

Lowestoft Town Council
Meeting of the Budget and Loan Sub-Committee
Held at Whitton Residents' Hall, Hawthorn Avenue, Lowestoft at
14:00 on 7 June 2021

MINUTES

Video meeting participants: Cllrs Alan Green (Chair), Wendy Brooks and Andy Pearce

Also participating: Shona Bendix (Clerk), James Cox (Finance Assistant) and Sarah Foote (Deputy Clerk)

1. Appointment of Chair of Budget and Loan Sub-Committee

It was proposed by Cllr Pearce, seconded by Cllr Green and unanimously agreed that Cllr Brooks be appointed as Chair

2. 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.

3. Apologies for absence

Apologies were received from Cllr Nasima Begum and Cllr Graham Parker. Cllr Pearce proposed acceptance of the apologies received; seconded by Cllr Green; all in favour.

4. Declarations of Interests and dispensations

There were none.

5. Receipt of any comments and considering the draft minutes of the meeting on 12 April 2021 and signing of previous minutes subsequent to 17 March 2020.

The draft minutes were approved. Proposed by Cllr Pearce, seconded by Cllr Green; all in favour. Signing of minutes from 17 March to 12 April was agreed. Proposed by Cllr Pearce, seconded by Cllr Green; and agreed (Cllr Brooks abstained).

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

There were none.

7. Sub-Committee arrangements

7.1 The membership of the Budget and Loan Sub-Committee was noted as; Cllrs Begum, Brooks, Green, Parker, and Pearce.

7.2 It was proposed by Cllr Pearce, seconded by Cllr Green that Cllr Parker be appointed as Deputy Chair of the Budget and Loan Sub-Committee. All in favour.

7.3 Terms of Reference of the Budget and Loan Sub-Committee were proposed for adoption by Cllr Pearce, seconded by Cllr Green; all in favour.

8. General Reserves and ear marked reserves (EMR) position and any deadlines for s106 and CIL expenditure

Cllr Pearce had provided members with a reserves table at the end of the last financial year (31 March 2021) (appended to the minutes).

General reserves had been confirmed at £517,648 at the year end but Fen Park Waterways had since been deducted from this amount. If the Council were to maintain a four month of precept general reserve level then increase to a revised position of six months (along with five year budgeting), it was on track as reserves would need to reach target figure of £588,000 (four months of precept).

Additional budget headings where EMR should be achieved were then considered and the following recommendations were unanimously agreed.

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| Item | Recommendation | Proposed | Seconded |
|-------------------|---|-------------|-------------|
| Town Hall | That an EMR investment target of £200k be set. This target is to be realised as follows: £46,492 precepted 2021/22 for Town Hall investment + virement of £75K originally precepted 2021/22 for possible public works loan + balance £78,508 to be ring-fenced within Capital Works EMR for Town Hall. | Cllr Pearce | Cllr Green |
| Climate Emergency | That an EMR target of £50k be set. The current underspend on electric vehicles and cycles be transferred from Offices to Climate Emergency EMR. | Cllr Pearce | Cllr Green |
| Training | That the EMR be increased to £30k. | Cllr Pearce | Cllr Green |
| Marina Theatre | Cllr Pearce asked for confirmation of how funding was currently allocated for the Marina in terms of rental income versus loan repayment. It was confirmed that the surplus is currently allocated in R&M reserves. It was proposed to move from main R&M reserves to Marina Theatre R&M and that any underspend going forward also be transferred to Marina EMR for R&M. It was noted that the Towns Fund money does not cover roof of Marina Theatre. £20k in earmarked reserves for the Theatre is too low. It was agreed that £100k is to be set as Marina Theatre earmarked reserve target, subject to review at an appropriate time. | Cllr Pearce | Cllr Green |
| Community Safety | A dedicated EMR should be set which includes amounts for CCTV (less any expenditure) along precepted CCTV investment from 18/19 (£25k) and 20/21 (£50k) with underspend from 21/22 community safety budget, working towards a target of £100k. | Cllr Pearce | Cllr Green |
| Triangle Market | Assessment for development is underway, including through working with ESC on a feasibility study for this area and the Scores. Grant-funding anticipated. However, there were also plans for the toilets and potentially for coverings for market stalls. Funding is coming in from SCC for a barrier across the highway. £75k to be set as earmarked reserves as an aspiration. If this is unspent on the development, it could be used on public conveniences. | Cllr Pearce | Cllr Brooks |
| Office | It was noted that the lease at Hamilton House is subject to a break clause next year. Rent was still being paid. £100k target for reserves for Hamilton House to deal with any office accommodation matters. | Cllr Pearce | Cllr Green |
| Festive Lights | Earmarked reserves for festive lights are to be within civic and ceremonial but clearly earmarked within that reserve for that purpose. The target for that reserve to be £45k for festive lights in three year's time within the civic and ceremonial earmarked reserve. The specific aim of the £45K target being to have funds in place ahead of time to renew the contract once the current contract ends | Cllr Pearce | Cllr Green |

