

MINUTES OF A MEETING OF THE FINANCE COMMITTEE  
HELD IN THE COUNCIL CHAMBER, KING'S HOUSE, THETFORD,  
ON TUESDAY 21<sup>st</sup> JANUARY 2014

Present:

Councillors

M P Brindle

B J Skull

D W R Sully (Chairman)

T J Jermy

M G Spencer

Officers in attendance:

Maurice Howard Town Clerk

Sarah Lewis Finance Manager

Chris Crimmen Committee Secretary

Minutes

- 701/13 DECLARATIONS OF ANY DISCLOSABLE PECUNIARY INTERESTS  
None.
- 702/13 APOLOGIES FOR ABSENCE  
Apologies were received from Councillors Miss C A Fulford and R Kybird.
- 703/13 APPROVAL OF MINUTES  
Resolved the minutes of the Committee's meetings held on 17<sup>th</sup> December 2013, to be received by the Council on 28<sup>th</sup> January 2014, be confirmed as a true record and signed/initialled by the Committee Chairman.
- 704/13 EXCLUSION OF PRESS AND PUBLIC  
To consider resolving that, pursuant to the Public Bodies (Admission to Meetings) Act 1960, the press and public be excluded for the remaining items of business on the grounds that publicity would be prejudicial to the public interest by reason of the confidential nature of the business to be discussed.
- 705/13 MONTH NINE REPORT  
The Chairman presented the month nine report and financial queries raised by councillors were answered by the Chairman and the Finance Manager. Councillor M Spencer, Chair of Allotments, reported that the Allotment committee were increasing rents by 50% from April, pensioner discounts were being discontinued and the Council no longer had to pay for skips at the allotments. These measures will reduce the recorded losses in future. When the Amenities budget was reviewed it was agreed that the CBHS committee should have a separate cost centre added to the report. The Finance Manager will make the necessary alteration to the month ten report. Councillor M Brindle proposed and Councillor B Skull seconded to adopt the Month Nine report as presented together with approval of the schedule of payments therein.  
**RECOMMENDATION: To adopt the Month Nine report as presented together with approval of the schedule of payments therein.**
- 706/13 REVIEW OF FINANCIAL REGULATIONS  
The Town Clerk had forwarded to Councillors a copy of the Financial Regulations, a copy of the N.A.L.C. Model Financial Regulations and a proposed amendment to paragraph 13 of Financial Regulations concerning the Tendering Process. Following a review of the Model Standing Orders it was decided that Thetford Town Council Financial Regulations were broadly in line with the Model Standing Orders. However the Town Clerk requested changes to the following paragraphs:

- 6.6(a)
- 11.1
- 13.1 & 13.2

The amended proposed Financial Regulations are attached in full to these minutes. It was proposed by Councillor M Spencer and seconded by Councillor B Skull that the changes highlighted in the attached amended Financial Regulations be adopted and that it be minuted that Financial Regulations had been reviewed.

**RECOMMENDATION: The changes highlighted in the attached amended Financial Regulations be adopted and that it be minuted that Financial Regulations had been reviewed.**

707/13

#### CONTRACT RENEWALS

- Hanging Basket Watering – Tendering process initiated and on the website.
- Cemetery Grass Cutting – The Town Clerk reported that in the course of the next 12 months there will be more areas for the Council to cut (13 Play parks including Castle Park) and he would like to arrange for all areas to be under one contract. He asked if Councillors would consider extending the Cemetery grass cutting contract for a further 12 months with the existing contractor. Councillor T Jermy stated that he would object to any extension and would like to see three tenders obtained for this interim contract. There followed a discussion and Councillor B Skull proposed and Councillor M Spencer seconded that the contract for Cemetery Grass cutting be extended until March 2015 with the existing contractor. A vote was taken: For 3 votes Against 1 vote Abstained 1 vote.

The motion was carried.

**RECOMMENDATION: The contract for Cemetery Grass cutting be extended until March 2015 with the existing contractor.**

- Grave digging – The Town Clerk will commence the Tendering process.
- Health & Safety Consultancy has been renewed with a 25% reduction in hours.
- Insurance due on 30<sup>th</sup> June 2016 (3 year contract).
- Employment advice and insurance due on 1<sup>st</sup> June 2014. The Town Clerk said he was very impressed with the current adviser who has historical knowledge of the staff. He will commence the Tendering process.

708/13

#### NEW/PROPOSED CONTRACTS (OVER £5,000)

- St Peter's – The work on St Peter's has now been completed with the exception of a few snagging details and the Town Clerk reported this had been done well below the £20,000 budget.
- Play Parks – The Town Clerk reported that a provisional amount of £10,000 for each of the three chosen play parks (Redcastle Estate, Abbey Estate, Ladies Estate) - and £10,000 on the remaining parks had been initially agreed.
- Skate Park – The Town Clerk reported that the skate park build would cost £80,000 and the lighting £20,000 with ancillaries (Traffic Management, access requirements etc.) expected to be approximately £11,000. The MTF offer letter was for £111,000 of funding.
- Charles Burrell High School (see minute no 713/13)

709/13

#### INVESTMENT REVIEW

The Chairman reported that together with the Town Clerk and Councillor B Skull they had reviewed the Investment Policy and the proposed changes were acceptable to our advisers Barrett & Cooke Ltd. Councillor B Skull proposed and Councillor T Jermy seconded that Thetford Town Council adopt the new Investment Policy attached to these minutes.

**RECOMMENDATION: That Thetford Town Council adopt the new Investment Policy attached to these minutes.**

710/13

### STREET LIGHTS

The Town Clerk updated the committee on the situation so far and in particular on the e-mail that he had sent to Breckland Council concerning the likely effect on Thetford for a 5 and 10 year cost option. The Town Clerk reported that in 5 years' time there will be 618 lights that are over 25 years old and the required figure to replace those lights at that point will be £770,646. This does not allow for inflation or for early replacement due to the fact that some are already over their 25 year life and may therefore fail before this.

In 10 years' time there will be 702 lights that are over 25 years old and the required figure to replace those lights at that point will be £875,394

Again this does not allow for inflation or for early replacement due to the fact that some are already over their 25 year life and may therefore fail before this.

The Town Clerk went on to make the important point that the above calculation does not take into account the remaining lights for which an annual replacement cost should already have been collected. Therefore in 5 years' time the remaining 186 lights would have accumulated £169,442 and in 10 years the remaining 102 lights would have accumulated £105,845.

He summarised the situation:

In 5 years' time the cost to replace those lights that are 25 years or over will be as follows:

Lump sum for replacement	£770,646
Accumulation for remaining lights	<u>£169,442</u>
Total required (5 years)	£940,088

In 10 years' time the cost to replace those lights that are 25 years or over will be:

Lump sum for replacement	£875,394
Accumulation for remaining lights	<u>£105,845</u>
Total required (10 years)	£981,239

The Chairman and Councillors thanked the Clerk for the comprehensive report and would await the outcome of the negotiations.

711/13

### CEMETERY COTTAGE HEATING

Town Clerk reported that due to V.A.T legislation on some parts used to replace the boiler in Cemetery Cottage whereby some parts qualified for 5% V.A.T. rather than 20% V.A.T., the cost to the Council had risen from £2,375.00 to £2,554.60. As this amount was now above the value of £2,500 approval of this contract should have followed the tendering process under 13.2(c) of Financial Regulations. However, he also pointed out that the same meeting the Tendering process limit had been increased to £5,000. As the circumstances were outside the control of the Town Clerk Councillors noted this matter and asked this to be minuted.

712/13

### SHAMBLES LEASES

The Town Clerk presented a request from an existing tenant (2 The Shambles) who is currently negotiating to purchase the business interest of 1 & 3 The Shambles. This would mean he could be the tenant for three Shambles units. An extended lease would enable him to invest in all of these units and make required alterations to the premises. This investment in the fabric of the building was considered a benefit to the Town Council. The lease he currently has is for 6 years with a break after three years. Councillor B Skull proposed and Councillor M Brindle seconded the Council offer a 10 year lease with a 6 year break clause with the provision that he pays the legal cost of the new lease. In addition that this option be offered to the tenant of 4 The Shambles in order to keep all leases similar in nature.

**RECOMMENDATION: The Council offer a 10 year lease with a 6 year break clause to all tenants of the Shambles with the provision that they pay the legal cost of the new leases.**

713/13

#### CBHS FINANCIAL PLAN

The Chairman of Charles Burrell High School Sub Committee stated that the final details of the lease have not yet been agreed as there are still three outstanding issues:

##### Terms & Breaks:

- 4.1 Duration: Extend the duration of the lease from 25 to 30 years
- 4.5 Exercisable By: Add in "After first 5 years, Tenant only operable at 5 yearly intervals"

##### Subletting:

- 12.2 : Thetford Town Council are unhappy with the requirement to charge at an open market rate and wish to have this reference removed.

