

MINUTES of the Meeting of the **BUDGET & POLICY COMMITTEE** held on **TUESDAY 12th NOVEMBER, 2024** at **6.30pm** at **THE COUNCIL CHAMBER, DRAKE ROAD, TAVISTOCK**

PRESENT

Councillor S Hipsey Chairman & Deputy Mayor (ex-officio)
Councillor Mrs A Johnson Vice Chairman

Councillor P Ward Mayor (ex-officio)
Councillors Ms M Ewings*, U Mann, R Poppe.

Ward Members Councillors J Hughes, B Smith

*Arrived late at the Meeting

IN ATTENDANCE Town Clerk, General Manager, Financial Administrator.

207. APOLOGIES FOR ABSENCE

An Apology for Absence had been received from Councillor A Hutton.

208. CONFIRMATION OF MINUTES

RESOLVED THAT the Minutes of the Meeting of the Budget & Policy Committee held on Tuesday 15th October, 2024 be confirmed as a correct record and signed by the Chairman (Appendix 1).

209. DECLARATIONS OF INTEREST

The following Declarations of Interest were made in respect of Agenda Item No 5 'Grants' (Minute No. 211 below refers):-

- i. Councillor Mrs A Johnson- Grant Application No 5: The Printworks - by virtue of association with the organisation concerned;
- ii. Councillor P Ward - Grant Application No 11: TaviHelps - by virtue of being an occasional volunteer with the organisation;
- iii. Councillor U Mann - Grant Application No 11 TaviHelps by virtue of matters relating to a potentially related issue.

ITEMS FOR RECOMMENDATION TO COUNCIL

210. BUDGET PREPARATION AND PRECEPT SETTING 2025/2026

The Committee considered the report of the Town Clerk (Appendix 2), together with the associated documentation in connection with the above (and enclosed sub-appendices) as follows;

- i. Budget Detail by Combined Account Code for 2023/24, 2024/25 and proposed for 2025/26 (sub-appendix 1);

- ii. Budget Detail by Cost Centre for 2023/24, 2024/25 and proposed for 2025/26 and Summary by Centre (sub-appendices 2-3);
- iii. Rolling Capital Programme (RCP) (sub-appendix 4);
- iv. Phased Budget Report as at 30th September 2024 (sub-appendix 5);
- v. Schedule incorporating an extract of proposed Fees and Charges 2024-25 and proposed 2025-26 (sub-appendix 6);
- vi. Fixed Asset Register (FAR) (sub-appendix 7);
- vii. Schedule of Earmarked Reserves (EMR) (sub-appendix 8);

setting out the emerging draft Budget and Precept for the 2025/26 financial year.

It was noted that end of year projections were necessarily estimates and there remained potential for further accounting adjustments to be made. Attention was also drawn, in particular, to some of the significant adjustments which had been incorporated including: -

- salaries (also reflecting an anticipated additional £25,000 arising from changes to arrangements for the collection of Employers National Insurance - equating to an equivalent increase in Precept of over 2%);
- legacy proceedings and the replenishment of the Economic Support Earmarked Reserve (EMR);
- projections for commercial income, including rent and Market Tolls being adjusted downwards, to reflect the challenging economic environment;
- the importance attached to maintaining financial probity and safeguarding the integrity of EMR's;
- in order to balance the Budget it had also been necessary to reduce the annual budget allocation to the Rolling Capital Programme (RCP) from the normal £100,000 down to £10,000 (see below regarding the potential to uplift somewhat at year end).

Furthermore, a consequence of increasing costs and reducing commercial income meant that if the Council retained the recommended 12 month funding target for the General Reserve, then an additional call upon Council funding would, for that alone, increase by £134,454. This could not be delivered without an increase in Precept of in the order of twenty per cent which clearly was neither realistic nor appropriate. In the circumstances, and to avoid a material adverse affect upon the Precept, consideration was therefore given to the adjustment of the General Reserve. Namely that, subject to review, it be frozen on an emergency/temporary basis for 2025/26 at the same amount as the current financial year (i.e. £813,795), which equated to a reduction from the recommended 12 to 10.2 months.

