



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 29 September 2009**

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



Alan Tawse

Alan Tawse
Town Clerk

23 September 2009

Please contact Alan Tawse at the Town House for more information about this meeting

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

Philip Chandler (Ex-officio)

Clive Davis

Bridget Dollard

Tony Fife

Dave Gooding

John Grana

Dave Greene

Steve Hawker (Chairman)

Andrew Kendall

Pat Martin (Vice-Chairman)

Tom Parsley

Wes Read (Ex-officio)

David Recardo

Alan Smith

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 28 July 2009.

2. **APOLOGIES FOR ABSENCE**

3. **DECLARATIONS OF INTEREST**

4. **CORRESPONDENCE**

PAGES

5. **APPLICATIONS FOR GRANT AID**

(Circulated separately)

6. **CAPITAL FUND**

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7. **"COMMUNITY EMPOWERMENT AND LOCALISM" -
NALC LARGER LOCAL COUNCILS' ASSEMBLY**

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8. **INTERNAL AUDIT**

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9. **FINANCE WORKING GROUP**

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10. **FINANCIAL STATEMENT - JUNE/JULY 2009**

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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.

11. FORMER SKI AND ACTIVITY CENTRE

Confidential report to be circulated separately to Members only).

6. **CAPITAL FUND**

A copy of the updated Capital Fund statement is attached at page 5.

Future Sources of Funding

The sum of £5,596 is currently available for allocation to new capital schemes.

Future sources of funding include the proceeds arising from the sale of surplus land at the former Goldcroft allotment site. However, the Town Council has agreed that the land be withdrawn from sale pending a substantial upturn in the housing market.

They have further agreed that the decision made at the March 2009 meeting of the Town Council to undertake a formal review of the situation in twelve month's time (from that date) should the land remain unsold be reaffirmed; and that, in the meantime, the Town Clerk, in consultation with the Mayor and the Chairman and Vice-Chairman of the Policy, Resources and Finance Committee be requested to keep a watching brief on the matter and to refer any significant developments that arise to the Town Council for consideration. An update will be reported to the October meeting of the Town Council.

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 have been 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 have 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 have now been 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 September meeting of the Town Council, at which it was agreed that the bid put forward by the Yeovil Community Church for the redevelopment of the site as a creative arts centre, which met the development brief, be supported in principle. The financial aspects of the bid are under consideration, and further discussions on the proposals are planned with representatives of the Church.

Other Sources

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

Existing and Future Commitments

Commitments on the Capital Fund include agreed contributions towards the upgrading of the play area at Yew Tree Recreation Ground (£80,000); the provision of replacement public toilets in the Town Centre (£100,000) and the redevelopment of part of Milford Hall (£85,000 - subject to matching funding being secured).

In line with a previous decision of the Town Council, a ten-year fixed rate (2.89%) loan of £265,000 has been secured from the Public Works Loan Board (PWLB) and provision has already been made in the revenue budget to meet the loan repayments.

Play Areas

At the July meeting of the Committee, the current position regarding the rolling programme of play area improvements was noted and it was agreed that the matter would be further considered at the next meeting following clarification of the District Council's funding intentions for the play area improvements identified in the programme of planned works for 2009/10.

The current programme is as follows:

Five-year Funding Plan – Assumes 50% contribution from SSDC

Play Area	2008/09	2009/10	2010/11	2011/12	2012/13	Totals
Turner's Barn Lane		£25,000				£25,000
Yew Tree Park	£80,000					£80,000
Monks Dale Park		£15,000				£15,000
Milford Park			£20,000			£20,000
Summerhouse View				£10,000		£10,000
Preston Park				£12,500		£12,500
Howard Road Park				£10,000		£10,000
Total	£80,000	£40,000	£20,000	£32,500	NIL	£172,500

The District Council has since confirmed that it has committed the following capital funding at the present time:

Play Area	2008/09	2009/10	2010/11	2011/12	2012/13	Totals
Turner's Barn Lane						NIL
Yew Tree Park		£80,000				£80,000
Monks Dale Park		£15,000				£15,000
Milford Park			£20,000			£20,000
Summerhouse View						NIL
Preston Park				£12,500		£12,500
Howard Road Park						NIL
Total	NIL	£95,000	£20,000	£12,500	NIL	£127,500

The District Council has indicated that these figures are based on anticipated match-funding of 50% from the Town Council and that the revised list is a result of a districtwide prioritisation exercise that took into account the overall finance available.

