren't present, I was not aware, as a historian I am ashamed to admit it, that the Magic Circle originally was envisaged as a peace garden. Now 2014 marks a 100 years since the commencement of the First World War. I have discussed this with other people how we mark the occasion and that does seem to me to be a very appropriate way of actually bringing other people on board, perhaps getting funding from them, but actually a project that we could actually argue for with a sense of dignity. So I think we need to look at that and how we fund it. If you are saying we could take it out of reserves I don't care but I think it needs to be on the agenda.
- 93 TC: You can certainly...if it comes to it you can afford that sort of money out of your general fund at any time. If you wanted to establish the reserve in next year's account you can show it as established and reduce the general fund accordingly or you can wait until quotes come in from Roger Beasley to deal with it at the time but you can afford it, you've got a reasonable, healthy, general fund.
- 94 MT: Something could come out of the commemorations thing.
- 95 MC: Yeah, it could do.
- 96 TC: Certainly if you want it flagged up when I do the minutes of this I'll certainly highlight it.
- 97 MC: Yeah, I think it needs to be highlighted.
- 98 MT: Councillor Catlin.
- 99 SC: I would agree with Mike Chartier, Chair, that we need to look ahead to that and I think a figure of about... certainly in excess of the figure which had already been initially earmarked, was mentioned for going the whole hog with the peace garden, wasn't it... it was probably £22,000.
- 100 TC: More than that. It was £37,000 when we had £17,000 and with the peace garden I think Roger is anticipating a lot more than that.
- 101 SC: I would make a plea to this working party to seriously consider something for 2014. It's up to this working party whether it wants to raid a fair bit from commemorations but I think we would look very mean and stingy if we did nothing for 2014 and the peace garden, a recreation of the

peace garden seems in my mind the most admirable way and I would like this working party to consider a fund for it.

102 SM: The commemorations fund will also be needed to help support Battle of Lewes type activities so I think if we could reinstate a reserve fund for the magic circle and sort of extend it into being magic circle and peace garden and so, you know, it's cleared. We're talking about commemorating...

103 MC: Where we're coming from.

104 MT: So should we put £10,000 back in the...?

105 TC: Well if you're...

106 MT: In that fund.

107 SM: Would that be enough?

108 MT: For 1 year, we've got another year to come haven't we?

109 TC: You're doing the budget for next year. If you want to immediately re-establish this you need to get approval from council and it can draw from the general fund and appropriate it and call it reserved. If you wish to show a contribution to the reserve *next* year then it would normally come from revenue budgets as opposed to an existing reserve. You need to decide. If you want it now so you can spend it next year... you're going to have ask council either way...

110 MC: Well we're not spending it next year.

111 TC: You're not spending it immediately, no.

112 MC: I think what we want, I'm sorry I don't wish to dominate the meeting, is to highlight the fact that we think this is a direction this council should be taking.

113 SM: So we do need to set aside... a reserved amount

114 TC: So at the end of March when we close the accounts we will appropriate, if council agrees, we will get appropriation from the general fund to an earmarked reserve, to reinstate that.

115 SC: Chair, could I just make an observation that if it is going to be ready for 2014 some of it may need to be spent in the coming financial year. Fees for an architect or plans may need to be spent in 2013/14 rather than 14/15.

116 MT: I think we've accepted the principle. Steve said...

117 SM: Did we decide on an amount?

118 TC: Well I was going to say the one thing you haven't decided on is an amount. If you want to reinstate £17,000 you do need to understand that what Roger Beasley was talking about could well cost more like £40,000 because when the draft proposals were just for the magic circle it was £37,000, wasn't it Ruth when you made the Biffa award?

119 ROK: £37,500 I think.

120 TC: £37,500 and that was 2 year old prices so you are looking at 40 plus and the peace garden element is actually...

121 ROK: Extra.

122 TC: Yes, the suggestion he's making is that it knocks through, I think, into the adjoining plot of land which is supposed to be the peace garden, the original peace garden.

123 SM: So realistically we're talking about needing to set aside at least £20,000 so as to...

124 MC: Start the process, yeah.

125 MT: Presumably with the Friends of Lewes we'll be looking at grants as well.

126 SM: Presumably but it would be good to have a decent sum to kickstart the process, wouldn't it?

127 MC: And also to actually share with council so we're all basically on board together because I think this, you know, I don't want to repeat myself, but I think this could be, I think it's a worthwhile project and I think it's one we can be united behind.

128 TC: So in the notes of tonight, as an aside, you would like to recommend to council that at the year end March 31st 2013 it appropriates from the existing general fund balance, £20,000, as a magic circle/peace garden reserve which can be GFP3 or whatever.

