

D R A F T**Minutes of the Finance Committee of Halling Parish Council held on 3rd February 2016 at the Jubilee Hall**

Present: Chair Mark Joy (North Ward) MJ; Chris Herbert (Lower Ward) CH ; Kelly Talbot (Lower Ward); Michael Chattington (North Ward) and Trevor Reynolds (Upper Ward) TR

George Wenham (Lower Ward) – ex officio and Les Hitchcock (Lower Ward) LH .

Bill Swan – Clerk (WS) and no members of the public.

1. Apologies for absence. - none

2. Declaration of any Pecuniary and/or Prejudicial interests - none

3. To adopt the minutes of the Finance Committee held on 6th January 2016.

It was proposed by MC, seconded by MJ, that these were a true record. All agreed.

4. To receive and discuss the year to date expenditure analysis for 2015/6 at at 31st December 2015 and agree the forecast of expenditure of expenditure to the close of the financial year.

The Clerk passed round the spreadsheet showing expenditure and income up to 31st December 2015 together with the forecast for the next three months. Also shown were the bank balances as at 31st December and the bank reconciliation at that date. The balances were £48884.76 on the current account and £6197.15 on the deposit account.

MJ said that the estimated overspend by the end of March 2016 would be £7,000. The bulk of this is the Fire Station which was not budgeted for. He felt that HPC needs a contingency for expenditure on the Fire Station. CH said that HPC should query the rates charge by Medway Council of £5527 as it had now taken occupation of the building and should not be paying 100% rates. TR said will HPC receive a pro rata refund of rates should it sell the Fire Station. CH said this would be correct.

There is a potential cost of £65,000 should HPC wish to keep the Fire Station and HPC would need to borrow this to fill the gap.

CH asked if HPC should ask the firms on the Halling Association to increase their contributions as HPC currently pays £2000 a year.

There then followed discussions about the budget and precept and the following was proposed by MJ:

Estates – reduce from £7000 to £5000 as insurance costs will be met by the Finance Committee.

General Admin – leave at £10000 which will include training.

Events – leave at £4000 which will include £1500 for the Queen's 90th Birthday celebration.

Halling Association contribution – leave at £2000.

Wages – increase from £7000 to £9500 to reflect extra work on Committees.

Halling View -leave at £4000.

Capital Account – increase from £4000 to £6000 due to Marsh.

Marsh Road – leave at £2500 but try to recover costs from landowners.

Fire Station – new budget of £14000 as estimated annual running costs.

Finance Committee responsible for insurance costs of £2500.

The proposed budget amounts to £59500 an increase of £18000 over the previous year amounting to 43%.

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The proposal was seconded by KT. The vote was 4 to 1. CH voted against as he considered that a 43% increase was not acceptable.

The meeting closed at 8.05 pm.