

Present: The Mayor, Councillor Mrs E Hodgkin
The Deputy Mayor, Councillor S Gawrysiak
Councillor M Akehurst (Vice chair)
Councillor W Hamilton
Councillor Miss L Hillier
Councillor D Nimmo-Smith
Councillor Mrs P Phillips
Councillor I Reissmann (Chair)
Councillor Mrs J Wood

In attendance: Mr M W Kennedy – Town Clerk
Mrs H King – Committee Administrator
Mrs L Jones – HTC Accountant
4 members of the public
1 member of the press

In the absence of the Chairman, at the start of the meeting, the Vice-Chairman (Councillor M Akehurst) took the chair.

32. **APOLOGIES FOR ABSENCE**

Apologies were received from Councillor I Reissmann for a possible late arrival.

33. **DECLARATIONS OF INTEREST**

The Mayor, Councillor Mrs E Hodgkin declared a personal interest in the Grant application covering Camp Mohawk as this was one of the Mayor's charities.

34. **PUBLIC PARTICIPATION SESSION**

Wendy Carlson (Headway)

Headway had submitted a grant application for new acoustic flooring at Brunner Hall. The existing carpet was in place when Headway moved into the building in 2008 and needs to be professionally cleaned (at some expense) on a regular basis. The new flooring could be cleaned in-house and would also provide benefits to those patients who are extremely sensitive to noise. She explained that although 75% of the organisation's running costs are covered by Local Authority money, they are responsible for finding their own funds for capital expenditure (mainly through fundraising). She asked the Committee to look favourably on Headway's grant application.

Councillor Mrs J Wood joined the meeting at 7.05.

Dick Fletcher (Deputy Chair Henley in Transition, HiT)

Mr Fletcher explained that HiT has been looking at energy reduction opportunities in the Town and he had read the Finance Committee report recommending that the installation of the solar panels should not go ahead on the Town Hall roof. He asked whether this recommendation could be delayed until further investigations and discussions could take place with English Heritage. He also suggested that it would have been beneficial to obtain quotes from local contractors for the installation work.

35. **MINUTES**

The minutes of the meeting of the Finance Strategy and Management Committee held on 3 July 2012 (and subsequently amended at Full Council on 24 July) were received, approved and adopted and signed by the Chairman as a true record.

Councillor Miss L Hillier joined the meeting at 7.10.

36. **UPDATE ON COUNCIL TAX BENEFIT REVIEW**

The HTC Accountant had already circulated a report to Councillors in advance of the meeting. The report is attached at Annex 1 for information. She informed the meeting of the following key points:

- the decision on how the tax base will be determined may not be finalised until December therefore the individual rating for a Band D property cannot be calculated until then;
- it was not known how many people within the Town were on housing benefit and therefore the likely impact on the calculation. Councillor Mrs E Hodgkin (as an SODC councillor) volunteered to find out the relevant information.

It was suggested that when the budget figures come before the next cycle of meetings it would be prudent for each committee to identify lines of expenditure that could be tailored in order to reduce the precept requirement. Two sets of figures will then be prepared and ready so that once the outcome of the consultation is known the relevant set of figures can be taken.

The Accountant confirmed that the agreed precept figure needs to be approved at Full Council on 15 January 2013 to meet the SODC deadline.

37. **PROGRESS REPORT**

Councillors received and considered the Progress Report and made the following comments:

Northfield End – Amenity area

Both Kevin Haines and David Tole (OCC) have been chased to provide an update on this issue. No response has yet been received. Councillor D Nimmo-Smith (as an OCC Councillor) undertook to remind the parties involved that this matter was still outstanding and needed to be progressed.

Bell Street

The meeting was informed that the Inquiry Inspector had set out a number of questions for both OCC and SODC. HTC had seen their answers and Councillor Gawrysiak had responded. A copy of that response was e-mailed to all Councillors earlier this week. It was reported that the Inspector seemed disappointed that there was no representation from either OCC or SODC at the Inquiry.

Estate Inspections

It was confirmed that the Committee Administrator would contact each Councillor as their inspection became due and provide the appropriate form to complete.

Electoral Review

The meeting was informed that SODC had proposed that for District Council elections, the Town should be split into 3 single Member wards. This would replace the existing two wards each with 2 Members. HTC had already advised the Boundary Commission that its preference was to have 1 ward in the Town with no split representation.