However, given the experience of the pandemic, the importance of returning to the 12 month target as soon as possible was stressed.

The Report also set out the various issues, opportunities and also areas where cost savings had been made in order to manage income/ expenditure. In particular it was noted that, Covid crisis apart, Council budgets were now extremely tight with little or no provision for unexpected fiscal events.

Reference was further variously made to:-

- the operation of the Town Hall, associated costs and income base;
- the potential merits or otherwise of opting to tax the Guildhall and Town Hall – independent specialist advice would be sought;
- income and expenditure associated with the Pannier Market and related matters;
- the continuing importance attached, through appropriate and fair fees and charges/rents, to supporting the trading community for which the Council acted as landlord whilst respecting pressures on the ratepayer;
- the projected impact of the changes to the National Insurance regime unless a dispensation were to be granted to the sector by Government (presently ruled out);
- the statutory framework which governed commercial operations by Councils;
- financial targets set for, and challenges faced by, Managers in the income generating areas of the Council;
- economic difficulties faced by most high street commercial operations;
- the risk that financial challenges faced might prove structural rather than temporary;
- the potential for minor adjustments arising from any potential positive changes in the Council Tax base (which for the first time would include additional charging for second homes);
- Goose Fair Park & Ride Fees and Charges;
- thresholds appropriate for inclusion on the Fixed Asset Register;
- arrangements that might be required to enable the increase in car parking fees and charges agreed in the previous year to proceed (i.e. in conjunction with a collaborative approach to a car parking order with the Borough Council);
- confirmation that the funding of the Neighbourhood Development Plan was not in deficit. This initiative was funded by virtue of transfer from the Localism Cost Centre and had been delivered in

- a highly effective and economic manner by the Neighbourhood Development Plan Steering Group;
- the importance attached to the delivery of a stable financial position balanced against the needs of the rate payer. In the circumstances the projection of a Precept increase of less than that anticipated from some other public authorities at 4.83% - albeit the minimum required to potentially deliver a balanced Budget, was welcomed.

A copy of a revised recommendation had been submitted to the Committee for consideration arising from which it was:

RECOMMENDED THAT Tavistock Town Council endorse and approve, in principle (i.e. subject to final consideration in December or January subject to availability of the final tax base figures) as appropriate:-

- a) the submitted draft Council Budget 2025/26 as amended and;
 - incorporating adjustments arising from the previous deliberations of the Council;
 - and providing, in particular for:
 - i. the temporary adjustment of the programmed annual Rolling Capital Programme (RCP) contribution to £10,000 part funded (but potentially an additional £40,000 as set out in para (d) below);
 - ii. the re-instatement of the Economic Support Earmarked Reserve (EMR) to £50,000 as set out (in para d below);
- b) the appended Extract Schedule of Fees and Charges for Council Services;
- c) the temporary adjustment of the General Reserve threshold from 12 months to 10.2 months reserve (i.e. consistent with 2024/25 as at £813,795)
- d) any projected 'surplus' on the General Reserve or any budget underspend being attributed toward legacy property issues and then the residue to the Economic Support EMR (£50,000) and Rolling Capital Programme (RCP) (£40,000)- the latter two being pro-rata if/as need be;
- e) the uncommitted balance held within the RCP at present being allocated to the match funding for the Abbey Remains Project and Multi-Use Wheeled Sports Area (MUWSA) on the basis set out;
- f) consideration be given to the option to tax for the Value Added Tax purposes of the Town Hall and Guildhall;
- g) the threshold for inclusion of items on the Fixed Asset Register being amended to £5,000.