- 129 MC: Sorry, I do apologise, I think we do need to warn council though it's going to be more than that, if you see what I mean, so there's no misunderstanding.
- 130 AD: Are we going to get some sort of costing for the work before you close the budget and is it going to be a detailed costing?
- 131 SM: Well there's already some work being done on it, which was presented at our meeting with the Friends of Lewes and obviously they are going to go away and do some more detailed work.
- 132 ROK: Roger Beasley has got it down as far as how much the stones cost and all sorts of stuff.
- 133 TC: Roger has got fairly detailed plans.
- 134 MC: But clearly that has to be brought to us.
- 135 ROK: Yeah, but it does exist so it should be fairly easy to value.
- 136 MT: Are there any more questions – yes, John.
- 137 JS: Chair, can I put another point of view? For me peace is 1918 not 1914. 1914 was the start of the war and I think £20,000 as an allocation for a project that hasn't yet been presented to council is a very substantial sum and I wonder if we shouldn't propose that we start saving for a 2018 anniversary rather than a 2014 anniversary which is pretty close to where we are now... and we could say during the anniversaries of the war rather do it all at once.
- 138 MC: I think there is some merit in what you say, John, okay, I agree with you in part. I don't think we want a rush job. I don't think it's the end of the world if it is later when it is completed, there are things that are outside our control. What I think we want to do is to demonstrate that this is actually, we consider, a worthwhile project... we are fully behind it and we are committed to it. Obviously with 2018 we do have another problem and that is post election. We can't commit a future council.
- 139 MT: Excuse me, Catlin was next.
- 140 SC: But we could always start at £20,000 and if the council continues in future years to continue it cut it back to £10,000 for the 4 years of the war, couldn't we, so that by 2018 we've actually got £40,000 although we cannot commit another council, as Mike's point.
- 141 TC: Just to clarify that you can set up a reserve which will commit your successors unless they choose to re-appropriate that reserve which is their prerogative.
- 142 SC: I would have thought £20,000 was fine to start and we would then call upon less for each of the following 3 or 4 years.
- 143 MT: Well the history of this project has been one of long delays and a lot of planning and a lot of changes. I think we should put aside money and say we're committed to it but not be too hard edged about the date and I think John may turn out to be prescient because I think there's a lot to do. So as long as we're committed to the idea of a peace garden and we're committed to supporting it and working with the Friends of Lewes, then we should just leave it at that now.
- 144 ROK: I am really pleased to see it come back because I felt it didn't really have a chance to... resurrection.
- 145 MC: But there isn't a provision...which I think is important.
- 146 **32m:50s** MT: Okay, can we move on. We've done Page 1 of 8.
- 147 SM: Well actually I was going to ask about neighbourhood planning because we haven't set aside any sum of money in all that.
- 148 TC: I haven't, no, I haven't set up a specific reserve because we anticipate quite a lot of the big money will be funded by the National Park or the District and because it is very much how long is a piece of string until we decide more clearly what we plan to do... my recommendation was going to be that you draw from your general fund.
- 149 MT: I think that's fair enough.
- 150 TC: It may prove to be, from this council's perspective, nowhere near as expensive as we anticipated if the National Park do as they promise, well he didn't promise did he, but Tim Slaney's indication...
- 151 SM: No, but it seemed like a reasonable chance.

- 152 TC: Yeah, there is an indication that at least half of what we might have faced will be funded elsewhere and if we drip feed the rest across what will probably be a 2 year project I would recommend your general fund can stand it because by the time you face the 2015/16 budget before the next elections there will be quite a lot of this that will be tidied away. There will be things like the castle floodlighting reserve that we have to sit on. We'll know one way or the other if they are going to draw on that or whether we can have the money back for use so there will be a simplification of this table in the next couple of years I think and, as I say, your general fund is more than healthy enough, no reason we shouldn't dip into it for a few tens of thousands here and there as long as it doesn't go too low and if it does you show that you are going to rebuild it... but I didn't set up a reserve for it because whatever you do you're picking a figure out of thin air at the moment.
- 153 That's the background to the structure of the budget. The sheet that is Page 2 is what we publish as the simplified version, goes on the website, gets shown to the public, it shows it to you in a handy tabular form and I have been adding to it over the years. It's now got a couple of lines... actually I think I put them in last year... which shows, if you remember what you see in the accounts booklet in June every year is less than the budget, it's because the budgets contain these earmarked contributions to reserves and they're not expenditure, they're just a way of saving so lines 56 and 64, I can't remember if I put them in last year or they're new this year, but they are a way of showing the expenditure without the contributions to reserves and so on. I think the public probably find it easier and it makes it easier for you to compare to the final position in the budget book. It, as all the sheets do, gives the table there per head of population... per Band D equivalent and so on so that's the summary totals and then really I'm just going to suggest the service budgets are my recommendations. They are based upon what is now 10 years of refinement of this inclusive of all the things we've talked about, they're a few specifics here and there which I'll highlight as we go through but I'm really going to suggest that if you have questions please throw them at me rather than me go through these line by line.
- 154 MC: Are you happy with the current alarm system we've got? We don't need to look at it again?
- 155 TC: No, it's actually quite up to date. There's only so much you could do to improve it, more sensors but then we tend to sort of get those thrown in sometimes with the services. Most of the rooms you'd expect to...you actually did quite a thorough job when you had Rodin of course.
- 156 MC: Yeah, that's true.
- 157 TC: We've added to it over the years by putting extra sensors in the office and extra sensors in other rooms that have been targeted but they are a few hundred pounds and it's the sort of thing we do at the end of a year if the repairs budget has got a couple of hundred quid left and we are due a service engineer visit we'd have another sensor put in.
- 158 MC: Could I correct something I once said at a council meeting. I volunteered that I would do a leaflet at the time of the Battle of Lewes and I think it's linked to the Town Hall and I made the statement that there would be no cost forgetting the fact, of course, there would be a cost because paper costs money so I just wanted to correct that, you know. When I say no cost obviously I'm not going to charge the Council for my work, obviously there will be pictures etc. put on to the leaflet, I just wanted to correct that.
- 159 **37m:40s** TC: So Corporate Admin... I mean... you're looking there at simple refinement really. There are things like the... the costs of some things we can identify with quite a bit of accuracy, the costs of other things we have to go on averages of the last 2 or 3 years. Most of these they're refined almost every year by a little bit here and there. Looking at things like salaries, wages and whatever there's often a shift. Rather than an increase. I would say if you are looking at salaries and wages look at the total across the cost centres back on Page 2 because cost centre to cost centre it might vary a bit because we've changed our estimate of how much time we're going to spend on a project in any given year. The Town Ranger used to spend much more time on Lewes Priory than he has to now it's got a tenant, so things like that just make a subtle shift.
- 160 Things like insurance - you'll remember we got a very good deal on insurance by signing up to 2015 and extending our long term agreement. Stationery, books, postage, telephones, I mentioned earlier, they're apportioned to the other services on the strength of time allocations. We took a

good look last year at several of these and brought them down a bit. Not really much to tell you... if anyone has any questions...please....?

