

Minutes of the Finance & Resources Committee Meeting held at the Council Office, Tolvaddon Energy Park on Thursday, 10th November 2011 at 7.00 p.m.

PRESENT: Councillors D Ekinsmyth [Chairman], R.J. Bentley, G.D. Ford, J.V. Mayne, S.R.S. Szoka, T. Wilkins (from point mentioned), R Benney

ALSO PRESENT: Ms S. Willsher (Locum Clerk); Mr B White and two members of the public.

The Chairman welcomed all to the meeting and explained the safety procedures.

FR11/11/1 APOLOGIES FOR ABSENCE

Apologies were received from Cllr Yates and Cllr Wilkins for late arrival.

It was agreed that the order of the agenda would be altered.

FR11/11/2 MEMBERS TO DECLARE PERSONAL AND PREJUDICIAL INTERESTS (INCLUDING THE DETAILS THEREOF) IN RESPECT OF ANY ITEMS ON THE AGENDA

There were no interests declared.

FR11/11/3 TO RECEIVE THE 2011/2012 FORECAST PREPARED BY MR WHITE

Mr White spoke to his report previously circulated to members. He explained that some of the budgets were more difficult to forecast than others. The earmarked reserves for election expenses had been increased in preparation for the 2013 elections. If the Council's expenditure exceeded £200,000 there would be a different audit regime and therefore he had increased the forecasted expenditure. The expenditure for grants and donations had been based on the budgeted figures. He had based the amenities end of year figure on the current levels of expenditure. There should be sufficient funds in the current budget if the Council chose to purchase some dog bins. The uncertainties with Cornwall Council service provision were discussed.

FR11/11/4 TO RECEIVE THE REPORT ON THE 2012/2013 BUDGET PROPOSALS PREPARED BY MR WHITE

The Chairman said that the Council's budgets would be discussed without the expenditure for the parish office/hub project during this item.

Mr White said that if for any reason the parish office/hub project did not proceed there would need to be additional expenditure in the budgets for the office.

Mr White spoke to his report circulated to members. There was a possibility that the NALC subscription would increase. There had been

a budget included for elections to top up the reserve in preparation for the 2013 elections. There was the possibility that the Council could have to pay for referendums. There was also uncertainty with the Code of Conduct. It was not clear whether there would be a cost implication to Councils under the new regime. It was noted that the law relating to surcharging had never been repealed. There was the possibility that Councillors could be liable for costs if they had caused the Council to incur financial loss due to their actions.

Cornwall Council's budget had been capped. It was believed that there was no legislation to enable Town and Parish Councils to have their precepts capped.

The grants and donations had a stand still budget. It was agreed that the earmarked reserves for Penwartha Hall and the Wheeled Sports area would be looked into. The amenities budget was the same as 2011/2012. It was agreed that cost centre 302 would read 'Litter Control'.

Cllr Wilkins entered the meeting at this point at 7.39pm.

The Locum Clerk said that there were items for discussion at next week's meeting which may have an impact on the budget. There was also the possibility that Cornwall Council would charge for services which they had previously delivered, i.e. toilets and road closures.

Members suggested that the staffing committee should consider the terms and conditions of the self-employed handyman.

It was noted that there were ongoing discussions with Cornwall Council to try and recover some of the costs incurred by this Council for clearing verges in the Parish. There were no plans at this time to purchase any bus shelters.

The proposed budget for 2012/2013 was close to the 2011/2012 budget. Cornwall Council had issued provision tax base figures. The figure for this area had increased marginally.

FR11/11/5 TO RECEIVE A REPORT FROM THE LOCUM CLERK ON THE OWNERSHIP OF THE VILLAGE HALL

The Chairman reminded members of the resolution made by the Full Council in March 2011 to fully support the parish office/hub project.

The Locum Clerk reported that the ownership of the Village Hall had yet to be established. There were documents with the solicitor for him to clarify the ownership of the Hall. The Council were awaiting his response.

FR11/11/6 TO RECEIVE A REPORT ON THE COSTS FOR THE PARISH HUB/OFFICE PROJECT

The overall cost of the project was discussed in rounded figures. A breakdown of the percentage of the costs attributed to each element of the project was discussed.

It was noted that no-one would be able to charge for the use of the Parish Hub for VAT reasons.

Members discussed the vision for the area and the options available.

If the Council took out a loan of £350,000 to cover the project costs it would cost a Band D property in the area an extra £17 per annum on their council tax. The interest rate would be fixed on the day the loan was taken out and would apply for the duration of the loan.

Members discussed the cost of renting an office. It was estimated that office rent would be in the region of £10,000 per annum. It was noted that for an additional £5,000 per annum there was the potential for a parish owned asset.

Members discussed the option of purchasing a freestanding domestic dwelling on the area and converting it into an office and the associated costs.

Mr White said that members needed to consider the money already spent on the project. He highlighted the increase in the project cost if the VAT could not be reclaimed, there was no contingency in the budget and that projects of this magnitude did not always complete on budget.

The possible extension of the lease of the office space at Tolvaddon Energy Park was discussed.

Members of the public present made the following comments:

- They liked the idea of purchasing a stand-alone property
- Illogan Village Hall was not the only hall facility available in the Parish
- Illogan Village Hall would continue to function without the extension
- They did not like the plans and thought the extensions would spoil the look of the area
- Using volunteers to complete some of the work under the amenities budget to save some money. Cllr Ekinsmyth said that it was difficult to get volunteers to complete regular duties.

Two members of the public left the meeting at this point at 8.51pm.

FR11/11/7 TO RECEIVE A REPORT FROM THE LOCUM CLERK ON THE VAT ASPECTS OF THE PARISH HUB/OFFICE PROJECT

Mr White said that he had located a set of questions from the HMRC which would need to be answered to clarify whether the VAT could be reclaimed. The village hall would not be able to reclaim the VAT as they would not be paying for the work. He believed that the Council should be able to reclaim the VAT for the office/hub if we retained ownership and did not charge for use.

FR11/11/8 TO APPROVE A RECOMMENDATION TO FULL COUNCIL ON THE 2012/2013 BUDGET AND PRECEPT

Members discussed the options available as detailed below:

1. To rent an office and abandon the parish office/hub project
2. To complete the parish office/hub project as per current plans
3. To purchase a separate building for conversion to a parish office

It was agreed that the Council's reserves and earmarked reserves would be reviewed.

It was proposed by Cllr Ekinsmyth, seconded by Cllr Ford and

FR11/11/8.2

Resolved to recommend to Full Council that the decision to set the budget and precept is deferred until December to enable the preparation of the three budget and precept options and gain further information and that an extra ordinary full council meeting is held in December to set the budget and precept.

On a vote being taken the matter was approved unanimously.

It was proposed by Cllr Ford, seconded by Cllr Ekinsmyth and

FC11/11/8.3

Resolved that a vote of thanks is given to the Locum Clerk for looking at the parish office/hub project with clear eye and fiving clear support and advice to the Council.

On a vote being taken the matter was approved unanimously.

There being no further business the Chairman closed the meeting at 9.21pm.

Signed:

Date: