

COEDFFRANC TOWN COUNCIL

Minutes of the Finance & General Purposes Committee held on the 5th February 2020

Attendance: Cllrs APH Davies, C Wingrave, A Wingrave, P Davies, J Thomas, V James.

1. Apologies: Cllrs B Richards, M Harvey, L Pocock, DK Davies, JS Jones, C Fletcher.

2. To discuss possible budget savings and income generation.

The Clerk reported on the implications of the partial exemption thresholds for the VAT on the business element of the Council's activities and reported if the spend generated on business elements of the organisation exceeds the £7,500 threshold for VAT, the Council would no longer be able to claim back **any** VAT which would have a significant impact on the Council's finances. The Clerk also presented a report on the current budget and reported on the funds left after salaries, insurance, rates, utilities etc. have been removed. The Members proceeded to discuss the issue at length.

The Clerk reported that the most effective way to reduce costs would be to cut public services and the most effective way to raise additional income is to increase the precept every year.

A very through discussion took place and the following considerations were raised: -

- Not planting the flower beds and grassing them over to reduce the cost of plants and costs of staff for planting and maintenance.
- Not opening the paddling pool until the Spring Bank Holiday (end of May) to reduce the water costs and chemical costs.
- Sending out Agenda's and correspondence to Councillors electronically. This would not only save on postage, but also save costs of paper and reduce the time spent by the staff to collate all the information.
- Converting the tennis courts to allow for other activities.
- Employing a Consultant to carry out a study into the Council's functions to find out if there could be any identifiable improvements to the Council's functions.

The Clerk reminded the Members present that the discussions were not crisis talks as the budget set in January 2020 can be fully implemented and fulfilled. The discussions were just around possible savings or income generation going forward.

The Members present were very reluctant to cut or reduce any of the Council's public services.

The Clerk reported that as almost 75% of the Council's expenditure is staff costs and with the other fixed costs detailed in the report that was circulated, the discussions were basically around the remaining £56,811 which is used to run the Council's services. Therefore, any discussions around cost savings from this remaining budget is not realistically going to have any significant impact to the Council's budget.

Recommendation: That further information is gathered and that the F & G Committee meet again in April/May to discuss the issue further.

Cllr APH Davies
Chair