

Lowestoft Town Council
Meeting of the Budget and Loan Sub-Committee
Held at Hamilton House, Battery Green Road, Lowestoft at
15:00 on 20 July 2021

MINUTES

Meeting participants: Cllrs Alan Green (Chair), Wendy Brooks, Graham Parker and Andy Pearce
Also participating: Shona Bendix (Clerk) and James Cox (Finance Assistant)

16. Welcome

The fire evacuation procedure was read, Councillors and members of the public were reminded of the right to report, and the meeting was welcomed.

17. Apologies for absence

No apologies were received for the meeting. Cllr Begum has not provided apologies and was absent.

18. Declarations of Interests and dispensations

Cllrs Brooks, Parker and Pearce declared an interest in item 26 as a member of Gunton Residents association and Gainsborough Pond Group

19. Receipt of any comments and considering the draft minutes of the meeting on 7 June 2021.

The draft minutes were approved. Proposed by Cllr Pearce, seconded by Cllr Parker; all in favour.

20. Any advance comments from the public on any matters on this agenda

There were none.

21. To review expenditure by Committees and Sub-Committees from their delegated budgets

The delegated budgets paper was noted

22. To note the decision of the Finance and Governance Committee to set a maximum budget of £4,500 to purchase memorial lecterns for Belle Vue Park and Kensington Gardens, with delegated authority to this committee to consider where the expenditure would come from within the budget, if locality funding cannot be secured to fund all or part of the project

Cllr Pearce proposed this expenditure should come from the Parks and Open Spaces Earmarked Reserve subject to the Earmarked Reserve being approved and if not to revisit this item, seconded by Cllr Green; all in favour.

23. To consider the general reserves and earmarked reserves position, and associated draft updates to the Reserves Policy (some aspects may be confidential), including the following:

23.1 Updates to the reserves approved by June Full Council and required actions – Clarification was sought on the previous year's underspend for Community Safety, IT and CCTV and which reserve these amounts are currently in, to be looked at during the August Finance and Governance meeting. Clarification was sought on the £7,500 underspend on toilets in 2018-19 and this was confirmed to be moved through a virement into the Hamilton House budget for that year.

23.2 Clarification regarding Marina Theatre (adjustment to 2020– 2021 year-end balance), and recently approved expenditure from this Reserve – This was clarified to be £12,521 in the reserve.

23.3 Clarification regarding Offices EMR (adjustment to 2020– 2021 year-end balance), and

Lowestoft Town Council
Meeting of the Budget and Loan Sub-Committee
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15:00 on 20 July 2021

review of actual expenditure against budget for Hamilton House Business Rates – This was clarified to be £85,814.12 in the office reserve

23.4 Clarification regarding previous Town Hall Repair and Maintenance underspend and respective Repair and Maintenance (undesignated assets) & Town Hall EMRs – Cllr Pearce proposed that any Town Hall underspend be moved from the general repairs and maintenance reserve to the Town Hall reserve, seconded by Cllr Green; all in favour.

23.5 Clarification regarding previous Ness Park underspend and Parks & Open Spaces EMR – Cllr Pearce proposed that any underspend on the Ness and the Drying Racks that has gone into general reserves to be moved into the Parks and Open Spaces reserve but ring-fenced and separately identified for the Ness with an update at August F&G, seconded by Cllr Green; all in favour.

23.6 Increasing the target amount on the Staff EMR to reflect increases in staffing levels, and to review ring-fenced amounts within this EMR – This item has not been progressed due to COVID and will be looked at during the August Finance and Governance meeting.

