

**HONITON TOWN COUNCIL  
Finance Committee**

Minutes of the meeting of the Finance Committee originally dated 19<sup>th</sup> December and postponed to 3<sup>rd</sup> January 2017 7pm at the Tirard Room, The Beehive, Dowell Street, Honiton

**Members Present**

**St Michael's Ward**

Cllr David Perkins  
Cllr John Taylor  
Cllr J Zarczynski

**St Paul's Ward**

Cllr Henry Brown (Chairman)  
Cllr Caroline Kolek  
Cllr Graham Smith

**In Attendance**

Cllr Roy Coombs  
Cllr J McNally

Member(s) of Public	One
Mrs Chetna Jones	RFO/Town Clerk

**16/67 Apologies for Absence**

Apologies were received from Cllr V Howard (P) and Cllr Jackie Wadsworth (P)

**15/68 Declarations of Interest**

Cllr G Smith – maintenance work at Beehive (P)  
Cllr D Perkins – Director of Beehive Companies (P)  
Cllr John Taylor – Possibly several items but unsure of type of Interest

**16/69 Confidential Items**

The Town Clerk advised that there were no items that contained confidential contractual information

*The Chairman declared the meeting out of session*

**16/70 Public questions**

The Town Clerk advised that there were no public questions but that Cllr Coombs had a question for the Chairman.

Cllr Coombs asked "Why must members of the public who are also members of Honiton Town Council though not of the Finance Committee, who were elected to represent other members of the public on the Town Council, have to demonstrate a need to know concerning Town Council finances in order to attend Part B meetings of the Finance Committee when Town Council finances are presumably of interest to all members of the Town Council?"

Cllr Brown reminded councillors that the item in question contained privileged information relating to a legal case and advice had been obtained which was relayed at that meeting.

The Chairman invited committee members to comment.

Cllr Perkins confirmed he agreed with Cllr Brown's comment and that it would have been inappropriate to share this information and that proper practice had been followed.

Cllr Taylor said that voting was limited to non-members only. Information provided should be consistent at all times and attendance should not be limited.

Cllr Brown confirmed that Standing Orders need to be reviewed to ensure the correct process is used at all times and the Council is consistent.

Cllr Zarczynski added that Standing Orders did not state that members can be excluded.

Cllr Kolek confirmed that the swap report had identified that much time was being wasted by debating in sub-committees and then again at full council and that the Council should work smarter and accept

**Signed Chair**

**9<sup>th</sup> January 2017**

democracy. Councillors only need to email the Chairman when they wish to attend a meeting as a non-member.

Cllr Brown confirmed that the advice given had clearly stated that consideration for attendance will be given to each part b matter on an individual basis.

**16/71 To consider the budget for the financial year 2017/18 and to recommend the budget and the precept demand to the Town Council**

The RFO provided a budget report with projected year-end figures, draft budget figures for 2017/18 and an explanation on the figures to councillors including how the system dealt with creditors and earmarked figures. The RFO confirmed that these figures were not final and that the costs awarded from the Judicial Review remained unknown. However the costs incurred by the Town Council had been included in the projected figures and required all the earmarked funds to balance the accounts.

Cllr Perkins added that he was not happy with the creditor figures being added back into the current year.

Cllr Taylor confirmed that both ways showed the same information and what mattered was how it was dealt with at year end.

Members reviewed the projected figures and draft budget figures. There was concern that the Council Tax Grant was likely to be halved which would reduce the Town Council's income. There was also concern that the budget would not meet the increase in inflation and that the Council will need to re-consider whether it can afford to take on extra services especially those that were being reduced by Devon County Council and East Devon District Council as these had a significant impact on the Town Council finances.

The Clerk advised councillors that in the past members consulted with the public to find out what was important for them. The Council proceeded with some projects following these consultation exercises and with the increase in council tax these projects have generally been well received.

It was agreed there was not time to carry out such an exercise this year and so only the projects identified previously should remain in the budget.

The Clerk advised that the Town Council had a statutory requirement to provide Allotments and the cost to do this should be included in the budget now that suitable land had been identified.

Concern was raised by Cllr Zarczynski and Cllr Taylor that they would not be able to approve the budget as it would be unlawful/unreasonable to collect £60,000 through council tax for the community complex which is now managed by a charitable organisation.

The Clerk reminded councillors of the advice provided by DALC confirming the decision can only be deemed unlawful/unreasonable by a judge and councillors could not assume this was unlawful/unreasonable themselves. However, it was a legal requirement for the Council to agree a budget and request the precept before the deadline and that the Council had resolved several years ago to pay the Public Works Loan Board.

Cllr Zarczynski added that EDDC were Guarantors and would pick up the costs and that he had evidence confirming this. The Clerk suggested that this evidence be provided to all councillors.

*Cllr Perkins left the room.*

Cllr Brown proposed that the Finance Committee recommend the draft budget with projected and next year figures, excluding the Toll Gates project but including Allotments project for approval to the Town Council at its meeting on 9<sup>th</sup> January subject to the following question being asked to DALC:

“Can a budget be agreed by Honiton Town Council if it is thought by councillors that funds are being used inappropriately. In other words the budget will (and has since 2012) set aside £60,000 for money borrowed from PWLB for construction of a Community building which is now managed by a charitable organisation and it is this that is considered to be unlawful.”

*Cllr Perkins entered the room.*

The motion was seconded by Cllr Zarczynski.

Cllr Perkins added that this was not good use of council time and that if Councillors could not accept the decisions previously made they should investigate at their own expense and not the Town Councils.

There were no other comments so the Chairman moved to the vote with 5 in favour and 1 against.  
The **MOTION WAS CARRIED.**

**16/72 Close of Meeting**

The Chairman closed the meeting at 8.40pm.