

PETERSFIELD TOWN COUNCIL

Minutes of a meeting of the Finance and General Purposes Committee held on Thursday 13 December 2007 at the Town Hall, Petersfield.

PRESENT: Mr V Clarke (Chairman), Mr R Ayer, Mrs H Ayer, Ms M Vincent and Mr G Watkinson.

ALSO IN ATTENDANCE: Mr N Hitch (Town Clerk), Mrs S McMorran (Deputy Town Clerk), Mr C Shore, Mr D Bowers, Mr P Aiston, Mr S Wisdom, Petersfield Herald, Petersfield Post and 0 members of the public

F 0494 **CHAIRMAN'S COMMENTS**

The Chairman had no comments.

F 0495 **APOLOGIES FOR ABSENCE**

An apology for absence was received from Mr Hick.

F 0496 **DECLARATIONS OF INTEREST**

The following interests were declared:

Mr Watkinson declared a personal interest as he was a member of Winton Players, minute number F 0500 refers.

RESOLVED: that Standing Orders be suspended for a 5 minute period in order for members of the public to discuss matters of interest with Councillors.

As no questions were forthcoming, the meeting was re-convened.

F 0497 **APPROVAL OF MINUTES**

RESOLVED: that the minutes of the meeting held on 22 November 2007 be approved with the following amendment:

...brought before them in September and noted.
The increases made to capital reserves this year, for
Town Hall windows, had been approved by resolution
of Council in July 2007.

F 0498 **FINANCIAL REGULATION 3.4**

Members were advised that an emergency order had been raised under Financial Regulation 3.4 for repairs to window at The Avenue Pavilion; the cost was yet to be advised.

RESOLVED that repairs to a window at the Avenue Pavilion be noted and approved.

F 0499 **LOCAL BUS SERVICES**

Members received a consultation paper from Hampshire County Council regarding local bus services. Following discussion it was

RESOLVED that the following comments be made:

- the Number 67 bus was very important as it was a link between Winchester and Petersfield especially for the villages to access either Winchester or Petersfield. The bus was needed for anyone on Jury Service and those needing to visit HCC offices.
- Improvements were needed to improve the relationship between the 67 and 17 bus service
- Accessible buses were needed on all routes
- Automatic timetables were required at bus stops

F 0500 **BUDGET/ESTIMATES 2008/2009**

Members received a report from the Town Clerk, copy attached to these minutes at Appendix A.

Concern was raised that, despite the previous resolution made, that a £3,000 transfer from revenue to capital was shown. Following discussion it was

RECOMMENDED that the transfer of £3,000 from revenue to capital be removed.

It was suggested that a further cut in revenue of £25,000 should be made if possible. It was commented that the Grounds budget had a large increase, despite an under spend the previous year. Concern was raised that revised budgets had not been done in the current year. The Town Clerk advised that this had been a conscious decision to give maximum flexibility for the remaining financial year.

Further debate took place including the possibility of the sale of assets, the general fund balance, charges, and the Town Clerk's report.

RECOMMENDED that the budget for 2008/2009 with the removal of the transfer of £3,000 from revenue to capital be accepted.

In view of the confidential nature of the next item it was

RESOLVED to evoke standing order 36 m and exclude the public and press

F 0501 **STAFF MATTERS**

Members received notes from the Staff Panel meeting held on 20 November 2007.

A. **Society of Local Council Clerks**

RESOLVED that the Deputy Town Clerk become a member of the SLCC at a cost of £190 (approximately).

B. **Disciplinary Procedure**

RESOLVED that the policy be approved with no changes to paragraph 6.9 as it was clear, tried and tested.

There being no further business the meeting closed at 7.50 pm

Finance & General Purposes Committee

Budgetary Considerations

Following the Council meeting on 3rd December and the resolutions passed in connection with the Budget, I considered it appropriate to provide all members with further information appertaining to projects listed within the Capital Reserves plus the funds allocated to them, as well as details of the items removed from the original Revenue Budget by the Finance Working Party. This should assist with the Budget agreement process as well as inform members when reviewing the funds allocated in the Capital Reserves during the January Council meeting.