At the May meeting of the Committee, attention was drawn to a recent planning consent in the vicinity of the Monks Dale Park Recreation Ground, which included a condition that the developer makes a S106 contribution towards the improvement of play and youth facilities in the area. Whilst the contribution had not yet been made, it was hoped that it could be used to help meet the overall costs of the proposed upgrade of play equipment in the Recreation Ground.

It was also indicated that the District Council had confirmed that its capital allocation of £15,000 towards the upgrade of this particular play area had been secured on the assumption that match-funding was provided by the Town Council, and that this allocation was available for use in 2009/10.

During the ensuing discussion, reference was made to the desirability of using the S106 contribution to help meet the estimated £30,000 overall costs of this particular upgrade thereby enabling savings to be achieved by both authorities that could be used to fund additional play area upgrades.

The Committee subsequently agreed that consideration of a contribution by the Town Council towards the proposed upgrade of the play area at the Monks Dale Recreation Ground be deferred until later in the year and, in the meantime, the possibility of using the above-identified S106 contribution to help meet the estimated £30,000 overall costs of this particular upgrade thereby enabling savings to be achieved by both authorities that could be used to fund additional play area upgrades, be explored and the outcome be reported to a future meeting.

This matter has been raised with the District Council's Senior Play and Youth Facilities officer, who has responded as follows:

The premise for allocating funds to improve play areas is that they need improvement to serve the existing population. Then when a developer builds new properties that increase the population it is often the case that to mitigate the play area demands generated by the increase in population the developer makes financial contributions to allow for extra play provision to be made.

I would have serious concerns if we used developer contributions to subsidise existing demands. This would set a dangerous precedent and if developers knew we were doing this it would undermine our credibility with them when seeking financial contributions, as the developer could argue we obtained the funding under a misappropriation. It is therefore an option I would not want to support.

The Committee is **RECOMMENDED** to:

- (1) note the current position concerning the Capital Fund;
- (2) note the position regarding the disposal of the former Goldcroft Allotment site and the marketing of the former Ski and Activity Centre;
- (3) note the steps taken by the Town Clerk to secure the necessary funds by way of a fixed-rate loan to fulfil the Council's financial commitments; and
- (4) note the response of the District Council regarding the possible use of the anticipated S106 contribution towards the funding of the proposed upgrade of the play area at the Monks Dale Recreation Ground, and to decide in the light of this response, how to fund the £15,000 contribution sought from the Town Council towards the planned upgrade at that site - to match the District Council's committed contribution.

(Alan Tawse, Town Clerk – 01935 382424)

CAPITAL FUND (as at 29 September 2009)

Balance of Capital Fund as at 31 March 2008		£17,862
Plus Capital Receipts:		
Peter Street Toilets - contribution from SCC	£46,485	
Milford Hall Redevelopment - contribution from SCC	£16,000	
PWLB Loan	<u>£265,000</u>	
		<u>£327,485</u>
Sub-total		£345,347
Less Capital Expenditure:		
Peter Street Toilets (includes £100,000 from YTC)	£146,485	
Roundabout Enhancements	£1,691	
Yeovil Country Park - Breathing Places Project	£3,813	
Sunningdale Doorstep Green (Phase 3)	£785	
Milford Hall Redevelopment	<u>£750</u>	
Sub total		<u>£153,524</u>
New Balance of Capital Fund		£191,823
Less Commitments:		
Yeovil Country Park - contribution to signage	£180	
Sunningdale Doorstep Green (Phase 3)	£2,415	
Roundabout Enhancements	£3,382	
Milford Hall Redevelopment - contribution from SCC	£15,250	
Milford Hall Redevelopment - contribution from YTC	£85,000	
Yew Tree Park - contribution to planned upgrade	<u>£80,000</u>	
Total		<u>£186,227</u>
New Balance (unallocated)		£5,596
Notes		
1 YTC Sunningdale Doorstep Green contribution totals £20,820 as follows:		
Phase 1 - £6,860 (£3,360 to be met from capital and the remaining £3,500 to be met from the reimbursement for the feasibility study costs) (Phase 1 commitment includes £11,580 contribution from SSDC)		
Phase 2 - £6,980 - to be met as a capital contribution from revenue (2004/05)		
Phase 3 - £6,980 - to be met as a capital contribution from revenue (2005/06)		
2 All future Cemetery capital improvements to be met from revenue contributions to capital by the Joint Burial Committee		
3 Glenthorne Avenue Traffic Calming Scheme contribution of £9,000 set aside in the General Fund.		
4 Essential play area repair work beyond routine maintenance budgets to be charged to capital (subject to matching contributions from SSDC)		
5 Contribution to interim play area upgrade at Yew Tree Park subject to matching contribution from SSDC		
6 Breathing Places Project completed in November 2008.		
7 Capital commitments totalling £265,000 (£80,000 towards the upgrade of Yew Tree Park Play Area; £100,000 towards replacement public toilets in Yeovil Town Centre and (subject to matching funding) £85,000 towards the redevelopment of part of Milford Hall, agreed. Costs involved to be met from PWLB loan.		