23.7 Ring-fenced amounts within the General Reserves – to be discussed during the confidential session.

23.8 Ring-fenced amounts within the Capital Works Reserve – to be discussed during the confidential session.

23.9 Proposed rationalisation of and further updates to Reserves – Cllr Pearce circulated a document before the meeting which he summarised during the meeting and the following proposals were made and unanimously agreed:

Recommendation	Proposer	Seconded
To have a general reserves target of 4 months precept within a maximum of 3 years and aiming for 6 months precept within a maximum of 7 years based on a £2,000,000 precept estimate.	Cllr Pearce	Cllr Green
Rather than multiple underspends going to the general reserves at year end every budget except Tingdene income and the general reserves budget line goes into targeted Earmarked Reserves and when those Earmarked Reserve targets are reached it then goes into general reserves.	Cllr Pearce	Cllr Parker
A Repairs and Maintenance Earmarked Reserve target of £300,000 and a Capital Earmarked Reserve target of £500,000. The Repairs and Maintenance Earmarked Reserve to be renamed to Repairs and Maintenance Unassigned Earmarked Reserve	Cllr Pearce	Cllr Green
The Capital Earmarked Reserve to be renamed to Capital Unassigned Earmarked Reserve	Cllr Pearce	Cllr Green
The Community Safety Earmarked Reserve has a ring-fenced amount in it for defibrillators	Cllr Pearce	Cllr Green
The Climate Earmarked Reserve to be renamed to Climate	Cllr	Cllr

Lowestoft Town Council
Meeting of the Budget and Loan Sub-Committee
Held at Hamilton House, Battery Green Road, Lowestoft at
15:00 on 20 July 2021

Emergency and Ecological Earmarked Reserve	Pearce	Green
The Parks and Open Spaces Reserve is disproportionately frontloaded into year 1 so rental income from Tingdene should go to Parks Earmarked Reserve and then regained through budgeting	Cllr Pearce	Cllr Brooks
That the Parks and Open Spaces Earmarked Reserve has a ring-fenced amount for the Ness	Cllr Pearce	Cllr Green
That the Parks and Open Spaces Earmarked Reserve has a ring-fenced amount for the Ness	Cllr Pearce	Cllr Brooks
That the Parks and Open Spaces Earmarked Reserve has a ring-fenced amount for Normanston Park and any underspend from property lettings on the park to go into that Earmarked Reserve	Cllr Pearce	Cllr Green
That the Parks and Open Spaces Earmarked Reserve has a ring-fenced amount for Allotments, Community orchards and Community Gardens	Cllr Pearce	Cllr Brooks
That a £75,000 target is made for the Waterways and Ponds Earmarked Reserve	Cllr Pearce	Cllr Green
That the Play Areas Earmarked Reserve has a ring-fenced amount for the Ness Play Area	Cllr Pearce	Cllr Brooks
That the Community Halls Earmarked Reserve has a target of £30,000	Cllr Pearce	Cllr Brooks
That the Office, the IT and the Amplification Earmarked Reserves are merged and that IT and amplification becomes ring-fenced amounts within that reserve, and any underspend from the amplification ring-fenced amount gets transferred into the IT ring-fenced amount	Cllr Pearce	Cllr Brooks
That the Staff and Training Earmarked Reserves are merged with ring-fenced amounts for Staff increases – cost of living contingency, Staff increases – discretionary, Training and development – Staff, Training – Town Councillors	Cllr Pearce	Cllr Brooks
That the Legal costs, Elections, Neighbourhood Plan and Consultancy Earmarked Reserves into a Professional Services Earmarked Reserve with ring-fenced amounts for Legal/ Self-insurance, Consultancy, and elections. Transfer the Legal Earmarked Reserve to the Legal/ Self-insurance ring-fenced amount and identify and monitor the Ness element separately. Transfer the Consultancy Earmarked Reserve to the Consultancy ring-fenced amount and transfer the Elections Earmarked Reserve to the Elections ring-fenced amount	Cllr Pearce	Cllr Parker
That the Civic and Ceremonial, Festive Lights, and Grants Earmarked Reserves are merged into a single Civic and Ceremonial, Events and Grants Earmarked Reserve with ring-fenced amounts for Festive Lights and for Grants. Split the Civic and Ceremonial Earmarked Reserve into half with civic regalia remaining in the Civic and	Cllr Pearce	Cllr Parker

Lowestoft Town Council
Meeting of the Budget and Loan Sub-Committee
Held at Hamilton House, Battery Green Road, Lowestoft at
15:00 on 20 July 2021

Ceremonial, Events and grants Earmarked Reserve and Civic Storage to be transferred to Arts, Heritage and Museums.		
That the Lowestoft Collection Earmarked Reserve is renamed to Arts, Heritage and Museums.	Cllr Pearce	Cllr Green

