

**PADSTOW TOWN COUNCIL**

**Minutes of the Finance and General Purposes Committee meeting held on  
Tuesday 23 November 2021 at 7.00 pm in the Church Rooms, Church  
Street, Padstow**

**Present:** Councillors R Higman (Chairman), J O'Keefe (Vice Chairman),  
K Freeman, M Rickard, D N Vivian, Mrs T Walter and C Watson-Smyth

**In Attendance:** Mrs N Barnes (Responsible Financial Officer), Mrs S Daly  
(Support Officer and Minute Taker) and Councillor Mrs J Dawe

**FGP2021/16      Apologies:** There were no apologies.

**FGP2021/17      Announcements:** There were no announcements.

**FGP2021/18      Declarations of Interest:** There were no declarations of  
interest.

**FGP2021/19      Public Participation:** There was no public participation.

**FGP2021/20      Minutes Tuesday 20 July 2021: RESOLVED** that the  
minutes of the meeting held on Tuesday 20 July 2021 were a  
true record of the meeting and they were signed by the chair.

**FGP2021/21      Budget To Actual Variance Report:** The budget report,  
providing an overview of the total income and revenue  
expenditure from 1.4.21 – 31.10.21 and explanations for any  
significant variances, was noted.

**FGP2021/22      Budget Report 2021-22:** A review of the budget for 2021-22  
was noted.

**FGP2021/23      Budget 2022-23:**  
**Members' Allowances: RESOLVED TO RECOMMEND TO FULL  
COUNCIL THAT** no members' allowances be set for 2022-23.

**Draft Budget 2022-23:** The Chairman referred Committee to  
the Draft Budget papers. One member noted that the Budget  
indicated an increase in Non-Domestic Rates for the car parks,  
however they felt a reduction should be requested in light of  
these being reliant on Cornwall Council (CC) enforcement.  
They felt CC undertook fewer patrols and that this impacted  
car park revenue. The Responsible Financial Officer advised  
she had previously challenged the cost of Non-Domestic Rates  
but would raise the query again.

Overall, members were satisfied with the budget  
recommendations from Committees.

**RESOLVED** to accept the Budget meeting recommendations of  
the Staffing, LTOS and HRT Committees, including fees and  
charges, for inclusion within the draft Budget 2022-23.

**RESOLVED TO RECOMMEND TO FULL COUNCIL THAT** the Draft Budget 2022-23, as detailed in the agenda papers and appended to these minutes, be approved.

There was much discussion of the Responsible Financial Officer's (RFO) recommendation that a minimum of 12 months' expenditure be held in the Council's General Fund. It was noted that this recommendation was based on the Joint Panel on Accountability & Governance (JPAG) Guidance which advises 3 -12 months is held in free reserves (the General Fund) and that there is ongoing uncertainty with the COVID pandemic.

One member expressed disagreement with the recommendation, they considered that if the Council were left with no income the Government would step in as they thought it had before. They wished to know what the Council's minimum commitments would be if there was nil income and therefore what the minimum expenditure would be for 3, 6 and 12 months. They felt that if all income ceased, the Council would not open the toilets and would "reduce staff to 1 and reduce all expenses and have 1 man and a mower". They considered this would be the sensible business option if there was no money. They further added that they felt the Council had over the years "sat on a lot of money" and not spending it "was a great shame". In response to a fellow member's query asking what they would like to spend the money on that wasn't included in the Draft Budget, the member expressed concern that if the money was held in reserves it couldn't be used if something came up. The member felt that only 3-6 months of expenditure should be held in the General Fund.

The Chairman reminded members that detailed questions should be raised with the RFO ahead of the meeting in order to respond accurately. The RFO estimated, based on calculations taken during the pandemic, that minimum committed operating expenses were c.£40K per month, being c£500k per year but that the budget was being estimated 18 months in advance, as was required. She confirmed that during the peak of the pandemic there had not been any Non Domestic Rate relief from Government, she had deferred payment of Non-Domestic Rates, the only Government financial assistance was by way of furlough. Councils elsewhere in the country had gone bankrupt due to insufficient reserves or borrowings on commercial activity. The Chairman further added that COVID was still present, he noted that the Council had been fortunate to receive a grant from Cornwall Council and that tenants had been able to pay their rents, but this was not guaranteed to happen again; he supported the RFO's recommendation. Another member added that the General Fund could be reviewed again in 12 month's time.

**RESOLVED** that a minimum of 12 month's expenditure be held in the Council's free reserves (the General Fund) for the year 2022-23 and that this be reviewed in 1 year.

**Councillor D N Vivian voted against this decision and requested it be recorded.**

Precept 2022-23: It was not considered necessary to set a Precept for 2022-23.

**RESOLVED TO RECOMMEND TO FULL COUNCIL THAT** no Precept be set for 2022-23.

Business Plan: The Chairman referred Committee to the Business Plan and the suggested updates, which members were supportive of.

**RESOLVED TO RECOMMEND TO FULL COUNCIL THAT** the updated Business Plan be agreed, as detailed in the agenda pages.

**FGP2021/24**

**Date of Next Meeting:** Tuesday 15 February 2022 at 7.00pm (Grants Meeting) was noted.

Meeting closed at 7.19 pm.