38. FINANCE

i) Budget Monitoring

In answer to a question, it was confirmed that the increase in wedding bookings at the Town Hall was not at the expense of use by local organisations as weddings were normally held on a Saturday and the majority of free-use occurred a Monday and Tuesday evening. It was

RESOLVED that the report be received and noted.

Councillor I Reissmann joined the meeting at 7.15 and took the Chair.

ii) Investment Performance

No discussion took place on the update and therefore it was

RESOLVED that the update be received and noted.

iii) List of payments

No discussion took place on the update and therefore it was

RESOLVED that the report be received and noted.

39. GRANTS

Before discussions commenced on the applications, it was suggested that the budget (of £6,000) be increased. Applications had been received to the value of over £16,000 and there was also a further tranche of applications to be considered in March 2013. Although there was money in the contingency budget, this had been earmarked for the Neighbourhood Plan. It was decided that the budget should not be increased at this time but would be examined again nearer the end of the financial year when a clearer picture of commitments would be available. It was

RESOLVED that the following grants be awarded:

Café Scientifique	£100
Air Ambulance	£500
Berks MS Therapy Centre	£600
Henley Schools Environment Science Competition	£250
St John Ambulance	£500
Royal British Legion	£246.96
Helen & Douglas House	£260
Henley Organ Trust	£200
HoT Rotary Club	£242.54
Henley Synchronised Swimming Club	£250
The Woodland Centre Trust	£246.96
Total =	£3,396.46

It was suggested that the Henley Schools Environment Science Competition should approach the Educational Trust to seek additional funding.

The application from Headway produced a lot of debate as the Committee was fully supportive of the work of the organisation. However, with such a restricted budget and a large call on the Council's funds, it would not be possible to make a meaningful grant. It was agreed that Headway's application should be carried forward to the March consideration when there may be the possibility of additional funds allocated to the budget.

Although the Council was supportive of the Springbox Gymnastics Club, it was decided that a grant would not be awarded to the Club at this time. The club had not secured their new venue and their future was not settled. It was agreed that the Club be advised to resubmit their application in time for the March meeting which should contain their latest plans for the future. It was anticipated that the Council would provide support in the form of a grant (depending on the budget position at the time). Councillor D Nimmo-Smith would follow the Club's progress.

Clerk's Post Meeting Note: Springbox Gymnastics Club has failed in its bid to secure alternative premises and therefore their grant application will be withdrawn.

40. INVESTMENT MANAGERS' SIX MONTHLY REPORTS

It was noted from the report that there appeared to be a difference in the percentage increases in value of the portfolio in the 6 months to June 2012 achieved by Williams de Broe (3.75%) as opposed to Rathbones (1.52%) on a similar sized stock valuation when it was envisaged that both Investment Managers (IM) should be more on a par considering they had a similar split of assets. The IMs will be presenting reports to 30th September 2012 to the FSM meeting on 6th November 2012 and the differences in capital growth and income yields can be addressed to the Managers at that time. It was accepted that it was not always easy to gauge the performance of the IMs by looking purely at a snapshot and it would be informative to examine the headline figures over an extended period of 3 years. This will be requested of the IMs who will also be asked to provide their figures in advance of the presentation to give Councillors time to review the data. It was

RESOLVED that the update be received and noted and that the schedule containing the information for the IMs to supply should be extended to include

- a) the provision of the relevant data to the HTC Accountant at least a week in advance of the FS&M meeting; and**
- b) headline figures for the last three complete financial years.**

41. FINANCIAL PLANNING & SCRUTINY GROUP

The notes of the meeting held on 16 July were reviewed. For clarification, the Chairman pointed out the budget figures attached to the notes were those originally considered at that meeting and not the same as the (now) revised budget that would be considered later in the Finance meeting. There being no additional comments, it was

RESOLVED that the update be received and noted

42. ENERGY REDUCTION

The Town Clerk introduced his paper on the subject and advised that full technical detail associated with this project was available for inspection in his office. He stated that the Feed in Tariff (FiT) was guaranteed at a fixed rate (increased annually by RPI) for a period of 20 years. However, this assumed the project was started before the 1 November deadline when there was an expected change to the level of FiT and possible term guarantee.

As far as the Town Hall was concerned it had been proposed that the installation should not go ahead as there had been objections from English Heritage which concerned the potential damage to the lead roof and the possibility of panel visibility. Henley in Transition (HiT) had already made a plea at the Public Participation session that this recommendation be re-visited. It was

RESOLVED that the Chairman and the Town Clerk look more closely at English Heritage's concerns and the Eco Fusion report to see if some of the issues raised could be satisfactorily addressed. A further report would be presented to FS&M with the outcome.