211. GRANTS TO THE COMMUNITY

The Committee considered the following:-

i. **Notes of the Meeting of the Grants Panel held on 22nd October, 2024.**

The Committee considered the notes of the Meeting of the Grants Panel held on 22nd October, 2024, arising from which it was:

RECOMMENDED THAT Tavistock Town Council allocate Grant funding as follows:-

No.	Organisation	Amount applied for	Amount agreed
1	TASS	£2,500	£2,000
2	West Devon Arts Workshop CIC	£1,130	£920
3	Goose Fair Open Day	£ 500	£500
4	Tavistock Music Theatre Company	£500	£500
5	The Printworks	£ 1,000	£800
6	Tavi Fringe	£ 1,150	£920
7	Tavistock Museum	£ 2,496.47	£2,000
8	Stannary Brass Band	£1,486	£1,190
9	TASS Life Projects	£2,496	Nil (see (b) below)
10	Robey Trust	£500	£500
11	TaviHelps		Deferred (see Min. No. 215 below)
12	Tavistock Rugby Club	£ 1,700	£1,360
13	Transition Tavistock	£ 1,250	£1,000
14	Tavistock Cricket Club	£ 2,500	£2,000
15	CAB	£ 4,000	£4,000
		Total allocated	£17,690

Noted That, arising from consideration of the Notes of the Meeting of the Grants Panel it was further:-

RECOMMENDED THAT Tavistock Town Council:

- agree an additional provision to the 2025 and future Grant Policy, to state that only one application per year would be considered from any one organisation;
- agree that for the Grants Presentation evening, scheduled for the 15th May, 2025 an invitation be extended to all Town Councillors to attend.

ii. **Treatment of 'Grant' Applications for 'Support in Kind'**

The Committee considered the report of the Town Clerk which set out, for consideration, potential arrangements to co-ordinate the treatment of Grant applications for different types of 'in kind' support.

In the ensuing discussion reference was made, in particular, to the breadth and benefit associated with the support the Council gave to Community organisations. That included through leases at discounted, peppercorn or nominal value, financial grants and awards to Community organisations, staffing support to organisations events and activities etc.

It was acknowledged that both in terms of finance and Community benefits the impact of these were substantial, frequently ongoing and often unrecognised. Turning to the report in hand the introduction of a base line and regularised arrangement was welcomed, alongside recognition that there was a potential difference of approach as might be required between 'normal' community grant applications and relief from modest fees and charges (Grants Panel); and those applications for support of a more lasting or financially material nature (Budget & Policy Committee). Reference was further made to the extent to which there was potential to link Council Grants and other forms of support to strategic priorities.

RECOMMENDED THAT Tavistock Town Council adopt the approach set out in the report namely that:

- a) all applications for Grants or equivalent from the Council – direct or in kind, be subject as a minimum to completion of the standard Council Grant application forms (more information being required if/as appropriate for higher value or more complex claims) – to provide a common basis for assessment and avert any potential for charges of preferential or selective treatment;
- b) exceptional circumstances notwithstanding (which should be considered and, if agreed, recorded) all applications for financial support be considered at the same time in the Autumn Grant giving round - to provide equality of opportunity for applicants;
- c) for the use of premises or services on a short term basis and for which a fee or charge would normally apply (e.g. room bookings) the potential value of income forgone be debited from the Community Grants budget and be attributed to the applicable income budget. This satisfies normal accounting practice – to provide financial transparency and recognise the real value of any awards made.

Note: this was only intended to apply to fees/charges i.e. use or hire of facilities free or at reduced charges or use or hire of services free or at reduced charge - not leasehold cost benefits.

d) that for the longer-term benefits (such as tenancies at reduced or nil rent), and in addition to a-b above, from the time the arrangement is entered into the Council:

- Maintain a record of costs actually incurred by the Council each year on behalf of the grantee (such as business rates, utility or service charges etc); and separately also
- Consider maintaining a record of such estimated notional or opportunity costs associated with the operation of the proposal (e.g. for a premises let free of charge it could be the potential amount of rent forgone (as the Council presently did regarding the Museum), any additional landlord costs included through not having a fully repairing lease etc)

REASON - to ensure that the actual and notional benefit accruing to the organisation was understood, alongside the potential financial implications for the Council, thereby allowing for informed review if/as circumstances may change.

e) at the next 'grant window' Grant Scheme operating arrangements be publicised prominently and in each year - to provide certainty and advance notice to all prospective applicants, and to assist in the promotional of the Scheme to the Community.

