

AGENDA ITEM 5

<u>MINUTES</u>	of the Meeting of the <u>BUDGET & POLICY COMMITTEE</u> held at the Council Chamber, Drake Road, Tavistock on <u>MONDAY 16th JULY, 2018 at 6.30pm</u>
<u>PRESENT</u>	Councillor P Ward (Mayor) Councillor Mrs A Johnson (Deputy Mayor) Councillors Mrs M Ewings, A Hutton, P Palfrey, P Sanders, P Williamson
<u>IN ATTENDANCE</u>	Town Clerk, General Manager, Assistant to the Town Clerk

56. ELECTION OF CHAIRMAN

Nominations were invited for the Election of Chairman of the Budget and Policy Committee for the 2018-19 Civic Year.

A nomination was received in respect of the Deputy Mayor, Councillor Mrs A Johnson.

RESOLVED THAT Councillor Mrs A Johnson be elected Chairman of the Budget and Policy Committee for the 2018-19 Civic Year.

57. ELECTION OF VICE CHAIRMAN

Nominations were invited for the election of Vice Chairman of the Budget and Policy Committee for the 2018-19 Civic Year.

A nomination was received in respect of the Mayor, Councillor P Ward.

RESOLVED THAT Councillor P Ward be elected Vice Chairman of the Budget and Policy Committee for the 2018-19 Civic Year

58. APOLOGIES FOR ABSENCE

There were no apologies for absence as all Members were present.

59. CONFIRMATION OF MINUTES

RESOLVED THAT the Minutes of the Meeting of the Budget & Policy Committee held on Tuesday 13th March, 2018 (Appendix 1) be confirmed as a correct record and signed by the Chairman.

60. DECLARATIONS OF INTEREST

There were no declarations of interest made.

ITEMS FOR RECOMMENDATION TO COUNCIL

61. COUNCIL FUNDING & CAPITAL PROGRAMME

The Committee considered the report of the Town Clerk (Appendix 2) setting out the position with regard to funding of the capital programme. In particular with regard to a funding shortfall of (depending on the baseline taken) between £470,000 and £630,000 and the importance both of addressing the shortfall and re-building reserves.

The Committee was advised;

- following concerns raised regarding the Council's current levels of General Reserves, and in order to replenish same to typical operating levels £450,000 had been placed with the CCLA (Churches, Charities and Local Authority Deposit Fund), which had previously been identified as a suitable deposit vehicle;
- based on the Council's projected capital spend, and if income levels continued as currently, in 2 years' time there would be an anticipated shortfall of capital reserves of in the order of £472,000 in relation to committed spend. This would not become evident until 2019 with Guildhall expenditure. Consequently it was appropriate to take the opportunity to rectify same beforehand. Some available options might include:
 - to obtain a short term loan for possibly 5–7 years. A loan, together with savings being made in other areas, could result in a sum of £80,000 – £100,000pa to offset the shortfall. This would have a much reduced long term impact on the ratepayer when compared to a longer term loan.
 - dispose of one or more of the Council's property portfolio (the restrictions regarding use of capital receipts being noted).
- Potential increasing future (unfunded) revenue costs - West Devon Borough Council (WDBC) was considering changing operating practices and/or closing public toilets in the Borough, including Tavistock. It was therefore appropriate that the Town Council be mindful of the implications, and potential costs, associated with such an approach. Similarly there would be increased running costs associated with future operation of the Guildhall Gateway Centre.

Following further discussion, officers undertook to seek clarification/more information regarding the use of capital receipts.

RECOMMENDED THAT the matters, as set out in the report, be prioritised by the Committee and Council in the Autumn Budget setting round for the Financial year 2019/20.

62. COUNCIL GRANTS POLICY

The Committee considered the report of the Assistant to the Town Clerk (Appendix 3), following a meeting of the Grants Policy Working Party.

Members considered the proposed new process as detailed within the report. The merits of the changes could be seen, however it was felt that by applying the process to 3 or 4 applications from the previous year's applications, it could enable assessment of how the process could work in practice.