As far as the other buildings identified were concerned, there still seemed to be a strong case for the installation of the solar panels. However, given the size of the potential expenditure, some disquiet was expressed at the lack of competitive quotes for the installation work. In addition, considering the sheer number of panels that were to be installed, the meeting felt that it needed to see a photo montage/graphic of each of the buildings with the panels in place to gauge the visual impact before a final decision was made. To ensure that this project is initiated before the November deadline, the Town Clerk will need to provide a report to Full Council for their meeting on 16 October for a final decision to be made. It was

RESOLVED

that the Town Clerk obtains two additional quotes for the installation of the panels and a photo montage to illustrate the completed works; and

RESOLVED TO RECOMMEND

that the installation of Canadian PV Solar Panels at the 60+ Club; Leichlingen Pavilion; Sports Centre/Hockey Club and Fitness Centre be agreed in principle subject to the further information as requested above, the whole of the cost to be financed from Capital by a drawdown from Investments.

43. **PARKS SERVICE EQUIPMENT**

The meeting recognised that the Parks Service needed appropriate equipment to carry out all their duties especially in light of the additional work that had been taken in-house. The Town Clerk confirmed that the original budget (when the Parks Service was expanded) for the purchase of new equipment had been exhausted and new money was required to meet this purchase. The original Slalom vehicle (which was bought second hand in 2005) was no longer repairable and had to be replaced. It was noted that provision for such expenditure should be budgeted across the lifetime of such hardware. The HTC Accountant reported that a report was in preparation which would address this. It was

RESOLVED TO RECOMMEND

that the Council purchases a new John Deere XUV Gator vehicle (as a direct replacement for the Errepi Slalom) for use by the Parks Service and that the expenditure (£13,100) is met from the 2012-13 capital budget.

44. **2013-14 BUDGET**

The Chairman reiterated the fact that two budgets may need to be prepared to take account of the decision that was awaited on the changes to the tax base. At the very least items would need to be identified that could be 'trimmed back' if the necessity occurred. He also reminded the meeting that this Committee should be purely

considering the FS&M items. An opportunity to look at the overall budget would occur after all Standing Committees had had a chance to examine their respective figures.

The likely expenditure for Neighbourhood Planning was unclear at this stage and it was agreed that Councillors Reissmann, Akehurst, Gawrysiak and Hinke discuss the issue in an attempt to produce a realistic budget plan. A new line in the FSM expenditure budget would need to be created. The meeting examined all the items raised in the report and it was

RESOLVED TO RECOMMEND that the FS&M budget was accepted with the following amendments:

- that Grants to local organisations be increased from £6k to £10k;
- that the increase in the mayor's allowance should be limited to 2.5%;
- that the grant to NOMAD should be increased to £10k;
- that £10k be included for Neighbourhood Planning;
- that once the Capex budget was closer to finalisation the resulting drawdown from investments may result in a lower investment income figure, or the inclusion of interest on any borrowing; and
- that the Accountant investigates the interest rates on offer with the Public Works Loan Board and the eligibility for application.

It was advised that SODC were intending to refurbish their public toilets in Henley and as a result there may be the opportunity to make use of their contacts, suppliers etc. The Town Clerk confirmed he had already made preliminary contact with SODC.

The Chairman felt that the Standing Committees should split their capex requirements into 'likely' and 'less likely' projects so that resources could be targeted effectively. Ideally there should be a 3-5 year plan to illustrate and underpin the projects. It was

RESOLVED that the Accountant prepares a 3-5 year capital programme of schemes together with a Repairs and Renewals Fund for the Council's Machinery and Buildings

45. **EXCLUSION OF THE PUBLIC AND THE PRESS**

It was moved by the Chairman and

RESOLVED that the public and the press be excluded from the remainder of the meeting in accordance with the Public Bodies (Admission to Meetings) Act 1960 as matters which were about to be discussed were considered to be confidential.

MINUTES OF THE CONFIDENTIAL SESSION OF THE MEETING OF THE FINANCE STRATEGY & MANAGEMENT COMMITTEE HELD ON 25 SEPTEMBER 2012.