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| Item | Recommendation | Proposed | Seconded |
|----------------------|---|-------------|-------------|
| Elections | That an EMR of not less than £50k be achieved. In addition to maintaining an EMR to cover by-election costs, the aim is also to have funds in place ahead of time to cover the projected costs of the 2023 ordinary LTC elections. | Cllr Pearce | Cllr Green |
| Grants | That a new EMR for grants be established, which includes the underspend from 20/21 and 21/22 and maintained to a target of £50k. | Cllr Pearce | Cllr Green |
| Lowestoft Collection | It was decided to set the earmarked reserves target for the Lowestoft Collection at £100k. | Cllr Pearce | Cllr Green |
| Amplification | It was also agreed to transfer the amplification underspend to the IT budget but only when the Hamilton House recording/amplification system has been purchased and installed. A sophisticated camera for Hamilton House which would enable a focus on the speaker was considered alongside the need to be able to observe the whole meeting. This would be investigated by the Clerk and options brought back if needed. The amplification EMR would then be closed/abolished. | | |
| Civic and Ceremonial | Noting that the 20/21 major events budget was diverted to Covid Grant Fund. 21/22 any underspend on £18,000 major events budget be carried forward to 22/23 major events and to minimise the amount we need to precept for major events next year. A target EMR was set at £30k. | Cllr Pearce | Cllr Green |
| Consultancy | Noting that the H&S Consultant had yet to be appointed, an EMR target of £50k (to be reviewed). | Cllr Pearce | Cllr Green |
| Parks | It had previously been agreed to roll the 20/21 underspend into the 21/22 budget rather than adding to the reserve. Decisions had now been made to proceed with bins and benches as per the year one plan of the five year plan for parks. After discussion, it was agreed to set £75k as the target to build reserves for parks to. | Cllr Pearce | Cllr Green |
| Play areas | It was agreed to work towards an EMR target of £150k. | Cllr Pearce | Cllr Green |
| The Ness | The Ness has a budget of £75k overall of which £25k is for maintenance. Under the new budget tabbing system, the Ness may move to Parks. Any underspend against the Ness capital (£25k per year) should be credited to the Parks EMR at year end and ring fence for replacement play equipment at the Ness. Cllr Green commented that the Town Council does not currently know the value of individual pieces of play equipment. It was confirmed that the reserve could also build for additional pieces of equipment to be installed at the Ness. | Cllr Pearce | Cllr Brooks |
| Legal | Any underspend against Ness (legal) should be credited to the Legal EMR at the year end and ring fenced for expenditure against Ness related legal costs. | Cllr Pearce | Cllr Brooks |

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It was noted that April 2022 is the next CIL deadline. During the course of the discussion, future formation of a Ponds Working Group was also noted. It was further agreed (proposed by Cllr Pearce, seconded by Cllr Green; all in favour) that a request be made to the AID Committee for to transfer responsibility for defibrillators from that committee to the Community Safety Committee.

At 15.45 the Deputy Clerk left the meeting.

9. Full Council decisions:

The following matters were noted:

- 9.1 To carry forward the 2020 – 2021 underspend from the parks development budget to the 2021 – 2022 budget, rather than allocate it to reserves
- 9.2 To transfer the sum of £17,527 previously allocated to the Fen Park pond budget to the ponds and waterways budget
- 9.3 To transfer and ring-fence funds to support the Town Hall development and funding bid (to be discussed in confidential session).