23.10 Embedding timescales for attainment of the General Reserve targets to which the Council has already committed in both the 2022 – 2023 Lowestoft Town Council Budget (see also 24.2) and the Reserves Policy – This was covered in 23.9

23.11 Appendices to the Reserves Policy setting out purpose and operation of each Reserve – to be taken to the August Finance and Governance meeting

23.12 Making a recommendation that individual budgets be linked to specific Reserves with effect from 2021 – 2022 year-end, in line with the Appendices to the Reserves Policy, for the purposes of administering underspend against budget – This was covered in 23.9

23.13 Other draft updates to the Reserves Policy

24. To consider the format of the 2022 – 2023 Lowestoft Town Council Budget (some aspects may be confidential), including the following:

24.1 Rationalising and consolidating the number of tabs – Cllr Pearce has made progress on this and will circulate it before the next meeting

24.2 Embedding a five-year budgeting system – Needs to be looked at by the Assets, Inclusion and Development committee in regards to which play areas and parks will be looked at each year.

24.3 Transitioning from the 2021 – 2022 Lowestoft Town Council Budget to the new format and the five-year budgeting system – this was covered in 24.1

24.4 Recommendations from the Finance and Governance Committee regarding the Asset Compliance budget, and any additional recommendations from the Assets, Inclusion and Development Committee – Cllr Pearce proposed a £20,000 figured for compliance for next year be pencilled in following a recommendation from the Finance and Governance committee, seconded by Cllr Pearce; all in favour.

25. To consider the legislation that was passed earlier this year, abolishing Business Rates on Public Conveniences with retrospective effect from April 2020, including the following:

25.1 To note that with effect from 2022 – 2023, the Council should no longer budget for Business Rates on Public Conveniences - this was noted

25.2 To receive an update regarding refund of Business Rates on Public Conveniences paid in respect of 2020 – 2021 and 2021 – 2022, and to consider whether any such refund should be allocated to the Public Conveniences EMR – The Clerk confirmed that a credit had been received refunding the 2020-21 and 2021-22 Business Rates for Public Conveniences. Cllr Pearce proposed that the refund should be moved to the Public Conveniences Earmarked Reserve, seconded by Cllr Parker; all in favour. The amount refunded was confirmed to be around £5,300.00 across 3 sites.

26. To consider from which budget to take the expenditure for survey work at the Gainsborough Drive and Fen Park ponds from, totalling £840 plus VAT (expenditure previously approved by the Assets, Inclusion and Development Committee)

Lowestoft Town Council
Meeting of the Budget and Loan Sub-Committee
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26.1 This was reviewed at the Assets, Inclusion and Development meeting on the 19th July so there was no decision needed by the Budget and Loan Sub-Committee

27. To review the funding for the Jubilee Bridge (confidential), including:

27.1 To consider implications for the earmarked reserves and the Repair & Maintenance and Legal budgets – To be discussed during the confidential session

28. To review the condition survey for the Northern Sparrows Nest building complex and related funding (confidential)

To be discussed during the confidential session

29. To consider additional costs for Whitton Green (confidential)

To be discussed during the confidential session

30. Date of the next meeting – 16th August 2021 at 3:00

31. Items for the next Agenda and Close

All budget items relating to the Norse Contract

The Chair thanked those who had been viewing the livestream of the meeting.

32. Resolution to close the meeting to the public

Cllr Pearce proposed that the meeting goes into confidential session, seconded by Cllr Parker; all in favour

23.7 A confidential recommendation was made by Cllr Pearce regarding ring-fencing within General Reserves, seconded by Cllr Green; all in favour

23.8 A confidential recommendation was made by Cllr Pearce regarding ring-fencing within the Capital Works Reserve, seconded by Cllr Green; all in favour

27.1 An update was given and this will be taken to Full Council

28. This will be taken to the next Assets, Inclusion and Development Committee meeting

29. An update was given and a confidential proposal was made by Cllr Pearce, seconded by Cllr Parker; all in favour.

Meeting closed: 16.44

Signed: