

FINANCE COMMITTEE



You are hereby summoned to attend the meeting of Haverhill Town Council Finance Committee to be held in The Studio, Town Hall, High Street, Haverhill, on Tuesday 13th September commencing at 7.25 p.m., or immediately following the Arts & Leisure Committee meeting, whichever is the later, for the purpose of transacting the following business

CONSTITUTION: Chair: T Marks
Town Councillors: E Morton, A Thomas, T Trebble and R Warwick

AGENDA

1. **Apologies for Absence**

Please give any apologies to the office by 5.00 p.m. on the day of the meeting.

2. **Declaration of Interest**

For Members to declare interests in matters on the agenda.

3. **Minutes**

To approve the Minutes of Meeting held 2nd August 2005.

4. **Budget Review**

To note the current situation (Report to be tabled at the meeting)

5. **Budget Preparation 2006/7**

To agree the advice to be given to Committees for the 2006/7 Budget preparation Process (see attached report)

5. **Closure**

Signed

Town Clerk

6 September 2005

Budget Preparation 2006/7

It is suggested that Committees, in preparing their budgets for 2006/7, might benefit from some general guidance as to whether to prepare on a no-growth basis (i.e. inflation only), or whether to highlight preferred areas of growth, or whether to prepare their budgets from scratch (i.e. review all existing provision).

The Committee are asked therefore to provide some indication as to their preferred options.

Within the context of the above therefore it is necessary to highlight current agreed increases in budgets for 2006/7. There are:-

- a) repayment of loan
Due to a clerical error, St Edmundsbury Borough Council failed to precept for the correct sum for 2005/6. To ensure the Town Council had the necessary funds to continue to operate in 2005/6 an interest-free loan, repayable over two years, was negotiated. In 2006/7 the first repayment, £15,000, of this loan will be due.
- b) allowance for staff absences
The Council have previously agreed a 10% increase in staffing budgets to provide for the employment of staff to cover long-term absences. In 2006/7 this sum will equate to £27,000.
- c) increase in reserves
The Council have agreed to raise reserves to £100,000 "in a very short timescale". If this timescale is three years the sum required in 2006/7 will be £33,000; if two years the sum is £50,000.
- d) repairs and renewals budget
The Town Council have also agreed to establish a repairs and renewals budget. If this is to be worthwhile it should be at least 10% of the overall value of the Town Council's assets. Given the responsibility of the Town Council for the Charity, the annual contribution to the budget would need to be in the region of £40,000 (10% of the replacement costs of £400,000).

Together these four elements will amount to a total of £132,000, equivalent to nearly £17.00 per annum on a Band D property. Members may balk at this figure but should recognise that:-

- a) no complaints were received by the Town Council following a rise of £12.14
- b) no member of the public, nor any Member of the Council, spotted that the Town Council Tax being charged was less than had been agreed