- 161 **39m:20s** AD: Could you explain the salaries on All Saints, staff total on All Saints, as it's got it here as £77,794 and there's an increase of £4,164. Is that the increase that occurs in terms of replacing a part time employee with a full time employee?
- 162 TC: It is an amalgam of things. It is largely attributable to the extra hours that you agreed at council or council before last... can't remember which. It's also a factor of increments. Ms Zeyfert has not yet reached the top of her...does everybody understand the incremental scales of local government salaries?... she's on a three point scale, she hasn't been with us very long, she has an incremental advance each year until she gets to the top of that scale and each incremental advance adds a bit so there's a bit of that. There's a little bit of re-apportionment of time across the board. Everybody has had a good look at their time allocations. So it's largely attributable to the direct costs of the increased hours for the caretaker, the direct cost of Lizzie, who attributes 100% of her time to All Saints and an element of indirect costs from everybody else. Does that help?
- 163 AD: Because there are 3 full time employees on that site, is that right?
- 164 TC: In the establishment, yes.
- 165 AD: And what I was going to ask was, I'm trying to see for All Saints...which one is it...
- 166 MT: It's got the orange banner.
- 167 TC: It's got a peachy coloured top...
- 168 AD: Right okay. Yeah, I just wanted to ask what exactly is it that...how the job descriptions, for example, what does the caretaker do?
- 169 TC: I don't really think that's appropriate to tonight's meeting, Amanda. The caretaker will do what the caretaker's always done.
- 170 AD: Okay, well the only reason that I'm asking this question is that it's not just All Saints but on a number of these sites I'm just wondering whether or not we've got, correct me if I'm wrong, but we seem to have services provided and charged, does that come out of the salary of the person who would normally, I would assume, be doing that work?
- 171 TC: I don't understand your question...
- 172 AD: I'm assuming that a caretaker actually might have something to do with repairs and maintenance, might have something to do...
- 173 TC: Ah!... no, no, no, costs that you see under the heading "Premises" are direct charges. They are, as you can see, refuse collection - we pay somebody to take the refuse away... the District Council. Routine and responsive repairs is... it could be the materials for the caretaker to fix something... you know, you expect a caretaker to be a bit handy at minor repair jobs... bit like the Town Ranger. If a noticeboard wants screwing to a wall and it needs a bit of wood as a backboard and some screws that will pay for the materials. It could equally be a payment to a contractor... as in previous years we've had to have specialist flooring repairs.
- 174 AD: Okay, because I notice there's a reduction here of £2,300.
- 175 TC: There is a reduction because... the repairs and maintenance budget is largely, for All Saints, things like contractors for floor repairs, contractors for lighting and equipment and because we had probably two-thirds of the area of floor repaired as recently as 3 years ago we simply don't need to make so much of an allowance and I've effectively used that budget to pay for things we do need but it is in the case of All Saints that is largely what we expect to use in a given year for... guttering repairs etcetera... and it literally depends what it is.
- 176 AD: So do you actually base this on an average of the cost from the past?
- 177 TC: Largely, yes, and things we actually can specifically anticipate. We know we have a guttering repair coming up next year, in the summer. We know we have some stonework to repair albeit only a little bit.
- 178 AD: And how many companies do you put the work out to tender to?
- 179 TC: It depends on the work.
- 180 AD: Is there a sort of usual number? Like is it usually 1 or 2 or 3?

- 181 TC: Depends on the value of the work, Amanda. If you look at our financial control procedures... if they're worth more than thousands or so we'll go out and get 3 quotes... if it's under thousand we'll take our best guess at best value. Somebody coming in and doing £400 worth of guttering repair, say.... we'll see which builders are free who are prepared to give us a couple of estimates.
- 182 AD: Okay.
- 183 TC: We don't spend hundreds of pounds getting estimates for a £100 job. It's horses for courses.
- 184 AD: Okay, so we won't actually know what that £7,000...
- 185 TC: £4,700.
- 186 AD: In 2012...
- 187 JS: I think it's last year.
- 188 AD: In last year's we won't know what that £7,000 specifically was spent on...
- 189 TC: Until we've finished spending it....
- 190 AD: So...
- 191 TC: It was the estimate at this time last year... knowing then if we had any anticipated repairs coming up and if we had any further residual problems... All Saints is a very old building, that's a fairly modest amount, and it has to pay for everything, that's gate hinges, door locks, padlocks, electrical work, anything and everything in a place that's a large old church.
- 192 AD: And do we look for competitive prices for gas and electricity or do we...
- 193 TC: We buy our energy through LASER, which is a local authority buying consortium chaired by Kent County Council and we have done for some years because it's very difficult to beat the prices that they get because of their buying power. We buy it through the District Council who act as our agent and every time we've looked at different prices it simply isn't worth changing.
- 194 **45m:38s** MT: Anyone else got any questions?
- 195 JS: I'm talking about All Saints at the moment...
- 196 MT: I think generally we're talking about the accounts, the budget.
- 197 JS: Can I ask my question about All Saints because from the figures that I'm... I'm sort of looking over Amanda's shoulder here... what I'd like to know is what the profit contribution from the cinema is, is budgeted to be for this year? I can see that the income has been increased from £34,000 to £44,000 which is a sales contribution of £10,000, is there any cost in there for the film club?
- 198 TC: Not in the income budget, John, no. In the broad figures because, as we said to you at audit the other day, there will be an evaluation of the... what you might call service account for film at All Saints in a couple of months time. We are keeping tabs on trends. The All Saints steering group had it referred to them recently. The £10,000 increase in income, taking account of what I've always advocated, which is the prudence concept, and that is you under estimate income and you over estimate expenditure albeit not wildly... I've allocated £10,000 there as a general increase, £8,000 as an increase directly attributable to film, £2,000 attributable to the increased efficiency of the yield having the third person and being able to man the place for all its operating hours. That will mean that where we give away a free hour for setting up we won't need to give away more than a free half hour.
- 199 JS: But that's...and that's net of film club costs?
- 200 TC: No, that's the income. The film club costs I've put in there under 6412 consultants and as you'll remember I said... for this committee I'll just say what I said to the audit panel the other evening... the labels of these are not intended to be read literally, they're indicators. The table of accounts, I think I've said now every year for 10 years, I brought with me in 2002. They were a CIPFA code book which gave a logical breakdown to local authority costing and it still stands scrutiny today for operations like ours. You can argue the label Consultants is understood... you know, in a different way but it's a...
- 201 SM: But there's nothing against consultants.
- 202 TC: Sorry?
- 203 SM: There's nothing against consultants.

- 204 TC: There is on the replacement sheet that I gave you.
- 205 SM: Ah!
- 206 TC: That's why I gave you the replacement sheet! [laughs]
- 207 SM: Sorry! [laughs] [general laughter]
- 208 TC: I'm sorry, I had a version of this that I printed on the laptop and it wasn't the laptop I was working on, it was the desktop.
- 209 SM: Right, yeah.
- 210 TC: Just as a holding area, for no other reason than that, I've used consultants on the basis you could call Lewes Film Club our consultant, booking and hiring of films. So that's where we put that.
- 211 AD: So this is to Lewes Film Club?
- 212 TC: Yes, largely. There will be expenses, for instance I would have reduced consumable stores by probably £400 had we not got the kiosk operation... which we're now doing direct as the Oyster Project couldn't help us and so I've left the £400 on the basis that that will be a more than meaningful contribution to keeping the stock levels topped up and of course that is a profit making operation in the sense that we're buying very long dated stock which will sell before it's waste, if you like, and it is intrinsically at a profit and in fact the mark-up on some of it...you were saying, Stephen.... we've got 90% on one, haven't we?...
- 213 SC: Yes.
- 214 TC: There is some stuff with 100% mark-up so I haven't fiddled with budgets greatly there on the basis that that will show in the fullness of time and we will be bringing to council at the 6 month point and thereafter a little control analysis of what's happening with the Film at All Saints operation. Does that answer your question, John?
- 215 JS: Not quite. The £6,000 consultancy for Film Club, does that include the royalties that are due on the exhibition of the films?
- 216 TC: No, they're included in film fee balances. There will be a net cost...
- 217 JS: So where's that?
- 218 TC: That's in the fees and charges income. All you will attribute to...
- 219 JS: So that's net of ... the £10,000 is net of the...the £8,000 is net of...
- 220 TC: It is what you will be left with as fees and charge income having paid out any costs to acquire that income such as the minimum guarantees which most film distributors work on. Some film distributors work...
- 221 JS: So included the costs of goods?
- 222 TC: In that particular instance, yes. Some film distributors work on a draw down bond basis where you pay money up front and then they draw down what you owe them. Some simply invoice you, some work on it as a basis of a refundable deposit but by next year's accounts we will have got to the point where those that were deposits will be returned to us and we will then be on the basis of minimum guarantee payments for each film... it depends which distributor... what the deal is. There's 14 at the moment and they're all different and each time a different film pops on the horizon it could be a different... a new distributor. It's a very fragmented industry.
- 223 JS: So am I right in thinking then that £8,000 minus £6,000 gives us a year's profit of £2,000?
- 224 MT: No.
- 225 TC: Expense is expense, income is income, and that is shown net of the cost of accruing it in that particular case because it is largely...the extra is largely attributable to film.
- 226 AD: So what is the profit?
- 227 TC: Profit will be the reduction in the cost of operating All Saints. It simply goes into the All Saints coffers. If you look at the control account for film, when there is one, it will show you the performance of that element but we're looking here at a service budget for the building as a whole.
- 228 JS: I'm sorry I don't follow you.

- 229 AD: I don't understand that either.
- 230 JS: You've said that the £8,000 income that's derived from the cinema element is...
- 231 TC: That's £8,000 increased income.
- 232 JS: Yeah, is net of the cost of exhibiting films?
- 233 TC: The cost to the film distributors for hiring the films. There are costs to project and book the films to Lewes Film Club which are shown as consultants.
- 234 JS: So we're getting an additional £8,000 income and we have a cost of £6,000 to achieve it which is...
- 235 TC: At the pessimistic moment, yes, and this is the discussion we had the other day, it is feasible on the basis of performance, certainly this weekend with the films that Susan was talking about earlier, that the £20,000 that we suggested back in January, if we were to see average audiences anywhere around 100 then we would be looking at something like the £20,000. I am not prepared to estimate for that on the basis of performance so far.
- 236 JS: Fair enough.
- 237 TC: It's a simple matter of prudence.
- 238 JS: And my deduction from that is that what you are estimating is a profit, a profit contribution of £2,000 not £20,000.
- 239 TC: You shouldn't really see it that way, John. You know you're going to pay out for hiring films or rather for the booking of films. You don't know what you're going to make from the income.
- 240 JS: Nor does any cinema in the country.
- 241 AD: Nobody does.
- 242 TC: Quite but you...
- 243 MT: Why do you want...
- 244 TC: ...you overstate... or you state specifically what you know you will spend, you under estimate what you anticipate you will receive.
- 245 JS: Yes, but you estimate prudently what you think you're going to receive.
- 246 TC: Yes, and on the basis of our performance across the... how many showings have we had now?... when we reviewed this at the 17 screening mark, which was reported to council, we'd screened 17 times and we had a net overall deficit of £1100, a bit less than £1100, it was actually £1067. On that basis I'm budgeting. I anticipate that will not actually happen because even this weekend we took £1000 with audiences of... what did I say it was, 80 something, 59 and 30, so 170 people in 3 days brought us in £1000. I am, however, not able to budget for that level of income because you can't reckon on maintaining that with any certainty. You hope for it but you can't be certain.
- 247 SM: You need to run it for at least a year to see how it was all going to pan out.
- 248 TC: It's all about prudence. You state what you know you're going to spend and you put in a reasonable amount that you hope you might get.
- 249 JS: Well if you brought that proposition to me I wouldn't accept it. I mean I didn't accept the £20,000 proposition either because I didn't believe it. Now what I'm seeing is evidence that it was not a sound proposition at the time it was made.
- 250 TC: John, the proposition was...
- 251 JS: The proposition was that we...
- 252 TC: If you would let me finish.
- 253 JS: We were told this business...
- 254 TC: If you would let me finish.
- 255 JS: I'm speaking...It's my turn to speak...
- 256 MT: Excuse me, let's...
- 257 TC: Sorry... you made a statement and I reserve the right to reply. As you said in your email to me this morning what was stated in council, and it is on record, was that it's anticipated that with