In the discussion arising points were raised regarding;

- the '3-year rule' which has been agreed earlier in the year, and the impact this might have on certain organisations which relied on annual grants (i.e. Citizens' Advice). It was suggested that the wording might be amended to 'no one organisation would normally receive a grant for more than 3 consecutive years'. This would not apply to all applicants, so would encourage some to look elsewhere for funding or fund raise themselves, rather than relying on a grant;
- that scoring might be subjective and over-complicated;
- that some categories could be amalgamated in order to simplify scoring (i.e. combine 'slight risk' and 'low risk');
- that electronic copies of applications could in future be provided, rather than paper ones.

Noted That - the Assistant to the Town Clerk undertook to provide Members of the Committee with electronic copies of 4 applications from last year, and the scoring matrix. The Members would then score the applications individually, and provide their feedback by Friday 17th August, 2018.

The results would be brought before the Committee at the next Meeting on 4th September 2018, prior to any recommendations to Council.

63. OFFICE STAFFING ARRANGEMENTS

The Committee considered the report of the Assistant to the Town Clerk (Appendix 4).

Clarification was sought on the requested increase to the permanent establishment of the organisation, which was confirmed as being 0.36 FTE.

RECOMMENDED THAT Tavistock Town Council approve adoption of the current resource of 74.0 hours per week (i.e. 2 FTE) for the two administration posts in the office .

Noted That

- a) Councillor Mrs M Ewings left the Meeting;
- b) The Works Department was presently operating with some permanent posts on the establishment vacant (occupied by temporary resource) pending review in the Autumn, similarly there were areas of corporate activity (such as projects, policy, compliance etc) which continued to be under resourced.

ITEMS CIRCULATED FOR INFORMATION ONLY

64. PROJECT MANAGEMENT - APPOINTMENTS

Townscape Heritage Initiative project management

It was reported that, following consultation with Heritage Lottery Fund, and pursuant on the resignation of the THI Project Manager, the DR Company (Diverse Regeneration Company) had been appointed to deliver the bulk of project management activities for the remaining duration of the project in the sum of £20,000.

DR had previously provided support to the THI Project in its early stages around governance and operating processes and subsequently in the area of financial vetting and represented the best delivery option at this stage in the project lifecycle.

The principal area which did not lend itself to delivery in this way was the Public Realm Programme which the General Manager had undertaken to deliver.

Concerns were raised regarding capacity challenges, it being noted HLF schemes only provided for consideration of funding 'back-filling' where a new appointment was required.

Guildhall Gateway Centre project management

Following a public procurement exercise, and consultation with Heritage Lottery Fund, Heritage Business Consulting had been appointed (subject to permission to start) to provide project related consultancy support for the Project. The tender fell within the approved budget (£40,000) and the Committee welcomed the appointment of a provider with extensive knowledge of the Project.

65. GUILDHALL GATEWAY CENTRE

The key outstanding issue was that the Lease and Service Level Agreement (SLA) had yet to be agreed, although progress had been made.

In view of the impasse mediation had been discussed, which both parties were open to. However there remained significant and growing concerns regarding:-

- Potential impact upon the funding position with HLF and permission to start;
- the difficult and slow progress of getting the Lease and SLA agreed;
- that THT was yet to instruct (as opposed to appoint) solicitors and were anxious to agree all matters before seeking legal advice which introduced complexity into negotiations;
- THT's lack of funds at this stage of the project and, more particularly, funding for legal costs;
- the cost to Tavistock Town Council of providing the level of Officer time and legal services it had to date;
- the challenging environment between the parties and the importance, subject to the outcome of any meetings that week, of keeping HLF informed of progress.

There was a further discussion regarding how best to take matters forward, including the potential to meet with the Trust at its next meeting (in two days), the most appropriate representation and associated arrangements. To assist the General Manager undertook to meet with representatives of the Trust with a view to meetings taking place later in the week to discuss matters and move them forward.