7. **“COMMUNITY EMPOWERMENT AND LOCALISM” - NALC LARGER LOCAL COUNCILS’ ASSEMBLY**

Details have been received of this year’s NALC Larger Local Councils’ Conference and Exhibition, which is being held in London on Wednesday 2 December 2009.

The chosen theme is community empowerment and localism, and delegates will have an opportunity to learn about practical tools available to them, to help them empower their own communities.

The organisers have indicated that with the Local Democracy, Economic Development and Construction Bill proceeding through Parliament, larger local councils can benefit from this and other opportunities.

Speakers at the conference will include:

- Senior Local Government Association Representative
- Senior Communities and Local Government Representative
- John Findlay, National Association of Local Councils
- Ken Cleary, National Association of Local Councils
- Krys Zasada, National Association of British Market Authorities
- Peter Lacey, National Association of Local Councils

Delegates will have the chance to hear from key speakers in a variety of plenary and workshop sessions, and will be able to voice their opinions, share good practice and ask important questions, throughout the day.

The event will also include the Larger Local Councils’ Committee hustings, topical motions for debate, and networking opportunities as well as a large sector specific exhibition.

The cost of attendance is £170 per delegate, which includes lunch.

Council is **RECOMMENDED** to consider and determine upon the Town Council’s representation at the Assembly.

(Alan Tawse, Town Clerk – 01935 382424)

8. INTERNAL AUDIT

The qualified independent internal auditor appointed by the Committee has undertaken and completed an internal audit of the Town Council for the financial year 2008/09.

The work has been carried out in accordance with regulation 6 of the Accounts and Audit Regulations 2003 which requires all local authorities to maintain an adequate and effective system of internal audit.

This helps to protect the Council as it manages risk, by ensuring that the systems of financial and other controls are effective.

I am pleased to report that the Internal Auditor has issued the Council with a signed annual return drawn up in accordance with the SLCC Practitioner's Guide on Governance and Accountability in England and Wales, and the CIPFA Code of Internal Audit Practice.

The return confirms that all of the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Council.

A small number of minor improvements in existing practices and procedures have been suggested by the Internal Auditor, which will be implemented within an agreed timetable.

The Committee is **RECOMMENDED** to note the successful completion of the 2008/09 Internal Audit.

(Alan Tawse, Town Clerk – 01935 382424)

9. **FINANCE WORKING GROUP**

For the past eight years, the Committee has appointed a Working Group to assist with the preparations for the annual budget exercise.

The remit of the Working Group is as follows:

To help develop the Council's capital and revenue funding and expenditure plans, and to make recommendations on such matters to the Policy, Resources and Finance Committee

Last year, the Committee appointed the Chairman, the Vice-Chairman and Wes Read to serve on the Working Group.

The Committee is **RECOMMENDED** to consider re-appointing the Working Group for the forthcoming budget exercise.

(Alan Tawse, Town Clerk – 01935 382424)