It will hopefully also demonstrate that the items removed from the original Revenue Budget by the Finance Working Party are all matters that need the Council's attention and will need to be re-considered next year, in addition to any other items that occur within the next 12 months. As such, the Precept Calculation Sheet has been revised to include **all removed expenditure** plus the standard 3% inflationary increase programmed into this worksheet. This will again, hopefully crystallise in members minds the implications of continually delaying expenditure and reinforce the reasons why these annual battles with the budget occur when so much expenditure is delayed year after year.

Capital Reserves

In an effort to clarify the murky waters of local government finance, I will endeavour to define what is meant by capital projects, and similarly to define revenue.

Revenue is the day to day operation of the council. Revenue expenditure will be the regular, routine costs of the council and include general maintenance and repair items such as redecoration, repair or replacement of a door or window that becomes damaged.

Capital expenditure is the large, or one-off type projects. Capital items would not generally be expected to be replaced or renewed for a number of years. The costs of such expenditure should be shared out by the council tax payer over the number of years an item is expected to last (principle of intergenerational equity). As an example; if a vehicle is purchased, it is fairer for the residents of the town to pay for it over the number of years it is in use, rather than expect just those residents to pay who happen to live in the town in the year it is purchased – and to do the same again when it is ultimately replaced.

Safagrass Erosion Control

G 0216 July 06; C 0364 Oct 06 & C 0434 Nov 06

Plan to control erosion on the Heath around the Play area and kiosk, up to the road to reduce substantial risks of trip hazards and improve the appearance of the most heavily populated area on the Heath. Anticipated Developers Contributions bid of £20,000 to be made when scheme agreed. **£20,000 allocated to project Nov 06**

Play Equipment Replacement

G 0216 July 06; C 0364 Oct 06 & C 0434 Nov 06

The majority of the current play equipment in the town is looking 'tired' and unexciting. The plan is to progressively replace all equipment with grants also being sought towards costs. Project will be ongoing, requiring annual precept funding. **Initially £15,000 allocated to project Nov 06**

Heath Pond Bank Stabilisation**G 0216 July 06; C 0364 Oct 06 & C 0434 Nov 06**

Project being worked on in conjunction with Angling Club. It has been 'on the cards' for a number of years but is now beginning to move forward with a meeting due this month with the Environment Agency. The Heath Management Plan incorporates this project's proposals. *£20,000 allocated to project Nov 06.*

DDA Accessible Paths**G 0216 July 06; C 0364 Oct 06 & C 0434 Nov 06**

Work will link in with the Play Equipment Replacement programme as well as the identification of any other paths needing attention. *£10,000 allocated to project Nov 06.*

Skate Park Replacement**G 0216 July 06; C 0364 Oct 06 & C 0434 Nov 06**

Working Party has been operative for several years. Festival for Young People agreed to fund soil sampling. Skatepark design now agreed by Council, but awaiting agreement on boundary fencing. Planning permission to be submitted & grant applications to be made for balance of funds needed for project. *£50,000 allocated to project Nov 06*

Pond Boardwalk Boundary Fence & Buttress**G 0216 July 06; C 0364 Oct 06 & C 0434 Nov 06**

Fence & buttress look tired and in parts are severely rusted through. Their replacement needs to be considered as a priority. *£6,000 allocated to project Nov 06.*

Tennis Courts Refurbishment**G 0311 Sept 06; C 0364 Oct 06 & C 0434 Nov 06**

Courts to be resurfaced plus new nets & posts provided. Work ordered and due for completion March 2008. *£25,000 allocated Nov 06, but with £10,000 Developers Contributions having been received, only £16,440 will be needed to complete project.*

Youth Shelters**G 0311 Sept 06; C 0364 Oct 06 & C 0434 Nov 06**

Shelters to be provided in 2 or 3 of Council owned parcels of land, subject to recommendations from the Anti Social Behaviour Working Party. Consultation with public & youth undertaken due for analysis shortly. Presentation to be made to January Working Party on results. *£20,000 allocated to project Nov 06.*

Penns Field 'B' Recreational Use**G 0189 July 07; C 0234 Aug 07**

Plans to bring Field 'B' into sporting use as an extension to the existing sports area plus potentially build changing facilities as either a 'stand-alone' building, or preferably as an extension to the Taro Centre tennis or other sports provision extension. *No sums allocated yet to project.*