average audiences of 50% capacity, i.e. around 100 people, it could be possible to make a surplus of as much as £20,000. That holds true.

258 JS: What you said was that you expected more than £20,000.

259 TC: I did not say that. The All Saints steering group said that.

260 MT: Excuse me... Catlin?

261 **56m:04s** AD: £6,000 was not quoted.

262 SC: Chair, may I say that my recollection of it is, having a look back, we had the potential to achieve that figure. We didn't say we would achieve it but there was a potential to achieve it and in view of the upturn over this weekend the potential is still possible. We haven't been running 4 months yet. We've got another 4 months of the financial year rather. We do not know.

263 TC: That's the point I'm making.

264 JS: But you've no confidence that you're going to do any better than £2,000.

265 TC: Nothing to do with confidence, John. When you budget confidence has nothing to do with it, you are prudent.

266 AD: Can I just say that the £6,000 for the consultants' fee, there was no mention of any fee...

267 TC: Yes, there was.

268 AD: ...when we took the decision...when it went to the agenda it was not in the full council agenda and actually when I found out that there was a fee it was £3,000 and not £6,000 quoted.

269 TC: No, it wasn't; it was £7,800 actually.

270 AD: I'm terribly sorry but this £6,000 was not quoted in the full council agenda.

271 **57m:09s** JS: [background] I think.... I have to go now.....

272 TC: The figures that you were given - I don't quite know why we're debating what was debated in January - the All Saints steering group business plan, such as you want to call it, showed £130 across so many screenings per year and the total it showed was £7,800.

273 MC: The job of this committee is to look at the Town Council's finances across the whole sphere. Obviously All Saints is a part of it and an element of it however this is not a meeting where it has been called specifically to deal with All Saints and in my opinion, for what it's worth, which is probably not enough, I think it's time to move on from this item.

274 AD: Okay, can I just say something...

275 MC: No, I think it's time to move on.

276 AD: No, I WILL say something...

277 MT: Excuse me.

278 AD: I WILL because I'm going to leave if I don't say something.

279 MT: That's fair enough...

280 **57m:53s** AD: The problem with this is, and the reason that John has left, is not to do with All Saints, it's to do with whether or not the council are being given full information about the decisions that they're making and that relates not just to All Saints but across the board. Now you can find this acceptable, this is merely one example, or you may not. I'm asking the questions because I would *like* to find it acceptable but if you want to draw a veil over it that's up to you.

281 MC: It's not drawing a veil.

282 MT: We're not drawing a veil over anything. We've agreed that at the end of 6 months that we will look at the situation and feed back to the council. That's the situation we're in. Everyone who starts a business knows that at the beginning things don't run smoothly or as simply as you would expect and you need at least a year probably to sort it out but we've agreed that after 6 months we will report back to the council. At that point we can have a clearer idea of how the business is running.

283 AD: Mike, as far as I'm concerned I agree with everything that you've said to date, it will take at least a year to show whether or not it can provide the sort of profit that you are anticipating and one thing is for absolute sure and that is that businesses fluctuate according to the time of the year as well, they are not consistent in terms of the profit margins that they make, I agree with that as

well. The only thing that I would be anxious about, and this is not to do with All Saints this is generally, is that when I see that there's £6,000, which is allocated to consultants, it's not stated in this who those consultants are, what they do, what it's for...

284 TC: You've just been told that.

285 MT: You've asked the question and you've had an answer.

286 TC: You asked the question and you've been answered.

287 MT: It's the film club.

288 AD: It should have been written in.

289 TC: These are draft working papers. If you want it written in, Amanda, then ask and I will write it in. I would make the point through you Chairman that if you are making... casting aspersions upon the validity of the information given to council I take personal exception to that, professionally. 10 years...

290 AD: That is your prerogative ...

291 TC: Indeed it is my prerogative.

292 AD: ...you may go ahead.

293 TC: I do.

294 AD: I am saying to you...

295 MT: Excuse me, thank you.

296 TC: These figures are, as I have tried to make clear, adjustments to budgets which have been accepted now and refined for over 10 years. They are audited by a series of professional, highly professional and highly paid auditors, and the information that you are given is clear and concise. You asked a question, what was the £6,000? I believe the answer you were given was absolutely crystal clear. If you feel that it needs elaboration in print on these working papers I am very happy to do that. These are after all draft working papers. You are wrong in your assertion that it wasn't reported to council and the figure that was reported was £7,800. I have revised that downward because we have already anticipated we may pay the film club less than the original agreement when we analyse it in 6 months. Again I am being prudent on both counts, that is a standard accounting principle.

