

Yeovil Town Council



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Policy, Resources and Finance Committee

The Meeting... **Policy, Resources and Finance Committee**

The Time... **7.00pm**

The Date... **Tuesday 28 January 2014**

The Place... **Town House, 19 Union Street, Yeovil**

If you need this information in large print, Braille, audio or another language, please ring 01935 382424



QUALITY
TOWN
COUNCIL

Alan Tawse

Alan Tawse
Town Clerk

22 January 2014

To: All Members of the Policy, Resources and Finance Committee:

Martin Bailey

Peter Brock

Philip Chandler

Bridget Dollard

David Dollard

Tony Fife

Jon Gleeson

John Hann

Kaysar Hussain

Andrew Kendall

Mike Lock (Ex-Officio)

Tony Lock (Chairman)

Manny Roper (Ex-Officio)

Wes Read

Darren Shutler (Vice-Chairman)

Alan Smith

Equality Act 2010

The *general* public sector equality duty places an obligation on a wide range of public bodies (including town and parish councils) in the exercise of their functions to have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act
- Advance equality of opportunity between people who share a protected characteristic and those who do not
- Foster good relations between people who share a protected characteristic and those who do not

The protected characteristics are:

Age

Disability

Gender Reassignment

Marriage and Civil Partnership

Pregnancy and Maternity

Race

Religion or Belief

Sex

Sexual Orientation

A G E N D A

Public Comment (15 minutes)

1. MINUTES

To confirm as a correct record the Minutes of the previous meeting held on 26 November 2013.

2. APOLOGIES FOR ABSENCE

3. DECLARATIONS OF INTEREST

4. CORRESPONDENCE

5. APPLICATIONS FOR GRANT AID

(Circulated separately)

6. CAPITAL FUND

7. ESTIMATES 2014/15

8. FINANCIAL STATEMENT – OCTOBER/NOVEMBER 2013

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Public Comment (15 minutes)

EXCLUSION OF PRESS AND PUBLIC

The Committee will be requested to pass a resolution excluding the press and public from the remainder of the meeting in accordance with Section 1(2) of the Public Bodies (Admission to Meetings) Act 1960 on the grounds that publicity would be prejudicial to the public interest by reason of the confidential nature of the business to be transacted

9. STAFFING ISSUES

(Confidential report circulated separately to Members only).

6. CAPITAL FUND

Introduction

A copy of the Capital Fund is attached at page 6. The sum of £5,503 is currently available for allocation to new capital schemes.

Former Goldcroft Allotment Site

Future sources of funding include the proceeds arising from the sale of surplus land at the former Goldcroft allotment site.

In November 2009, the Town Council agreed that approval be given to the acceptance of the highest bid received for the disposal of the above site subject to the bidder providing formal satisfactory evidence within the next two weeks of their ability to fund the acquisition.

The response was reported to the following meeting of the Town Council at which it was agreed that the disposal to the highest bidder be permitted to proceed.

The disposal of the site proceeded as expected and, following completion of the S.106 agreement, the Planning Authority issued a planning certificate on 23 July 2010 granting outline planning approval for the residential development of the site. In accordance with the agreed disposal arrangements, a draft contract was prepared by the Town Council's solicitor and submitted to the purchaser's solicitor.

Following on from the March 2011 Town Council meeting, the outstanding issues were progressing towards a conclusion and, as reported to the October 2011 Town Council meeting, contracts were expected to be exchanged at the agreed price in the near future whereupon it was anticipated that the purchaser would apply for detailed planning consent or reserved matters approval within the following two months.

The position was reviewed at the February 2012 Town Council meeting, at which a strategy was agreed to resolve the outstanding issues. The disposal arrangements were further reviewed by the Town Council in May 2012 and a revised plan of action drawn up to advance the matter.

The conclusions of a Working Group set up to review the disposal of the land; to consider future options and to make recommendations on the best way forward were considered at the September meeting of the Town Council and unanimously approved, and a further report was submitted to last December's Town Council meeting.

The report set out further developments that had taken place regarding the disposal of the above land following the adoption of a strategy by the Town Council, and details of the progress made in relation to the course of action agreed at the September 2012 meeting of the Town Council were set out in the report along with copies of the bids received to date in response to the recent marketing exercise.

Following detailed consideration of the bids received and the options available, the Council agreed that no action be taken, at this stage, to dispose of the site, and that the land continue to be marketed and an update report be submitted to the March 2013 meeting of the Town Council.

In March, the Town Council received an update report and, after giving careful consideration to the options available, adopted a revised strategy that would progress the matter whilst protecting the Council's interests. An update report was submitted to the Town Council in May at which it was agreed that the land be withdrawn from the market pending the outcome of the ongoing planning process. The application to renew the outline planning consent and the reserved matters application have since been approved by the Planning Authority and discussions are taking place with the Council's Property Agent and Solicitor with a view to providing details of the options available for taking this project forward.

Former Ski and Activity Centre

Another potential source of funding is the former ski and activity centre should the Town Council decide to dispose of the freehold as part of the redevelopment proposals.

Alder King were instructed to market this site on behalf of the Town Council and, following a meeting between the appointed representatives of the Town Council and Alder King, arrangements were made for a revised draft development brief to be produced and submitted to the July 2008 meeting of the Town Council for consideration. The final brief was adopted at that meeting and the property was marketed and expressions of interest invited.

Details of those received were reported to the Town Council in March 2009, and Members approved a process for assessing these bids and reporting back on their respective merits with a view to a final decision being taken by the Town Council in due course on how best to proceed.

All expressions of interest received were considered by the Steering Group set up to give initial consideration to the matter, and details of the bids received along with their views were submitted to the Town Council.

Although the bid put forward by the Yeovil Community Church in September 2009 for the redevelopment of the site as a creative arts centre was supported in principle, the proposal was unable to be progressed at that time owing to factors beyond the Church's control.

In May 2010, the Town Council agreed to concentrate on remarketing the property following a review of the current development brief, which were submitted for Members' consideration following the conclusion of the planned investigation by the Council's Property Agent.

The result of this exercise was reported to the October 2010 meeting of the Town Council at which approval was given to Alder King entering into discussions with representatives of the organisation commissioned to prepare an indicative masterplan for the nearby urban village - as part of the emerging Core Strategy (Preferred Options) - with a view to exploring the feasibility of the site being included in the masterplan.

The outcome of these discussions was reported to the December 2010 Town Council meeting at which it was agreed that representations be made to the Planning Authority seeking the inclusion of the site in the emerging masterplan for the nearby urban village. Representations were made and, as reported to the January 2012 Town Council meeting, the site has been included in the masterplan, copies of which have been circulated to all Members.

Further feasibility work is planned, and further updates awaited on the progress of the future actions. The Town Council will be involved in the planned further feasibility work on the ski slope site.

Other Sources

Any funding beyond these sources will need to be in the form of a loan from the Public Works Loan Board, applications for which are considered on their individual merits and subject to funding availability.

Play Areas

The District Council has been asked to consider the suggested phasing of proposed future upgrades having regard to the condition of the play equipment at all of the sites managed by the Town Council and the availability of contributory funding from the District Council.

This work, which was completed last year, involved a further audit of the play areas by the District Council's Play and Youth Facilities Team and the results - including an analysis of the findings and suggested priorities – were reported to the March 2013 meeting of the Committee (Minute 8/167 refers) along with the views of the Grounds and General Maintenance Committee on the matter.