ITEMS CIRCULATED FOR INFORMATION ONLY

212. PENNON SHARE HOLDING

The holding of the Council in respect of shares held in Pennon Group PLC (554) was noted.

213. TAVISTOCK HERITAGE ALLIANCE

The Notes of the meeting of the Tavistock Heritage Alliance held on Wednesday 25th September, 2024 were received and noted.

EXCLUSION OF PRESS AND PUBLIC

214. 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 RECCOMENDATION TO COUNCIL

215. GRANTS TO THE COMMUNITY

(**CONFIDENTIAL** – by virtue of relating to matters relating to legal, financial, staffing or a contractual nature and/or affecting persons other than the Council)

The Committee received and considered an 'In Kind' Grant application received from TaviHelps for an extension of an existing licence which had been referred from the Grants Panel (Minute No.211 (a)) refers.

In the discussion arising reference was made to the background to the application, current circumstances, a revision from the applicant (now seeking an amended licence term of 12 months) and a recommendation of the Council Officers in connection with same. Following a period of discussion, it was:-

RECOMMENDED THAT the applicant be offered an extension to the current licence for a period of 6 months (with effect from 31st December, 2024) conditional upon:-

- a) undertaking to meet any applicable business rate costs arising in the 2025-2026 financial year as might apply during the period of occupation;
- b) the applicant committing to incorporation as a CIO (Charitable Incorporated Organisation) or equivalent;
- c) the incorporation of a one-month break clause for applicant and landlord in the licence;
- d) the applicant demonstrating Public Liability Insurance for the period of occupation;
- e) the General Manager incorporating a review of the operation of the Premises within the 2025-26 Service Plan for Community Services.

Noted That Councillor U Mann left the meeting for the consideration of this item.

URGENT ITEM

The Chairman agreed to take the following Confidential Item as a matter of urgency in view of the particular circumstances applying.

216. GRANTS AND COMMUNITY – JUNIOR LIFE SKILLS

(**CONFIDENTIAL** - by virtue of relating to matters relating to legal, financial, staffing or a contractual nature and/or affecting persons other than the Council)

An application for this recurring event (which had missed the Grant deadline due to extenuating circumstances which were reported) was received. In the exceptional circumstances it was agreed to consider it, recognising also the longstanding commitment of the Council to supporting the initiative, and the availability of residue within the Community Grants Budget.

Accordingly it was:-

RECOMMENDED THAT Tavistock Town Council support the Junior Life Skills project 2025 through the provision, free of charge of 2 days hire of the Town Hall equating to a Grant of £584.00.

217. TENANCY MATTERS - RECOVERY OF THE PREMISES – 12 DUKE STREET

(**CONFIDENTIAL** - by virtue of relating to matters relating to legal, financial, staffing or a contractual nature and/or affecting persons other than the Council)

It was reported that 12 Duke Street had recently been recovered in accordance with legal advice on the instructions of Council. The Committee expressed disappointment regarding failure to pay rent due, alongside further compliance matters in connection with certain other leasehold obligations which had previously been agreed between the parties.

An outline of next steps was provided.

CONFIDENTIAL ITEMS FOR INFORMATION ONLY

218. MARKET ROAD PROPERTIES

(**CONFIDENTIAL** - by virtue of relating to matters relating to legal, financial, staffing or a contractual nature and/or affecting persons other than the Council)

The General Manager provided an oral update in connection with progress regarding the above (Minute No. 133 refers) and confirmed that works would be complete within the current financial year to enable commencement of occupation by the start of the 2025/26 financial year.

The Meeting closed at 8.45pm.

Signed:

Dated:
CHAIRMAN

Addendum:- following the closure of the Meeting the General Manager provided an outline update regarding damage caused by a recent road traffic accident on Market Road.