

PADDOCK WOOD TOWN COUNCIL

The Podmore Building, St Andrew's Road, Paddock Wood, TN12 6HT

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NOTICE OF A VIRTUAL MEETING OF THE FINANCE COMMITTEE TO BE HELD ON MONDAY 22ND JUNE AT 7.30 PM

This meeting will be held virtually using Zoom. If any member of the public wishes to attend the meeting please contact clerk@paddockwoodtc.co.uk by Sunday 21st June 2020 and the meeting id and password will be forwarded to you. A copy of the protocol is available on the Town Council website.

APOLOGIES

F1 DECLARATIONS OF INTEREST

F2 MINUTES OF THE PREVIOUS MEETING

To APPROVE the minutes of the meeting held on 18th February 2020.

F3 BUDGET 2020/2021

To consider the 2020/2021 budget and the impact Covid 19 as had on the Council's budget. See attached report.

F4 INTERNAL AUDITOR'S REPORT

To discuss the findings of the internal auditor's report.

F5 COUNCIL'S RESERVE FUNDS

To approve the additional bank accounts for the council's funds.
See attached report.

F6 DATE OF NEXT MEETING

The next meeting will be held on Monday 23rd November 2020.



NICHOLA REAY
Clerk to the Council

16th June 2020

FINANCE COMMITTEE

22ND June 2020F33 **BUDGET 2020/2021**

Since the lock down of the UK in March, due to Covid 19 the Town Council has only received income from the allotment rents, plus limited cemetery income. Annual allotment rents are due on the 1st April 2020 and, as allotments have been available all through the pandemic rents have been paid as expected. There has been one earthen burial, and no burial of ashes since the lockdown. Burial of ashes has not been permitted during that time, although there are some families looking to book as soon as restrictions are lifted.

However, there has been no income from any other facilities.

The Council had budgeted for 2020/2021 the following income:

| | Budgeted Income |
|-----------------|-----------------|
| Pitches | £8080 |
| Athletics Club | £2500 |
| St Andrews Hall | £10,290 |
| Day Centre | £7,500 |
| Cemetery | £20,183 |

A request has been received from Scalliwags Pre school and the Athletics club to review their rents. Both have suffered a significant drop in income.

The Athletics Club had hoped to hold the half marathon, which is their main income generator, in September. However, that is now looking increasingly unlikely. The track is open for one coach and one athlete at the present for one-hour training sessions. Most members are unable to use the track. The membership fees have been suspended until the track is fully open.

The Club has requested that the Council waive the annual rent until the track is fully open again, and they are able to run the ½ marathon.

Scalliwags have been closed completely since 21st March and have requested that the rent is waived completely from that date until 1st June 2020. (2-month rent = £1715) They re-opened on the 2nd June but only have 15 children attending. Consequently, they are requesting a reduction in their rent until the 1st September 2020. (3 months' rent = £2572)

Paddock Wood Football Club had advised that they are preparing to return from the beginning of September.

The potential loss of income has been identified as follows:

(These figures have been calculated using the information currently available, changes to government guidance may affect the figures.)

| | |
|--------------------|---|
| St Andrews Hall | £3001 (fees waived for April & May. * 50% fees for June, July, August) |
| Athletics Club | £2500 (fees waived for year) * |
| Day Centre | £5625 (assuming closed until Jan 2021) |
| Pitches | £1010 (Anticipated to restart in September, therefore only loss of April income) |
| Cemetery | £4000 It is assumed that those who have not booked burials of ashes will do so once guidance allows., however a 20% reduction in income has been allowed for |
| Anticipated losses | £16,136 |

* subject to members' approval

The following potential savings have been identified for members consideration:

| | |
|-------------------------|--|
| Water Fountains | £6,000 – at present it is not advisable to install |
| Skate park improvements | £10,000 has been allowed to be transferred to the reserves. There is currently £20,000 in the skatepark improvement fund. |
| Staffing costs | £10,000 – the Estates Committee had budgeted for a new member of staff. Due to the current situation the Personnel Committee agreed that the appointment should be deferred, thus leaving a surplus in the Staffing budget. However, the Committee chairman has requested that the budget remains so that there is a contingency for the remainder of the year. It is still hoped to appoint an additional member of staff in the autumn. |
| Day Centre Wi-Fi | £1,000 – this would benefit both town council & the users of the Day Centre. |
| Cemetery Car parking | £6,000 – the town council has been setting aside a sum each year to improve the cemetery parking. There is currently £18,000 in the fund (before the further £6,000 is added to it) At its meeting on 8 th June the Estates Committee allocated funds to carry out projects in the cemetery from existing budgets. Therefore, a further £6,000 is surplus to requirements for the car park. |

Members are asked the following:

- a) Is the council willing to waive the fees for Scalliwags & the Athletics Club as detailed above?
- b) From which cost centres savings should be made to make up the anticipated shortfall in income?

F35 RESERVE ACCOUNTS

At its meeting on the 18th February 2020, the Clerk was asked to identify suitable accounts for the council's reserve funds. Financial Services Compensation Scheme will only guarantee funds up to £85,000 if a financial institution is unable to meet its financial obligations. Therefore, the Council's reserve fund of £312,000 needs to be split. This was highlighted by the Council's internal auditor, in his report dated 13th May 2020.

The following financial institutions have been identified as accepting Town Council accounts.

| Institution | Minimum Deposit | Interest rate |
|--------------------------------|-----------------|---|
| The Cambridge Building Society | £1000 | 0.10% |
| Nationwide Building Society | £5,000 | 0.05% - 0.40% depending on the type of account |
| Hampshire Trust Bank | £5,000 | 0.5% - 0.70% depending on the length of notice given |
| | | Alternatively, the HTB offers fixed rate bonds, for between 1 & 5 years at the following rates 0.75% - 0.90%. |
| Natwest | No | Business reserve account – 0.01% |
| | No | Liquidity Manager – 0.10% -0.15% depending on 35- or 95-day notice |
| HSBC | No | 0.01% on all accounts |

Details of all the accounts are attached for members information.

I also contacted CAF, the charity bank, but they will not accept town councils. I have looked at NS & I, but it is unclear from their website whether they will accept a town council. I have emailed them and am awaiting a response. Their interest rate for an investment account is currently 0.80%.

It is recommended that the town council splits the funds currently held in the Unity Trust Reserves account between 4 separate accounts. The funds held in the current account, although over £85,000, diminish over a 6-month period.

NICHOLA REAY
Clerk to the Council
16th June 2020