A copy of the updated programme is set out below:

Play Area	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	Totals
Preston Park	£12,500						£12,500
Summerhouse View		£10,000					£10,000
Kingston View			£7,750				£7,750
Grass Royal				£10,000			£10,000
Fielding Road					£5,000		£5,000
Turners Barn Lane						£10,000	£10,000
Total	£12,500	£10,000	£7,750	£10,000	£5,000	£10,000	£55,250

These figures represent the anticipated contributions from the Town Council and assume that matching contributions will be made by the District Council.

Allocations have been made by both Authorities for 2012/13 (Preston Park) which has recently been completed, and the Policy, Resources and Finance Committee had identified how it would meet the proposed contribution of £10,000 towards the 2013/14 scheme (Summerhouse View). This will be via combination of planned underspends totalling £7,851 carried forward to 2013/14 with the balance of £2,149 being met from savings to be identified by the Grounds and General Maintenance Committee in their current budget.

However, the Town Council's proposed contribution is subject to the District Council making a matching contribution towards this scheme, and a decision on this is still awaited and is expected to be made as part of that Council's ongoing budget-setting process. Assuming District Council funding is secured, the project will be undertaken in 2014/15.

The Committee has also agreed to the funding of the remainder of the programme being considered as part of the budget-setting process leading up to the fixing of the 2014/15 precept. However, given the slippage in the delivery of the agreed schemes, this can be considered as part of the 2015/16 budget process.

Existing Programme

As previously reported, the Preston Park project was rescheduled for delivery in 2013 and, in line with this aim, the project was completed and officially opened last month.

In addition to the £12,500 each contributed by the Town and District Councils, S106 contributions amounting to £5,463 were secured from a local developer towards the Preston Park project, along with a contribution of £5,000 from Cllr Dave Greene who has agreed to allocate part of his County Councillor delegated health and well-being budget, which will enable an enhanced scheme to be delivered at that location. A contribution of £1,500 has also been secured from the Well-Being of Yeovil Association, which made a total overall working budget of £36,963.

A project plan and sketch designs for the play area were agreed by the Grounds and General Maintenance Committee, and a steering group was formed to help deliver this project – in consultation with the local community. Following a tendering process, a contractor was appointed to deliver the agreed scheme within an agreed timetable. A similar approach is expected to be taken with the development of the Summerhouse View project following all the necessary funding being put in place.

General Reserve

As previously reported to the Committee, the General Reserve stands at £385,947 and, after taking into consideration agreed carry forwards totalling £50,631 from 2012/13 and other commitments totalling £91,628, the net unallocated balance is £243,688.

The Committee has agreed that, as a matter of policy, a minimum balance of £180,000 remains uncommitted in the General Reserve to meet any unexpected revenue needs beyond those which could be funded from contingencies over the forthcoming financial year. This is £63,688 (35%) *above* the agreed minimum balance.

Recommendations

Members are **RECOMMENDED**:

- (1) to note the position concerning the Capital Fund and the General Reserve;
- (2) to note the current position regarding the rolling programme of play area improvements; and
- (3) to await confirmation of the District Council's funding towards future schemes included in the programme.

(Alan Tawse, Town Clerk - 01935 382424)

7. ESTIMATES 2014/15

Introduction

At the December meeting of the Town Council, consideration was given to the setting of the precept for 2014/15, and it was

RESOLVED

- (1) that the 2014/15 *draft* revenue estimates for the various Service Committees of the Council, summarised below and attached to the minutes of the Policy, Resources and Finance Committee meeting held on 26 November 2013 be *provisionally* approved and adopted; and

Committee	Revenue Estimate
Planning and Licensing	£5,471
Grounds and General Maintenance	£243,391
Promotions and Activities	£76,955
Buildings and Civic Matters	£112,434
Policy, Resources and Finance	£378,837
Total	£817,088

- (2) that *final* approval and adoption of these estimates and the setting of the Town's precept for 2014/15 be deferred and determined at the February 2014 meeting of the Town Council.

Subsequent Developments

The Government has made it clear that town and parish councils will continue to be included in the Council Tax base calculations that need to be undertaken each year by all district councils (as billing authorities) as part of the Government's decision to introduce Localising Support for Council Tax from 1 April 2013.

