

**MINUTES OF FINANCE & GENERAL PURPOSES COMMITTEE MEETING HELD ON 21
JANUARY 2014 AT THE OFFICES OF BIGGLESWADE TOWN COUNCIL, THE OLD
COURT HOUSE, SAFFRON ROAD BIGGLESWADE**

Present: Cllr M North, Cllr Mrs. H Ramsay, Cllr Mrs. M Russell, Cllr G Wilson
Rob McGregor – Town Clerk
Derek Kemp - DCK Beavers
Members of the public – 1

Also present: Cllr B Briars

1. APOLOGIES

Apologies were received from Cllr B Rix and Cllr S Watkins.

2. DECLARATION OF INTERESTS

To receive Statutory Declarations of Interests from Members in relation to:

(a) Disclosable Pecuniary interests in any agenda item – members were reminded that they had signed a dispensation to deal with item 6a on the F&GP Agenda.

(b) Pecuniary interests in any agenda item – none declared

3. PUBLIC OPEN SESSION

There were no items discussed during the public open session.

4. MINUTES OF MEETINGS

Members received and approved the minutes of the Finance & General Purpose meeting held on 19 November 2013.

5. MATTERS ARISING

a. From the Finance & General Purpose meeting held on 19 November 2013 – Item 6c Cllr M North said that this item has been approved by full Council.

6. ITEMS FOR CONSIDERATION

a. Budgets

Members considered budgets for 2013/2014.

Members were informed that the budgets had been looked at again in detail during the 21st January 2014 and that the proposed increase in the budgets was 8.93%.

Cllr Mrs M Russell proposed that the increase was a good way forward considering the 10.2% loss on the figures due to the loss of the grant from Central Bedfordshire Council.

Cllr Mrs H Ramsay asked if there was provision in the budget to cover projects that had to be completed in 2014/ 2015.

Cllr M North said that we have done well to keep the increase at 8.93% and proposed that the budgets are recommended to Town Council.

Cllr M North thanked the Clerk and staff for keeping a tight rein on the Town Councils finances.

It was **RECOMMENDED** that Town Council accept an increase of 8.93% to the Town Council budgets for 2014/2015 the equivalent of an 18.43 pence week rise per Band D Equivalent.

b. Local Government Pension Scheme: Ill-health early retirement risks

Correspondence has been received from Bedford Borough Council regarding the above.

Town Council is a participating employer within the Bedfordshire Pension Fund and as such is required to meet any obligations to the Fund in respect of pension costs for employees.

Many employers are becoming increasingly aware of the risks of participating within the Local Government Pension Scheme. One such risk causing concern is the cost associated with the ill-health early retirement of one (or more) of employees.

Bedford Pension Fund has obtained an ill-health insurance quote on behalf of the Fund's employers.

Bedford Pension Fund has obtained an ill-health insurance quote on behalf of the Fund's employers.

The premium paid will be off-set against contributions to the Fund. Therefore, there will be no increase in the contributions normally paid to the Fund for employers who decide to purchase the insurance. The premium payable to legal and general would be **£0.80 per £100 of Town Councils employee's salary roll.**

The above rate is based on a take-up rate via the individual employer choice route.

Members are asked to consider whether Town Council should proceed with purchasing ill-health insurance.

A copy of all correspondence is attached to this agenda.

Cllr M North felt that it was not clear if Town Council had to purchase the insurance.

Cllr Mrs M Russell felt that it was a lot of insurance, just under £2,500 per annum and that it was unlikely that staff would retire due to ill health; we should not proceed.

D Kemp (DCK) suggested that Town Council could bring the £2,500 into the year - end Accounts as an earmarked reserve and self-fund the likelihood of a member of staff retiring early due to ill health.

Cllr Mrs M Russell asked if the money could be taken out of the reserve at some point in the future when it accumulates.

Cllr Mrs H Ramsay proposed that Council self-insure and set the sum of money aside each year as an earmarked reserve.

It was **RECOMMENDED** that Town Council set aside a sum of money each year as an earmarked reserve, to cover the likelihood of a member of staff retiring early due to ill health.

c. Council Tax Support Grant/Referendum principles

A copy of correspondence from The Parliamentary under Secretary of State, Communities and Local Government (Mr Brandon Lewis), is attached for Members consideration.

Members noted the correspondence.

7. ITEMS FOR INFORMATION

There were no items for information.

8. PUBLIC OPEN SESSION

There were no items discussed during the public open session.