



Kingswear Parish Council

Minutes of the Extraordinary Meeting of the Council held at the Sarah Roope Trust Rooms on 24th July 2018 at 7.00pm

Present: Councillor L Maurer (Chairman)

Councillors: E Parkes, E Jones, L Payne, R Searle, H Newcombe, B Longland

In Attendance: Sue Balsdon (Assistant Clerk to the Council)

E/24.07.18/1 - The Chairman welcomed everyone to the meeting.

E/24.07.18/2 - To receive any apologies for absence from the meeting.

J Henshall, M Trevorrow, J Hawkins

E/24.07.18/3 - Declaration of Interest.

There were no amendments to the Register of Interests.

The Meeting was suspended to receive questions or hear representations from members of the public.

A member of the public voiced their concerns over perceived inaccuracies in the Council forecast report. Councillor Jones asked if the resident would email the RFO with their concerns and/or questions with regards to the content of this report.

The Council will reconvene to discuss the following items:

E/24.07.18/4 - To discuss current budget and review future spending (Document attached -Forecast Report 2018/19).

The RFO produced a forecast report detailing the 18/19 Budget, the Councils spend to date, a forecast of estimated spend for the remaining part of the year and the subsequent variances against each budget line. A document showing a summary of the main variances was discussed - This document highlighted a shortfall in budget of £17.4k. At the precept meeting on 23.01.18 a shortfall in budget was identified and the council agreed to transfer a sum of £7k to cover the additional expenditure. The forecast report has highlighted that a further transfer from reserves of £10.4k will be required to offset further costs which had not been accounted for in the budget. This £10.4k is made up of the following:-

- Staff cost shortfall – Pay Award / Pension Cost
- Notice Boards & Installation (Budgeted 17/18 cost incurred in 18/19)
- Repair Costs

The RFO advised that some of the costs included in the forecast were estimates pending receipt of quotes etc. The amount included in the forecast for repairs to the chapel can be reduced to £300 as a quote for this has now been received but further costs are anticipated for painting. Councillor Payne noted that we should include in the forecast £110 for Residents Parking and £100 for the composting project site – These costs had previously been approved by the Council. Councillor Maurer agreed that we should perhaps put the Parish Newsletter project on hold until we can confirm that funds are available.

Councillor Payne and Councillor Parkes queried the reasoning behind excluding the M Emms / Carlow Bequest Monies from available Council Reserves. The RFO explained that these are monies bequeathed to the Council and should not be included in the day to day funding requirements of the Council.

The 19/20 budget for the Council was discussed. In previous years the Council has underspent the budget and has therefore increased its reserves year on year. However when comparing the 18/19 budget to the budget held in 15/16, costs have increased to fund a new assistant clerk post, a pension for all Council employees and the income budgets have been reduced to reflect the lower levels of income received. If we carry forward the 18/19 budget values into 19/20, but include the increased pay costs and the cost of the lengthsman (yet to be agreed if this will continue into 19/20), we will have a recurring funding shortfall of £6.5k. The RFO advised that we currently have an amount in the budget for the Neighbourhood plan of £6.75k – If the Council determines that these funds are no longer required in 19/20, this amount would fund our shortfall. This does mean however, that we will no longer have surplus monies to fund new projects or unforeseen costs. The Council have agreed to set up a finance working party to start looking at ways to maximise our income and reduce costs.

E/24.07.18/5 - Discuss and approve pension provider (Document attached - LGPS and alternative pension providers).

The RFO advised that the Council have a recurring budget shortfall for staff costs of £4.9k. There is an increased cost of £4.3k when comparing the salary costs of current employees excluding pension contributions with salary costs including LGPS contributions. The Council also receives an annual invoice from Devon County Council Pension fund for a previous employee of the Council – The invoice for 17/18 amounted to £635.

A document explaining the alternative pensions available to the council was discussed. The increased cost to the council of each option is as follows:-

- LGPS (Contribution Rate 21.2%) - £4.3k
- Stakeholder Pension (Contribution rate set by Council Assume 10%) - £2.1k
- NEST Pension (Minimum Contribution 19/20 3%) - £0.6k

Councillor Payne voiced her concerns with regards the budget shortfall and whether the Council can afford the contributions payable for the LGPS. Councillor Payne also asked if we could look into how many other parish councils were enrolled with the LGPS before a decision is made. The RFO advised that the Council have yet to complete their declaration of compliance re their automatic enrolment duties and may also receive a fine for late payment of contributions to the pension provider. Councillor Jones read out advice given to another Parish Council re whether to join the LGPS. They advise that whilst the Council could resolve to join a lower paid scheme, they may not be complying with equality and discrimination employment laws as employees - Other Parish and Town Councils are members of the LGPS and employees of District Councils are automatically enrolled on the LGPS.

The Council agreed to opt for the LGPS as the pension provider for its employees.

E/24.07.18/6 - To agree minimum level of Kingswear Parish Council Reserves.

It was agreed to set the minimum level of general reserves to 50% of precept.

E/24.07.18/7 - To discuss next steps: Online Banking / Outsource Payroll.

Online Banking - The RFO has obtained the necessary application forms to set up new Accounts with Unity Bank. Access and authority levels for online banking were discussed. It was agreed that the RFO would have the authority to view and set up payments and that Councillor Jones and Councillor Longman would have authority to access the account and authorise payments. The RFO will ensure a procedure note is written for the new online banking process and that training is provided.

Outsource Payroll – South Hams District Council has sent through a Service Level Agreement to be signed by the Council. The RFO confirmed the agreement with SHDC will commence once online banking has been set up. This is to avoid the late payment of salaries to staff.

The Chairman thanked everyone for attending and closed the Meeting at 7.00.

Minutes approved
Signed: Chairman of the Council