297 MT: Thank you.

298 **01h:01m:01s** AD: Thank you. I am afraid I am going to have to leave this committee.

299 ROK: There was another thing I wanted to say...

300 MT: Yes.

301 MC: In a moment.

302 ROK: Okay.

303 MT: You may ask your question.

304 ROK: It was only just to observe that the only thing we don't know is how much longer we are going to make... I don't think anybody knows

305 TC: And that is the area where we've been prudent.

306 ROK: And I am not quite sure how people can be certain we won't any more than anybody can be certain that we would.

307 TC: Absolutely and therefore we state clearly what we know we'll spend...

308 ROK: We don't know.

309 MT: I don't...

310 TC: It's a standard concept.

311 MT: ...understand what the problem is.

312 SM: I don't understand how people who are nominated members of this committee can flounce out before votes are taken at the end and whether in that case they should continue to be members of this finance working party.

- 313 ROK: I might also observe that perhaps we might want to make some sort of press release ourselves about this committee in the Sussex Express in a very short order.
- 314 TC: Well you can't really do that until you have recommended it to council. Council may wish to have the debate and I feel certain that certain councillors will ensure we do rehash the debate.
- 315 ROK: I feel both of those councillors may be wishing to make their concerns to the paper.
- 316 MC: Well if they do...
- 317 TC: If they do, they do. One of them is not a member of this committee and the other one has just left before this committee has made any decisions.
- 318 MC: Okay.
- 319 TC: But we've been there before. I can only exhort members... encourage members... it's not the right word... I commend to members the basic principle of stating what you know you will spend and if anything slightly exaggerating it and underestimating what you believe you will get. I believe we will make a lot more than an extra £10,000 but on the basis of figures to date, if you said to me Mr Town Clerk why have you put that figure in as an extra £12,500 or £15,500 or £17,000 I wouldn't be able to justify it technically because I would be showing you figures for what is now 24 film screenings and we've only just broken even and I don't know what the film industry is going to produce in the next few months or whether we'll be undermined by a competitor, I just don't know.
- 320 MC: Mr Chairman, could I recommend that we shelve the debate, the unnecessary debate on All Saints, and we move on to...
- 321 MT: I was just about to say...thank you very much, Councillor.
- 322 MC: Mike.
- 323 TC: I have to say... in terms of whether or not people are members of this committee I am getting to the point where I am more than just irritated. I am professionally disgusted by the approach taken by some councillors and I am going to be making some formal moves to stop it if it continues.
- 324 ROK: I thought the whole shouting thing is a bit unnecessary.
- 325 SM: I think it's really unpleasant to turn up to committees where people raise their voices and carry on. I don't think it's acceptable.
- 326 MT: I think none of us find it acceptable and I am sorry that under my chairmanship I wasn't able to control it better.
- 327 SM: It isn't your fault.
- 328 MC: It isn't your fault.
- 329 SM: No one's blaming you.
- 330 MC: If other people can't behave in a professional fashion more fool them.
- 331 TC: Well I apologise if I got more irritated than normal but I am just about fed up with it...
- 332 MC: There is one final comment, I'm sorry, I know we agreed to move on, but actually you've now got 1, 2, 3, 4, 5 witnesses of what I consider to be unprofessional behaviour and a slur on your character. I'm sorry... if you want that in writing at some stage you can have it.
- 333 ROK: Because there is no question about any piece of figures that the Town Clerk has not answered fully. People who are sitting here might not *like* the figures...
- 334 TC: No, or the answers.
- 335 ROK: ...but there's nothing that wasn't answered completely correctly and I thoroughly got the implication of all the sort of shouting, flouncing, is that there is something naughty going on and I don't...
- 336 TC: The shouting and flouncing started in an email this morning to which I have not replied because I considered it wasn't, it was beneath my dignity.
- 337 MT: I think we should wind up the discussion.
- 338 TC: But being patronised is one thing... being professionally insulted is getting a little bit hard to take.

- 339 **01h:05m:00s** MT: We have a major decision to make and that is do we accept the general principle of freezing the precept which is informed this particular set of figures.
- 340 SM: I've got a question that I would like to ask about salary increases. I note that none are allowed for in this. I wouldn't like to think that we weren't being good employers as a town council. I mean this is really...
- 341 TC: It's a national pay and conditions thing, Susan. It's generally accepted in local government that the National Joint Council that meet tail end of every year and start working towards a mid-year agreement will say, the employers side will say that they can't afford it again because despite, given that the majority of them are of course principal councils, they will say that whilst Mr Pickles gave us 2½% that hasn't even kept us apace. We're all striving to cut our budgets so the employers will say they can't afford it, the union will make noises and they'll agree that they can't really do much about it. There will come a point when after 5 years of no pay increases local government staff will start leaving... that's probably at the root of the initiative. The staff you have, yes, they're worth every penny you pay them and more. My team are platinum plated.
- 342 SM: I'm just wondering if any of them are really, you know, finding it hard without any pay increases?
- 343 TC: I am sure if you ask...
- 344 SM: I mean I don't want to get into personal details.
- 345 TC: No... but I'm sure that they are starting to find it quite tough. They're actually bearing up remarkably well and are quite sanguine about it. So the only thing you can do when budgeting is say at this moment...tonight... you know you're stuck with NJC conditions and nationally it's expected there will be a zero percent suggestion.
- 346 SM: But if there were a recommendation for an increase we would be very happy to follow...
- 347 TC: If there were recommendations for an increase then...
- 348 MT: The Town Clerk did cover that earlier.
- 349 SM: I know, I understand.
- 350 TC: If there is one there might be a token gesture of .8 of a percent or something, which will be nice, but more importantly if it went on too much longer you could face the decision of do you secede from the national conditions? You don't have to stick with them. It's this council's decision donkeys years ago that it would. If you don't we go back to what we talked about when there was a minimum wage suggestion, which I think came from you about two of our cleaners...
- 351 SM: Living wage.
- 352 TC: Living wage. If you start to deviate from it you are then in a sort of free bargaining position and you've got a number of people who, if they weren't job evaluated across the national model, would be in any other analysis worth a lot more than you pay them. The All Saints Manager's job, for instance, is worth more than we pay in any real sense but that's the way it is.
- 353 **01h:07m:55s** SC: Chair, I'm very sorry to ask this question but I feel I must. Looking at Service 50, supplies and services have gone up to £13,500 yet the expenditure is still shown as £126,292 and the net total is still £82,292... Why then...I'm sorry?
- 354 TC: We've got a running total. You've got an increase of £4,164 in salaries, a reduction of £3,037 in premises, an increase of £7,030 in supplies and services, a reduction in miscellaneous and an increase in income. Expenditure has gone up £3,657, income has gone up £10,000, net effect minus £6,343... what are you looking at?
- 355 SC: Well I'm looking at this sheet, perhaps I shouldn't.
- 356 TC: Is it the one labelled Page 8?
- 357 SC: So this one had an error? That proves how some extra figures...
- 358 TC: No, no, it was, stupidly...of course it would be the All Saints page, that's sods law! I had it on the laptop and I was working on the desktop and I printed it.
- 359 SC: Thank you, I just hadn't realised.
- 360 TC: The one that you've got that's called Page 8, which is really a replacement for Page 7, is the one you should be looking at.