The Government has yet to confirm whether it will be applying the council tax referendum rules to town and parish councils this year. It has indicated that an announcement on this issue will be made in the New Year.

Following on from the December Town Council meeting, written confirmation has been received from South Somerset District Council (SSDC) of the Town Council's tax base for 2014/15 and the level of grant that the Government has included in the Revenue Support Grant settlement for local authorities and town and parish councils – to support the Council Tax Reduction Scheme.

Impact of Government's Changes

The consequence of these arrangements is that the tax base of the Town Council (as a local precepting authority) was reduced by 14.6% from 10013.66 to 8552.28 in 2013/14. This decrease of 1461.38 effectively meant that the Town Council's annual income from its share of the Council Tax precept was initially reduced by £132,445.

This was exacerbated by the inadvertent inclusion by the billing authority of properties in Wyndham Park in the Town Council's 2013/14 tax base, which effectively reduced this figure further to 8340.46 following their removal. However, during the course of the year, the tax base has increased and for the purpose of calculating the 2014/15 precept it is now 8537.43. These changes have resulted in the Town Council's annual income from its share of the Council Tax precept being reduced by £138,338.

As previously reported, to help offset the impact of this change, the Government has introduced a *voluntary* arrangement under which billing authorities agree the amount of funding, allocated initially to such authorities, to be passed down to local precepting authorities.

Under the new system, this allocation is reviewed each year by the billing authority. South Somerset District Council has agreed to allocate £119,415 to the Town Council for 2014/15. This is £550 (0.5%) less than last year's grant of £119,965. As a result of the new arrangements, the overall annual net income of the Town Council has been reduced by £18,923.

In making this allocation, the District Council has drawn attention to the fact that the Council Tax Reduction Scheme Grant has now been absorbed into Revenue Support Grant and therefore the transparency of funding has been lost. The Government has outlined that the same level of funding for local authorities as well as the town and parish councils has been allocated to local government for 2014/15.

As the transparency has now gone, the District Council has agreed the principle that the grant to town and parish councils be amended from 2015/16 in line with provisional reductions/increases to South Somerset's grant from Central Government.

Setting of Precept

As previously reported, the District Council has confirmed that the Town Council may set the Town's precept for 2014/15 at its meeting on 4 February 2014. Since the last meeting, the Yeovil Crematorium and Cemetery has now set its budget for 2014/15 and the Town Council's contribution has been calculated at £99,624. This makes the overall draft budget £916,712.

Following discussions with the Chairman, who represents the Town Council on the Youth Services Review Steering Group, it is proposed that additional provision of £17,700 be made in next year's budget towards the costs of delivering youth services in Yeovil Town following the withdrawal of funding by Somerset County Council on 1 April 2014.

If supported, this would increase the overall budget to £935,297 (including £885 additional contingencies) and would result in a new Band D charge of £95.57, which equates to a 1.98% increase in the 2013/14 budget.

As mentioned above, the Government has yet to confirm whether it will be applying the council tax referendum rules to town and parish councils this year. In the event that this turns out to be the case and the proposed increase would result in the Town Council having to hold a referendum (previously estimated at a non-recoverable cost of £10,000) it is suggested that the

proposed provision for youth services be reduced by an appropriate amount to secure compliance with the set rules.

Notwithstanding this possibility, should the Town Council decide to set a Band D charge of £95.57, this would represent an increase of £1.86 per year – which equates to less than 4p per week.

This approach, which is supported by the Chairman, represents a sustainable solution as the additional funding would be built into the base budget to help meet ongoing revenue costs.

Recommendation

The Committee is **RECOMMENDED** to note the above-outlined developments and to make recommendations to the forthcoming Town Council meeting on the setting of the 2014/15 budget and the precept.

(Alan Tawse, Town Clerk – 01935 382424)