10. 2021 – 2022 Lowestoft Town Council budget and embedding a five-year budgeting plan (some aspects confidential)

It was proposed by Cllr Green, Seconded by Cllr Pearce; all in favour, that this item would be the main focus of the next meeting.

11. Format of the 2022 – 2023 Lowestoft Town Council budget (some aspects confidential)

Whilst briefing discussion had taken place during the meeting, it was proposed by Cllr Green, Seconded by Cllr Pearce; all in favour, that this item would be the main focus of the next meeting.

12. Financial implications of the transfer of land at Notley Road on the East Suffolk Norse Contract (confidential)

An update on the small amount of land that the town council has retained in relation to Notley Road.

13. Date of the next meeting - Monday 12 July 2021 13.15 and not 14.00 as previously advised. It was noted that all meetings would now commence at 13.15.

14. Items for the next Agenda and Close

Five year plans and 2022-2023 budget format were agreed as the main items for consideration at the next meeting.

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

15. Resolution to close the meeting to the public

It was proposed by Cllr Green, seconded by Cllr Pearce; all in favour that the meeting be closed to the press and public to consider confidential items.

9.3 Confidential matters relating to the NLHF grant funding submission for the Town Hall were noted.

Meeting closed: 16.25.

Signed: 

12 July 2021

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APPENDED PAPER:

| EMR | 20-21 Start | Anticipated Underspend 20-21 | Total | Target | Source | Notes |
|-------------------------|-------------|------------------------------|-------------|--|--|--|
| Civic and Ceremonial | £11,272.00 | £4,600.00 | £15,872.00 | | original fund plus savings in civic and ceremonial and remembrance and holocaust | |
| Legal Costs | £19,763.75 | £18,014.00 | £37,777.75 | | £50,000.00 budget underspend | |
| Training | £7,398.00 | £10,944.00 | £18,342.00 | | budget underspend | |
| Marina Theatre | £16,883.00 | £5,638.00 | £22,521.00 | | excess of rent against loan repayment | |
| Repairs and Maintenance | £144,094.00 | £116,713.00 | £260,807.00 | | budget underspend | |
| Elections | £29,690.00 | £40,000.00 | £69,690.00 | | budget underspend | |
| Capital | £232,751.00 | £176,081.00 | £408,832.00 | | loans and capital budget | £300,000 earmarked for ravine bridge |
| Triangle Market | £54,253.00 | £1,917.00 | £56,170.00 | | Market income | |
| CIL | £82,820.69 | £2,039.69 | £84,860.38 | | not included | |
| Staff | £76,500.00 | £154,042.00 | £230,542.00 | | £100,000.00 budget underspend | |
| Neighbourhood Plan | £0.00 | £0.00 | £0.00 | | not included | |
| General Reserves | £253,395.76 | Anything else | TBC | 4 months of precept £588415, 60k Earmarked for Jesters, 80k Earmarked for Denes Oval pending FC approval | | |
| Lowestoft Collection | £33,932.00 | £10,000.00 | £43,932.00 | £100,000 in policy, £50,000 in 19-20 budget | budget underspend | |
| Parks and Open Spaces | £36,663.00 | £39,317.00 | £75,980.00 | | budget plus budget underspend | |
| Public Conveniences | £7,725.00 | £7,880.00 | £15,605.00 | | budget plus planned development | |
| Play Areas | £100,000.00 | £50,000.00 | £150,000.00 | | budget plus planned development | £30,000 for adult gym equipment |
| Waterways/Ponds | £10,000.00 | £12,882.00 | £22,882.00 | | budget | £30,000 for Whitton Green |
| IT (Tablet replacement) | £1,500.00 | £0.00 | £1,500.00 | | budget | |
| Office | £77,920.00 | £0.00 | £77,920.00 | | | Includes Business Rates, underspend this year will be an accrual |
| Festive Lights | | £15,063.00 | £15,063.00 | To be spent in 2021-22 | New from underspend | |
| Consultancy | | £14,725.00 | £14,725.00 | To be spent in 2021-22 | New from underspend | |
| Amplification | | £16,000.00 | £16,000.00 | To be spent in 2021-22 | New from underspend | |

Figure 1 Appended Paper