- 361 SC: Thank you. I am so sorry to have asked again, Chair.
- 362 MT: Thank you.
- 363 TC: I fiddled around with things like routine and responsive repairs on the basis that next year should be a cheaper year because the floor shouldn't need major work we hope.
- 364 SM: There is always something in a building like that.
- 365 SC: So the actual cost per head of population has gone down and it says something about the way the finance is controlled.
- 366 TC: And will go down further if we do, as I expect we probably will, see better than a £44,000 total for the year but something I didn't tell you at the beginning but the audit panel saw on, when was that...
- 367 SC: Last week.
- 368 TC: Last week, yeah, we have an interim... I didn't print it, it just seemed it would make this evening too much longer... but interim visit from our internal auditor, Mark Mulberry, whom I think you've all met. Mark came here for the day on the Wednesday. Went away... an hour after getting to an internet connection he sent me his interim report and it is again full of praise, no comment, no comment, he makes a couple of comments but following discussions we've had he warns me that when the government changes its rules about cheque signatories, believed to be coming up in December, we might want to look at that but we're ahead of the game, we all know what we're thinking of doing. I didn't bring you the report because it's quite thick and I just didn't bother to print it...
- 369 MT: I've got a copy of it.
- 370 TC: Yeah, I'll be taking it to council but it's an interim, yes.
- 371 SC: Chairman, may I say there really is our answer to the two who flounced out.
- 372 TC: It should be.
- 373 MT: It won't be I'm afraid.
- 374 MC: It won't be. You want to see... are we in favour of freezing the council tax?
- 375 MT: I think that's the motion I'd like to put, you think the council tax as demonstrated in these accounts?
- 376 MC: Yeah, agreed.
- 377 TC: So basically you're agreeing these service accounts.
- 378 **01h:11m:20s** MT: Yes.
- 379 TC: I will add some definition to the Line 6412 for Amanda. I will put it down as LFC fees or Film at All Saints booking fees.
- 380 SM: I don't think you should pander personally.
- 381 TC: I'm not pandering, I'm covering the back. I shouldn't have to but I do.
- 382 SC: Then we can show to full council that due note was taken.
- 383 TC: But I can only say, as I say every year, these are a refinement. When I say we zero budget we do zero budget. We start with Mr X, Mr Y, Mr Z, Mrs W, what's their salary going to be from April 1st?... have they got an increment to go?... have they not?... what are the factors that then go through our costs. So that's zero budgeting. Other things – some are, some aren't. Repairs and maintenance for a building like All Saints, how can you really know? Open spaces, how can you really know? I've been prudent but not over egged it.
- 384 ROK: You should, Steve, you should know exactly [laughs].
- 385 TC: Well I'm afraid I don't know who is going to trash our fencing at Landport Bottom next weekend do I?
- 386 SC: It will probably be one of the members of council.
- 387 TC: The thing to say is... there are things in there you could recommend you don't want council to do any more. I mean... I have continued.... and what I would have said if we hadn't got distracted... if you go to Open Spaces on Page 9 I've continued with the Environmental Enhancement Fund, I've continued with the bonfire stewarding in anticipation that next year

you'll want to give District the same £3,500. You will, I'm sure, want to continue putting up a Christmas tree at the war memorial and so on...

388 SM: Otherwise there will be riots in the streets.

389 TC: You will wish to continue giving the Chamber of Commerce their 1500 for Christmas, all of those council could stop doing if it really felt it wanted to save money but really you're not that desperate, to be honest. People who say we are I'm afraid are missing a point somewhere. A parish council should do that sort of thing. It's what you exist for.

390 SC: Chair, surely if the parish council doesn't.... no one else will.

391 TC: No one else will.

392 MT: I have emphasised in my letter to people who have been critical that we're here to provide services and facilities and we should do so efficiently and effectively.