46. **CONFIDENTIAL**

i) **LEGAL UPDATE**

The Chairman pointed out that a significant number of legal cases were being dealt with at the current time. The Town Clerk advised the meeting that the OCC solicitor (Richard Bell) who had been assigned to look after HTC's legal work was extremely efficient providing excellent service, sound advice with detailed and prompt responses to all issues raised. His experience with Local Authority issues has also brought a better understanding of HTC's requirements. An effective working relationship has been developed between the two offices which is yielding significant results. It was

RESOLVED that the Council's thanks and appreciation be recorded in the Minutes and communicated to OCC.

Leaver Road

There had been no further progress on this item and none was expected in the short-term. It was

RESOLVED TO RECOMMEND that the issue of the equity share buy back be resurrected again in five years time.

Henley Town Football Club

The Town Clerk confirmed that the Club had been advised of the District Valuers suggested level of rent and that they would be notified formally after agreement at Full Council. It was

RESOLVED TO RECOMMEND that the level of rent for the Club's new lease be set initially at £600pa and subject to the rent reviews specified in the lease.

Henley Rugby Club

A member raised a query regarding the telecommunications company rent should the Club choose to surrender their lease (with consent of the Council).

Clerk's note: HTC solicitor has confirmed that if the Club wanted to effect a surrender to HTC, before the underlease terminates, on agreed terms (which would be a matter for HTC's discretion) then HTC would become the direct landlord of the telecoms company and receive the rents from the underlease.

Bath Site

The report on the valuation of the Bath Site had just been received from Simmons & Sons and will be presented to the next FS&M meeting on 6 November.

ii) MAKINS

There was a great deal of discussion concerning whether a part of the land at Makins should be sold or leased to the property owner in Harcourt Close in order to create gardens for his in-fill development. However, before any decision could be made it was felt that the size of land required should be exactly determined and then a valuation to take place. The matter will be discussed again once these facts are to hand. It was

RESOLVED that Simmons and Sons are instructed to carry out a valuation of the site and produce a report for the Committee's further consideration.

The meeting closed at 10.00pm.

Chairman
26.9.12

Report covering an Update on Council Tax Benefit Review

Members will be aware that the tax base is an estimate of the number of dwellings in the area, adjusted for exemptions and discounts, and then converted into 'Band D equivalents'. The precept requested by the Council is divided by the tax base to give Band D tax per dwelling. In 2012/13 the precept is £487,500, the tax base is 5,839, making a band D tax figure of £83.48 per dwelling.

In May 2012 the Department for Communities and Local Government issued a funding arrangements consultation entitled Localising Support for Council Tax. In this consultation it was recommended that Local Councils take over the administration of Council Tax benefits (currently dealt with nationally) with the direct result that there would be a reduction in the tax bases for town and parish councils from 2013/14 onwards. The precise effect on Henley Town Council's tax base cannot be ascertained, but if, for instance the tax base fell by 10%, the above Band D figure would increase to £92.76 – an increase of 11%, all else being equal.

Following strong criticism by many local councils including Henley it was acknowledged that there was a 'parish problem', and a second consultation document was issued on 28th August in which it was suggested that town and parish tax bases are calculated without taking the Council Tax reduction scheme into account – in other words there would be a reversion to the current system for calculating the tax base. The deadline for this consultation is 9th October and Henley has already responded positively to the new proposals. If members wish to view the proposals they can be found under <http://www.communities.gov.uk/publications/localgovernment/localpreceptconsult>

Normally the tax base figure is announced in November. The consultation still has to be enacted and all figures for tax bases are dependent on the passage of the Finance Bill through the Lords. The Accountant has been informed by Mr Steve Bishop, Strategic Director for SODC, that the probability is that it will be enacted before Christmas, in which case Henley Town Council will know its tax base by Christmas Eve at the latest.

If this is the case the tax base will be known either in time for the FSM meeting on 18th December 2012, or by Full Council on 15th January 2013. This is the deadline for the Council's precept request. The level of precept will be determined by the financial requirements for 2013/14 – the budgets are being discussed in the current cycle of meetings and will be finalised in the next cycle. By the dates of the December/January meetings Councillors should be able to determine the effect of the level of the precept on the amounts payable per Band D dwelling.

The tax base is ordinarily affected by other factors including the number of dwellings, and over recent years this number has increased organically within the town as more plots of land are developed. The tax base and Band D tax over recent years have been as follows:

	Tax base	Band D tax
2009/10	5,669	£80.97
2010/11	5,686	£82.43
2011/12	5,705	£82.16
2012/13	5,839	£83.48