Heath Toilets Refurbishment**G 0271 Sept 04 & G 0189 July 07; C 0234 Aug 07**

Toilet block appears shabby and gruesome. Not a good advertisement for the town. Potential to refurbish internally with more modern equipment and materials that are easier to clean plus enable doors to automatically lock & unlock at programmed times. *No sums allocated to project yet.*

Avenue Playing Field Play Equipment**G 0189 Nov 05 & G 0189 July 07; C 0234 Aug 07**

New play area proposed in the Avenue playing fields. *No sums allocated yet.*

Heath Pond Boardwalk**G 0216 July 06; C 0364 Oct 06 & C 0434 Nov 06**

Plans for the future replacement of the boardwalk at the end of its current life. *No sums allocated yet.*

Festival Hall Floor**PH 0225 July 06 & PH 0065 May 07
C 0364 Oct 06, C 0434 Nov 06 & C 0098 June 07**

Previous advice has been that the floor would take only a few more sandings before needing replacement. At its last sanding in August 07, contractors advised that an annual maintenance programme would significantly extend the life of the floor & probably mean replacement need not be considered for many years. Further advice anticipated when quote to be given for maintenance in February/March 08. Following this advice, it may be that this project can be removed. *£2,000 allocated to project June 07.*

Town Hall Windows**PH 0225 July 06 & PH 0138 June 07
C 0364 Oct 06, C 0434 Nov 06 & C 0161 July 07**

Damp is causing significant problems in Perkins Slade's offices due to the windows. Many of the windows are from original 1930's build. Boulter Mossman appointed to oversee tendering and contract process, plus installation. Currently issues being discussed with EHDC Building Control that are delaying proceedings. *£40,000 originally allocated to project Nov 06, with further £45,000 allocated from revenue reserves July 07.*

Festival Hall Ventilation System**PH 0225 July 06; C 0364 Oct 06 & C 0434 Nov 06**

The Hall becomes incredibly hot & stuffy plus current system of ventilation is ancient and difficult to operate. Air conditioning would be incredibly expensive to install and would have additional on-going maintenance implications. *£20,000 allocated to project Nov 06*

Festival Hall Tiered Seating**PH 0225 July 06 & PH 0065 May 07
C 0430 Nov 06 & C 0098 June 07**

Plan is to replace in 2015, although current seating could last significantly longer than this, so delaying the project. *£2,000 allocated to project June 07*

Festival Hall Sound Desk**PH 0225 July 06 & PH 0065 May 07
C 0430 Nov 06 & C 0098 June 07**

Plan is to replace in 2015, or later if current desk continues to meet requirements. *£2,000 allocated June 07.*

Festival Hall Lighting Desk**PH 0225 July 06 & PH 0065 May 07
C 0430 Nov 06 & C 0098 June 07**

Users are now saying that current facility is nearing the end of its useful life and needs fairly urgent replacement. *£2,000 allocated to project June 07.*

Avenue Pavilion Acoustics**PH 0225 July 06 & PH 0065 May 07
C 0430 Nov 06 & C 0098 June 07**

Proposed to improve acoustics in Pavilion, particularly for the orchestra that rehearses there. Completion originally intended for 2008. *£1,000 allocated to project June 07.*

Sheet Village Hall Kitchen**PH 0225 July 06 & C 0430 Nov 06**

Current kitchen is in poor condition and in need of replacement in the near future. *No sums allocated yet.*

Festival Hall Extension**PH 0328 Sept 06**

The wooden kitchen & meeting room extension was only intended to be temporary when originally built. It is recognised that this needs to be replaced and there is potential for a two storey extension to be built in its place. *No sums currently allocated.*

Rose Room Carpet**PH 0328 Sept 06 & PH 0065 May 07
C 0430 Nov 06 & C 0098 June 07**

The carpet is becoming worn in places and needs to look good to continue to attract the regular bookings received. Plan is to replace in 2009. *£1,000 allocated to project June 07.*

Air Conditioning Units for Offices**PH 0225 July 06 & C 00430 Nov 06**

Replacement of existing units in Town Hall offices planned for 2012. *No sums allocated yet.*

Festival Hall Boiler Replacement**PH 0409 Oct 06 & PH 0197 July 07
C 0430 Nov 06 & C 0234 Aug 07**