393 TC: And to all intents and purposes all the professional analysis says that we do. Something I've not given you because I thought I'd save it but other arguments that come up about, you know, how much do we spend for instance our proportionate cost on staff and if it reassures you when you make these decisions one of my colleagues has recently done a straw poll nationally with the larger councils group and got some responses back - and I wish I could have shown you on the laptop because there's a pretty graph that goes with it - of 31 parishes that responded, that's the larger parishes, that's lets say the top 250, the group that we belong to, of the 31 responses... sorry this was when it was 30 responses... and they are places like Alton in Hampshire, Bracknell, Chesham, Dorchester, Chichester, Dunstable, Falmouth, Fleet, Great Aycliffe, Great Cornard, Hatfield, Hereford, Huntingdon... Hereford's huge, Hereford's got a population of about 52,000 I think... Ludlow, Newbury, Newport Pagnell, Petersfield, Sedgefield, Stratford, Swanage, Trowbridge, that's the range that you belong to, and of the 30 of my colleagues who had replied at that point your percentage of gross expenditure that is on staff is 41.07% which is ranked 16 out of 30 so you're below the half way point. It goes to 60 plus and of course some of those the percentage looks low because their budget is huge, there's 3 million pound budgets in there somewhere and so whilst their salary costs are higher than yours they look lower as a percentage but there's a little graph if you wanted to see it just to give you some reassurance that we are not inefficient, we are actually... we are pretty damned efficient.

394 **01h:15m:40s** MT: Can I thank you, Steve, for your work on this.

395 TC: No, you don't have to thank me, Mike.

396 MT: And apologise on behalf of the council for the treatment you were given earlier.

397 TC: No, no.

398 ROK: Having been here and Mike I'm sure will attest to this as well, during a previous era when we were given impenetrable accounts, do you remember when Mrs Tufnell used to say: "Mr Walsh, on page 15 I find the figure so and so but on page 39 I found the figure so and so, now there is a £350.28 difference could you explain it please?" and then he used to spend about 20 minutes saying something that ...everybody just went "okay!"

399 MC: Probably didn't know, did he?

400 ROK: Mrs Tufnell would nod and say "I see; but I still think that's £24.80 out!"

401 TC: Chris, bless him, lets face it was a solicitor and as I ranted at somebody the other day... of the probably 400 hours of examinations I've sat professionally probably 230 of them have been on things like finance... accounting... economics... and that over the years so I can get quite irritated by people who don't know a damned thing.

402 SC: I think its set out in an exemplary fashion.

403 ROK: They are exactly what it says on the tin.

404 SM: Well [?? - 1:16:57].

405 TC: Well before you do you're supposed to be identifying if you can a budget that might be suitable for public participatory budgeting?

406 SC: But chair, I don't think that working party has met.

407 TC: No, no, the idea is if you identify the budget then the working party will try and set up how a system might be organised.

408 MT: Okay, can we...

409 TC: That was the plan but I am at a bit of a loss.

410 MT: We had several suggestions at the meeting, didn't we?

411 TC: We did. I have to say I cannot in all honesty support the idea that you invite the public into the miscellaneous grants panel.

412 All: Oh no.

413 SM: There needs to be a separate...

414 TC: That's entirely wrong.

415 ROK: That's a bit more of... like... "Come on down...!".

416 TC: Yes, indeed it is.

417 ROK: I don't think it should be like that. I think the way it is now is really professional. Again in olden times it was things like "do you know so and so? yes? shall we give them 3 or 5?", I mean that's not how you do grants.

418 SC: Wouldn't Open Spaces be something the committee could accept?

419 TC: No, because Open Spaces is one of the most nebulous. Open Spaces has got something like a fencing allowance not knowing how much you are going to need.

420 MT: I think that's what Stephen means.

421 [Laughter]

422 TC: Sorry, sorry.

423 SC: That's my reason for making that suggestion.

424 SM: As the person who brought the item I now actually think we'd do better to say allocate something from reserves and then the committee could look at ways of involving public, public involvement, that's what I think.

425 TC: If you go to Page 1... the blue and yellow one and the table of reserves and projects... you could for instance... the allotments sites improvements... I mean we do anyway... we don't improve the site without consulting the tenants... you could say there's £10,000 there. You could say...

426 MT: I thought allotments was a good idea.

427 TC: Yeah. You could say the Commemorations Fund, for instance... you could ask the public. I'm gritting my teeth because I can see problems.

428 [All talk]

429 TC: All right, what about, if you agree this suggestion of £2,000 contribution, next year you will have £21,000 as an available balance for Environmental Enhancements.

430 SM: Oh well, that's a good one.

431 ROK: That's the one.

432 MC: That's the one.

433 TC: You've said you might use that a few times but you've never actually done it so if allotments or environmental enhancements...

434 MT: Yeah, well we've had one idea. Ruth's got another one.

435 ROK: Well my idea actually was to say that environmental enhancements I thought was a good one.

436 TC: Well there you go.

437 **01h:19m:28s** MT: That's what we put to the council.

438 ROK: Yes, because it's...

439 TC: £21,000 that's...

440 ROK: And it could be anything and they have to choose and that's really good because...

441 MT: I'd rather ask the public than

- 442 MC: ...one or two councillors.
- 443 TC: Ask the what?...
- 444 MT: I can't think of her name, Noone, Neon...
- 445 MT: Who wanted £10,000 from us.
- 446 TC: They're still on it you know. They've done it anyway. They keep asking the five town clerks if they want to be involved in the opening of the consultant's tenders and we've all said "do we heck as like!, spend your own money your own way, don't drag us into it!". Absolute waste of time. What time did Amanda leave because I'm not going to be precious about this but I'm afraid I am going to minute that she left...
- 447 SC: She left about 5 minutes after John.
- 448 TC: Would that be 20 minutes ago?
- 449 MC: Yeah.
- 450 SC: Yes, they're working so closely.
- 451 MT: I think it was at about twenty five to.
- 452 SC: On whose direction do you think they were acting?
- 453 TC: I don't know but I am getting seriously fed up with politicising of this council's budget.
- 454 ROK: It seemed to be agreed: ask 3 questions, shout a bit, get annoyed and go.
- 455 SC: Because John had started to put his stuff away before he left and Amanda was banging stuff together.
- 456 **01h:21m:09s** [End of recording]