Noted That;

- A consultant had been engaged by the Council, on behalf of the Trust, to assist it to apply for grants – both to meet the £60,250 unfunded shortfall in the bid and to support THT activities more generally;
- the Clerk undertook to circulate copies of the current iteration of the draft Lease and SLA document, together with 3 or 4 relevant e-mails, to all Members of the B&P Committee;
- In the event opportunity was not afforded to representatives of the Council to meet the THT Board on the 18th July a letter be written to the THT Board beforehand setting out the Councils concerns and seeking urgent movement on next steps.

66. CAPITAL WORKS UPDATE

The General Manager confirmed that;

- a) Molly Owen Centre – the contract for works in relation to the ramp/reconfiguration had been let to A D Williams. It was anticipated that the works would be completed within the next 2 weeks;
- b) Butchers’ Hall – the Open Day had taken place on Saturday 14th July, 2018. The WC unit and sound system had now been installed, so all works were completed;
- c) Pannier Market Public Realm works – the tender process was now completed with the contract being let, subject to HLF approval, to Cormac, with a tender of iro £ 174,000 which compared very favourably with those (higher) tenders received when the Council first sought to let the contract. The works were due to start early September, with an anticipated works period of 13 weeks, thereby finishing early December and prior to Dickensian evening;
- d) Guildhall Car Park Public Realm works – the budget for these works was £156,000, with a tender of £238,000. However, due to an anticipated (subject to HLF approval) transfer of £60,000 from the originally scheduled Market Street works which were now not proceeding, together with an underspend of £50,000 from the Pannier Market HLF Scheme budget, there was sufficient funding to allow these works to proceed

Officers confirmed that future Council consideration would take place with regard to:

- street furniture in the Pannier Market surround;
- the orientation in Guildhall Car Park including with regard to the design features which would be proposed, consistent with the Public Realm Strategy.

67. PUBLIC BODIES (ADMISSION TO MEETINGS) ACT 1960

Pursuant to Section 1(2) of the Public Bodies (Admission to Meetings) Act 1960 and having regard to the confidential nature of the business to be transacted it was:-

RESOLVED THAT the Press and Public be excluded from the Meeting for the following items of business.

**CONFIDENTIAL ITEMS
FOR RECOMMENDATION TO COUNCIL**

68. COUNCIL ASSETS (CONFIDENTIAL by virtue of relating to legal and/or commercial matters and/or financial or business affairs of a person or persons other than the Council)

The Committee considered the report of the Town Clerk (Appendix 5) together with a brief overview of the report, with particular

reference to the capital programme funding position as discussed earlier in the Meeting.

Following review of the various options open to Council, and their relative merits, it was:

RECOMMENDED THAT pursuant upon the recommendations set out in the earlier report titled 'Council Funding & Capital Programme' that further consideration of this report form part of a more focussed and strategic discussion on capital funding in the Autumn budget round.

69. MEDIATION

It was noted that two Members would be required to represent the Council, in consultation with the Clerk, at mediation in connection with the restriction placed upon the Land Register regarding land at Meadowlands, was scheduled for 27th September, 2018. This would involve travelling to London the day before, and probably spending a full day in mediation;

RECOMMENDED THAT

- a) The Town Clerk be authorised, in consultation with two Members of Council to represent the Council at mediation in connection with the restriction placed upon the Land Register regarding land at Meadowlands, currently scheduled for 27th September, 2018
- b) Councillors P Palfrey and P Williamson be authorised (reserve Councillor Mrs A Johnson) to participate in the mediation ((a) above refers)

Noted That the Clerk undertook to seek further information on related matters from the Council's legal advisors.

CONFIDENTIAL ITEMS **CIRCULATED FOR INFORMATION ONLY**

70. LEGAL MATTERS (CONFIDENTIAL by virtue of relating to information of a commercially sensitive nature and/or legal proceedings and/or relating to identifiable individuals)

- a) Tenant Matters – it was reported a letter had been received from solicitors acting for a tenant seeking compensation in the sum of for a perceived loss of income during the Pannier Market closure period. Following discussion with the Solicitors and Surveyor to the Council he Council officers advised that the Council would respond indicating that it had been reasonable and proportionate in its actions and did not accept the case made.

The Meeting closed at 9.45pm.

Signed.....

Dated.....

CHAIRMAN