Boiler planned for replacement 2010 following advice from servicing engineer. *No sums allocated yet.*

Town Council Reception Area Alterations**PH 0297 Sept 05 & PH 0197 July 07
C 0349 Oct 05 & C 0234 Aug 07**

Plans to improve security and working area for staff, plus access for disabled users. Original intention was to complete Sept 2008. *No sums allocated yet.*

Sheet Village Hall Toilets**PH 0302 Sept 07**

Insufficient toilets are available at the Hall for large parties or groups. The possibility of converting the down stairs meeting room into toilets is being considered. *No sums allocated yet.*

Projector Laptop & Whiteboard**PH 0225 July 06; C 0364 Oct 06 & C 0434 Nov 06**

Originally, equipment to be purchased to enable Planning Committee to operate after EHDC stopped sending paper plans under the ePlanning initiative. Subsequently, it appeared as though EHDC may provide the equipment all Councils may need to comply with this initiative, so purchase has been delayed until EHDC's plans in this respect are known. *£4,795 allocated to project Nov 06*

Town Hall Computer System**F 0244 July 06 & F 0337 Sept 06
C 0364 Oct 06 & C 0434 Nov 06**

Replacement of the office computer system is overdue. The Hall & Allotment booking packages had not yet been purchased due to concerns that installation would exceed current capacity. Specifications are being drawn up for consideration before quotations are invited. *£5,000 allocated to project Nov 06.*

Table & Chairs for Council Chamber PH 0225 July 06

No sums allocated yet.

Originally, the proposed transfer to Capital Reserves was £73,500. This was to be allocated as follows:

Town Hall Windows	24,000
Lighting Desk	18,000
Avenue Pavilion Acoustics	1,000
Rose Room Carpet	5,000
Sheet Village Hall Kitchen	3,500
Festival Hall Boiler	10,000
Play Equipment	<u>12,000</u>
Total	<u>73,500</u>

The Finance Working Party's deliberations reduced this figure to £33,500 and after the Council meeting, the transfer to *Capital Reserves is proposed to be £3,000* – for Sheet Village Hall Kitchen.

In order to facilitate the completion of some projects within the next 2 years, it is proposed as part of the budget deliberations to change some of the funds allocated to certain projects.

The proposed movements are as follows:

<u>Reduce</u>	<u>From</u>	<u>To</u>	<u>Difference</u>
Tennis Court Refurbishment	25,000	16,440	8,560
Youth Shelters	20,000	nil	20,000
Festival Hall Floor	2,000	nil	2,000
Festival Hall Ventilation	20,000	10,000	10,000
Festival Hall Tiered Seating	2,000	nil	2,000
Skatepark Replacement	50,000	40,000	<u>10,000</u>
			<u>52,560</u>
<u>Increase</u>			
Town Hall Windows	85,000	117,560	32,560
Rose Room Carpet	1,000	11,000	10,000
Lighting Desk	2,000	12,000	<u>10,000</u>
			<u>52,560</u>

Members need to be aware that approval for these allocation amendments must be made by resolution of Council before both the Budget and the Precept can be approved, because the Budget and Precept figures are dependent, in this case, on the Capital Reserves being altered.

Additionally, it should be borne in mind that the original agreement of Council in November 2006 to allocate funds within the Capital Reserves was greeted with enthusiasm by the Press. Some of the alterations now proposed may appear to indicate a reversal of intent, although this is clearly not the case.

Revenue Budget

The Finance Working Party has looked very closely at the revenue budget and removed spending totalling £67,150 from the original draft papers. A list of those items removed follows:

	£
Reduce tree maintenance in St Peters Churchyard	100
Tarmac area outside temporary extension and Clerk's office	5,600
Reduce fence & bench maintenance at Sheet Village Hall	200
Reduce paving slab maintenance outside Avenue Pavilion	200
Reduce sign and lighting maintenance	350
Reduce tree work at Bell Hill Common	500
Reduce gravel path repairs at Borough Road Recreation Ground	300
Reduce BMX track maintenance	100
Removed lighting maintenance for Sheet Recreation Ground	200
Reduce figure to remedy hazard at Avenue steps entrance to the Heath	200
Reduce maintenance on Millennium Path	1,500
Remove re-fencing plans for Avenue playing field	12,000
Reduce fence repairs at Heathfield/Barnfield	200
Reduce sports pitch maintenance at Penns Farm	2,400
Remove new bollard for Penns Farm cycle path	2,000
Reduce Professional Fees budget to register all Council land	3,500
Reduce recruitment budget	1,000
Reduce Anti Social Behaviour budget	1,000
Reduce general community grants budget	3,000
Remove repairs to Town Hall Foyer stair noses	2,000
Remove new storage cupboard in ladies toilets	1,000
Remove replacement of lights at rear of Festival Hall	3,000
Remove provision for repairs	1,000
Remove re-surfacing of stage floor	4,000
Remove tidying/fixing of cables to exterior of Town Hall	500
Remove replacement of Festival Hall Meeting Room floor	1,000
Remove central heating for caretakers house	4,000
Remove repairs to showers in Avenue Pavilion	400
Remove external decoration of Sheet Village Hall	5,000
Remove Display case for Town Hall foyer	2,500
Remove new chairs for the public in Council Chamber	400
Remove new chairs for the Green Room	4,000
Remove bunting	1,500
Reduce provision for Theatre lights	2,000
Remove directional sign for Festival Hall at front of Town Hall	500
Total	<u>67,150</u>

Income projections were also increased by £4,135.

Work is already under way to ascertain whether the charges currently levied for Sheet Village Hall, The Avenue Pavilion and the Festival Hall compare well or badly against those charged by other Council's. Unfortunately, I do not expect the results to be available before Council considers the Budget and Precept in January, although if figures are available I will of course share them and a decision can then be made as to whether our income projections should be revised.

Of the above sums, the fencing for the Avenue playing field alongside The Avenue road is now to be the subject of a bid for Developers Contributions and will not therefore be included in the projected revenue expenditure for the financial year 2009/10.

When considering the detail of the budget and the level of expenditure to be deferred, members will need to convince themselves that the final result meets the requirements of the Council's stated Financial Strategy. In particular:

- 1 Is this a balanced budget?
- 2 Does it ensure that spending levels are sustainable on a long-term basis whilst ensuring that service delivery is not compromised?
- 3 Does it enable the Town Council to meet its commitments?

In my opinion, I do not believe the proposed budget meets these 3 terms of the Council's Financial Strategy and it does not therefore, come with Officers recommendation. I fully understand the issues of affordability that members must rightly consider, however I believe from a long-term perspective that significant problems are being potentially created in delaying work and projects as is intended.

Neil Hitch
Town Clerk
6th December 2007

Petersfield Town Council										
Budget 2008-09, Precept Calculation										
Financial Projections										
Year to 31 March	2006-07	2007-08	2007-08	2008-09	2009-10	2010-11				
	Actual	Budget	Outturn	Budget	Projection	Projection				
Gross expenditure	-598,564	-710,512	-710,512	-735,751	-813,974	-838,393				
Income from rents, facility hire	273,096	243,637	243,637	249,179	256,654	264,354				
One-off receipts		0	0	0	0	0				
Net expense to be funded from precept	-325,468	-466,875	-466,875	-486,572	-557,320	-574,039				
Precept: actual raised/projected	394,786	424,235	424,235	466,088	627,320	644,039				
Net expense (-) to be funded/receipts	69,318	-42,640	-42,640	-20,484	70,000	70,000				
Use of/fadded to (-) earmarked reserves (net)	-12,990	16,000	9,488	17,788	400	400				
Transfer to Capital Reserves		-10,000	-55,000	-3,000	-70,000	-70,000				
Drawn down on General Fund	56,328	-36,640	-88,152	-5,696	400	400				
General Fund balance beginning of year	155,166	211,494	211,494	123,342	117,646	118,046				
General Fund balance at year end	211,494	174,854	123,342	117,646	118,046	118,446				
Earmarked revenue reserves at year end	59,630	19,000	50,142	32,354	31,954	31,554				
All revenue funds at year end	271,124	193,854	173,484	150,000	150,000	150,000				
Inflation rate										
Therefore above prior year										
	£	£	£	£	£	£				
	29,449	41,853	161,232	16,719	16,719	16,719				
	7.5%	9.9%	34.6%	2.7%	2.7%	2.7%				
Increase in net expend										
	£	£	£	£	£	£				
	-141,407	-19,697	-70,748	-16,720	-16,720	-16,720				
	43.4%	4.2%	14.5%	3.0%	3.0%	3.0%				
Increase Band D rate payer (at 5885.03)										
	Household	Household	per Year	7.11	27.40	2.85				
	per month	per month	per month	0.71	0.71	0.71				

Petersfield Town Council

Capital Reserves

Proposed Budget 08/09

<u>Project</u>	<u>Projected Cost</u>	<u>Sum Allocated</u>	<u>Sum Spent</u>	<u>Balance</u>	<u>Additional Notes</u>
<u>BVIP ID</u>	<u>Grounds Committee</u>				
C1	Safagrass Erosion Control	40,000.00	20,000.00	20,000.00	Additional £20K from Dvlp's Contribs
C2	Play Equipment Replacement	15,000.00	15,000.00	0.00	Annual sum to be precepted
C3	Heath Pond Bank Stabilisation	20,000.00	20,000.00	0.00	
C4	DDA Accessible Paths	10,000.00	10,000.00	0.00	
C5	Skate Park Replacement	200,000.00	40,000.00	160,000.00	Extra from Dvlp's Contribs plus grants
C7	Pond Boardwalk Boundary Fence & Buttress	6,000.00	6,000.00	0.00	
C8	Tennis Courts Refurbishment	26,440.00	16,440.00	10,000.00	Dvlp's Contrib application £10K agreed
C9	Youth Shelters	20,000.00	0.00	20,000.00	
C26	Penns Field 'B' Recreational Use	n/k	0.00	0.00	
C27	Heath Toilets Refurbishment	100,000.00	0.00	100,000.00	
C28	Avenue Playing Field Play Equipment	15,000.00	0.00	15,000.00	
C6	Heath Pond Boardwalk	n/k	0.00	0.00	
Grounds Committee Total		437,440.00	127,440.00	0.00	127,440.00
Halls Committee					
C11	Festival Hall Floor	35,000.00	0.00	35,000.00	0.00 Planned for 2015
C12	Town Hall Windows	117,137.00	117,560.00	(423.00)	117,560.00 Contractor & supplier to be appointed
C14	Festival Hall Ventilation System	20,000.00	10,000.00	10,000.00	
C10	Festival Hall Tiered Seating	25,000.00	0.00	25,000.00	0.00 Planned for 2015
C15	Festival Hall Sound Desk	20,000.00	2,000.00	18,000.00	2,000.00 Planned for 2015
C16	Festival Hall Lighting Desk	20,000.00	12,000.00	8,000.00	12,000.00 Planned for 2008
C20	Avenue Pavilion Acoustics	2,000.00	2,000.00	0.00	1,000.00 Planned for 2008
C21	Sheet Village Hall Kitchen	7,000.00	3,000.00	4,000.00	3,000.00 Planned for 2009
C22	Festival Hall Extension/Kitchen/Meet Rm	300,000.00	0.00	300,000.00	0.00
C23	Rose Room Carpet	20,000.00	11,000.00	9,000.00	11,000.00 Planned for 2009
C13	Air Conditioning Units for Offices	20,000.00	0.00	20,000.00	0.00 Planned for 2008 or 2012
C25	Festival Hall Boiler replacement	60,000.00	0.00	60,000.00	0.00 Planned for 2010
C29	Town Council Reception Area Alterations	20,000.00	0.00	20,000.00	0.00 Planned for 2008
C30	Additional toilets at Sheet Village Hall	n/k	0.00	0.00	
Halls Committee Total		866,137.00	156,560.00	0.00	156,560.00
Finance & General Purposes Committee					
C19	Projector Laptop & Whiteboard	5,000.00	4,795.00	205.00	4,795.00 Possible contrib from EHDG
C24	Town Hall Computer System	5,000.00	5,000.00	0.00	5,000.00 Requirements being actively considered
C18	Table & Chairs for Council Chamber	10,000.00	0.00	10,000.00	
Finance & General Purps Committee Total		20,000.00	9,795.00	0.00	9,795.00
All Committees Total		1,123,577.00	293,795.00	0.00	293,795.00

Note: Halls Committee precepted £10,000 2006/07 & additional £45,000 allocated to Town Hall Windows scheme July 07