The CBHS Sub Committee is preparing a detailed spread sheet of all expected income and expenditure. Robert Ashton has been asked to move into a phase of written commitments from all the prospective tenants. The committee are building up data of the light/heating costs. The Chairman had received confirmation that when the lease is signed all contents will become the property of Thetford Town Council.

The Town Clerk confirmed that the NCC will still continue to insure the building.

714/13

#### TAX AND STATUS REVIEW OF TOWN COUNCIL FINANCES

The Town Clerk reported on a meeting he had with Jerry Dale from Elysian Associates, Tax Consultants, involving the Finance Manager and Councillor B Skull, Miss C Fulford and R Kybird. This meeting concluded that there was a need to seek specialist advice and the proven experience of Elysian Associates was identified as the way forward. As a result, the Town Clerk had drafted a letter of appointment and asked that the Committee confirm that they were in agreement with the terms of this letter:

- Review the Town Councils VAT activities ( both business and non-business) and ensure that the correct VAT liability is allocated to each activity.
- If it is discovered that incorrect liabilities have been used, provide advice on any refund possibilities.
- Review the VAT recovery position for the current financial year and carry out a full partial exemption calculation to ascertain if the de minimis limit has been / or is likely to be broken. If this looks possible analyse all the VAT incurred in order to reduce the VAT attributable to exempt activities.
- Review and identify VAT consequences of any proposed capital works.
- Advise on the most VAT efficient way of transferring the Charles Burrell School from NCC to the Town Council and suggest ways of utilising another trust for the operation of the facilities. If required assist in the setting up any new trust.
- Carry out a review of other business activities of the Council namely The Guildhall/Carnegie Complex and St Peters Church to determine whether Charitable trust status would provide a better alternative to the current arrangements.

Elysian Associates estimate the work required as approximately two days at a rate of £1,050 per day.

Councillor M Spencer proposed and Councillor B Skull seconded that Thetford Town Council appoint Elysian Associates to carry out the review of the Councils V.A.T. activities at a cost of £2,100 with a contingency figure of £2,500 maximum.

**RECOMMENDATION: That Thetford Town Council appoint Elysian Associates to carry out the review of the Councils V.A.T. activities at a cost of £2,100 with a contingency figure of £2,500 maximum.**

715/13

#### REVIEW OF FEES

The Chairman reported that all Committee Chairmen had confirmed that all respective fees had been reviewed for the period of April 2014 to April 2015.

716/13

SKATE PARK

The Town Clerk gave historical background on the skate park planning process stating that Breckland Council had started the tendering process for the new skate park (sponsored by Moving Thetford Forward). This matter has now been in the pipeline for some years due to issues over the proposed site and was passed over to Thetford Town Council from Breckland Council to complete the project. Due to the enormous amount of background work that Breckland had carried out with Gravity Engineering Ltd for the Skate Park and Solartech (UK) Ltd for the specialist lighting. It was considered essential that both be awarded sole contractor status. Councillor B Skull proposed and Councillor M Spencer seconded that Gravity Engineering Ltd should be the sole contractor for the Thetford Skate Park and Solartech (UK) Ltd should be the sole contractor for the lighting element. A vote was taken : For 3 votes 1 Abstention. The motion was carried.

**RECOMMENDATION: That Gravity Engineering Ltd should be the sole contactors for the Thetford Skate Park and Solartech (UK) Ltd should be the sole lighting contractor.**

717/13

ITEMS OF URGENT BUSINESS

a) LADY GENTLE FIELD

The Town Clerk reported he had sourced a company who can make a replacement for the stolen plaque from the Lady Gentle Field. The plaque will be cast and have two colour paint on a black background. It was agreed that the cost of £450 will be paid from the Public Open Spaces budget.

b) PLANT CONTAINERS

The Town Clerk reported that Shadwells had agreed to provide all the flowers for the hanging baskets and continue their sponsorship by giving a 40% discount. The total amount for 2014 is £1,651.80. plus V.A.T. It was agreed to renew this contract.

718/13

PRESS RELEASES

There were no press releases.

Chairman.

<b>ACTION POINT</b>	<b>BY WHOM</b>	<b>BY WHEN</b>
To have a separate cost centre for the Charles Burrell High school	Finance Manager	Ready for month 10 report
Once the Financial Regulations have been approved by Full Council they will be altered and circulated	Committee Secretary	28/02/2014
Commence the Tendering process for Grave Digging	Town Clerk	28/02/2014
Commence the Tendering process for Employment Advice	Town Clerk	31/03/2014