

SOUTHBOROUGH TOWN COUNCIL

Minutes of the Full Council meeting of Southborough Town Council held on **Thursday 14th December 2023 at 7.00 p.m.** at the Southborough Civic Centre, 137 London Road Southborough, KENT TN4 0NA.

MEMBERS PRESENT: Councillors Reeves (Deputy Chair), Allen, Dury, Elliott, Figget, Francis, J Francis, I Kinghorn, Opara, Poile, Spickett and Stewart.

OFFICER PRESENT: Paul Gosling (Finance Officer)

1. APOLOGIES AND REASONS FOR ABSENCE

Cllrs Bullion, O Kinghorn and Wharton – Health Reasons.
Cllrs Hill (Chair), Lewis and Bridges - Work Commitments.

2. DISCLOSABLE PECUNIARY AND OTHER SIGNIFICANT INTERESTS – Councillors Elliott, Frances, J Frances, I Kinghorn, Poile, Reeves and Stewart declared an interest in item 9.

3. PUBLIC OPEN SESSION – no Public or Press were present.

4. MINUTES – The minutes of the Full Council meeting held on the 30 November 2023 were **AGREED** and signed as a correct record.

5. COMMITTEE PROCEEDINGS

Members **RESOLVED to APPROVE** the proceedings of the following committees: -

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|---------------------------------------|------------------|
| Planning and Transportation | 04 December 2023 |
| Open Spaces and Environment Committee | 05 December 2023 |
| Finance and General Purposes | Cancelled. |

6. TOWN MAYOR'S ENGAGEMENTS – The Chair was unable to attend so any engagements would be reported to the next Full Council Meeting.

7. BUDGET 24-25- Councillor Francis (Chair of the Finance and General Purposes Committee) submitted the following report surrounding the Budget. Members discussed the content and then **RESOLVED to APPROVE** the proposed budget for 24/25.

Agenda item 7: Budget 2024-25

The STC Budget suite of documents is now a formidable package – but pleased to say that for the very first time in my time as Chair, working on it has been relatively straightforward, because we have got out of the fog of uncertainty over the costs of maintenance, and potential hiring income, which took up so much modelling, consultation and correspondence time over the last four years; and we now have a tendering framework, a 5 year maintenance contract, and an income history to work with.

Full marks to Tracy, Paul, and the team for rising to the challenge of creating, not just a record that enables us to track the town's finances, including the £13M civic complex under our care, but to plan ahead.

My thanks also to Cllrs Trevor Poile & Ian Kinghorn, who have committed time to scrutiny, advice, and suggestions along the path. The figures were also considered by the Finance Committee at the November meeting.

The Precept

The figure foremost in all minds will be the effect next year on the middle band of council taxpayers at Band D, from £148.49 to £155.69, an increase on last year of 4.85%. In the context of this year's average inflation currently running at 9%, currently falling and with the October rate at 4.6%, I recommend this to the Council.

Headlines:

Costs

Last year we faced exceptional increases in fuel costs (estimates doubled from £20 to £40K), insurance premiums (up from £21K to £84K!), on top of usual anticipated inflationary increases; this year our Finance Officer has succeeded (through ruthless negotiation) in getting a better deal with both the energy companies and insurers, but energy costs remain volatile.

Mitigations

· Staff/consultancy – we have not recruited a successor to our late cemetery keeper, although we have filled the long-standing Grounds Staff vacancy. Grave digging continues to be outsourced, but as we mostly deal with ashes, now dealt with by our Grounds Staff. Cemetery management is now a significant addition to the Office Team's tasks.

Nor have we proceeded with the appointment of a PR consultancy for the Civic Centre, given that all those who tendered wanted a substantial retainer fee, which would have cost more than the current CC income – remains under review.

Income

· £30K interest on cash deposits – from significantly increased interest rates. Trending downwards, also volatile.

· £12K rent from Crundwell community centre

· Civic Centre hiring income – 24-25 total anticipated at £40,500. Newly includes £10K p.a. from letting the Brickworks Room to Applause, the local arts foundation, a steady new source of income. Permanently on F&GP for review. (N.B. - original 5 Year Business Plan was built on projected income for Y3, i.e. Y/E 31.8.2024, of £55K – thought to be optimistic even in 2019; to achieve break- even (income equals costs), annual income from hire would need to top c. £200K p.a. or an occupancy rate in excess of 75% – unlikely, making a degree of municipal subsidy inevitable. But STC must strive to improve income from this expensive asset.

Reserves, capital outlays

STC has significant funds, >£1M, in reserves, but must remember that c.50% of this stand in the balance sheet as the Civic Centre's 'pension fund'(see Reserves sheet). Our consultant Matt Hayden (former Head of FM, KCC) has provided a detailed estimate of cost of building/plant repairs and replacements of c. £508K.

Interest rate rises have increased our interest income, but on the other hand inflation is eating away at the value of our cash deposits. We need to invest prudently in community assets such as those listed in our Reserves allocation. Council officers have worked very hard this past year on getting projects done sooner rather than later, as recommended last year. Regular maintenance is also key to keeping future costs down and the Civic Centre in the most presentable and attractive condition for hirers.

Finally

Generally, compared with this time last year, there are positive things to report on funding:

- pavilion fencing - Estimated £15K, but around £13,000 now to be met from 106 monies. (N.B. we are still waiting for this funding, as consequential on start of sale of housing development).
- field drainage - (tender closed on 19th December 2022, completed cost outturn c.£45k against expected c.£70K) – hopefully now to be largely met from successful grant application to TWBC out of UK Shared Prosperity Fund. Discussions with TWBC Finance Officers and Cllr Rutland suggest that although allocated to arrive in 24-25, we may in fact be in line for payment in 23-24.
- tennis courts resurfacing – LTA Grant met whole cost. But requires reserve sinking fund for ongoing maintenance – contractual requirement – as breach of the LTA terms means we have to pay back grant in full.
- energy costs remain volatile.
- the increase of 45 in the tax base of households, which spreads the load more widely, and is largely outside our control, has brought the % increase below 5%.

Daniel Francis, Chair, Finance Committee, 14 Dec 2023

8. FINANCE MATTERS. - Members discussed the previously supplied financial reports. These had been supplied to Full Council due to the cancellation of the Finance and General Purposes Committee that was due to be held on 7 December 2024.

a) Outstanding Payments – Members **NOTED** the outstanding payment lists.

b) Financial Statements – Members **NOTED** the income and expenditure reports between 1st November and 30 November 2023

c) Financial Summary – Members **NOTED** the financial summary between 1st November 2023 and 30 November 2023

d) Civic Centre Income – Members **NOTED** the flow charts and reports previously supplied for the Civic Centres income.

e) NDP Expenditure – Members **NOTED** the previously supplied spreadsheet for Neighbourhood Plan expenditure.

9. **TWINNING MATTERS** - Members **AGREED** to the granting of £500.00 to SHDOFA under the Councils s137 Grants process.

10. CONFIDENTIAL ITEMS

It was proposed that during the consideration of the following items the public and press shall be temporarily excluded (Standing Order 3 (c)): -

“Meetings shall be open to the public unless their presence is prejudicial to the public interest by reason of the confidential nature of the business to be transacted or for other special reasons. The public’s exclusion from part or all of a meeting shall be by a resolution which shall give reasons for the public’s exclusion.”

These items are considered confidential for the following reason(s)
Information relating to the financial and personnel affairs of the Council.

- a) **Confidential Council and Committee Proceedings** – Council Members **RESOLVED to APPROVE** to the following confidential minutes: -

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|---------------------------------------|------------------|
| Full Council Meeting | 26 October 2023 |
| Open Spaces and Environment Committee | 05 December 2023 |
| Finance and General Purposes | Cancelled. |

There being no further business, the Deputy Chair thanked everyone for their attendance and closed the meeting at 7.35 p.m.

DEPUTY CHAIR