

**WESTON-SUPER- MARE TOWN COUNCIL
MINUTES OF THE POLICY & FINANCE COMMITTEE
MEETING HELD AT GROVE HOUSE ON
MONDAY 19TH JUNE 2017**

Meeting Commenced: 7.00 pm

Meeting Concluded: 8.35 pm

PRESENT: Councillors Clive Webb (Chairman), Roger Bailey, Peter Crew, Clive Darke, Peter Fox, Michal Kus, Richard Nightingale and Lisa Pilgrim.

IN ATTENDANCE: Councillor John Crockford-Hawley, Malcolm L Nicholson (Town Clerk), Sarah Pearse (Responsible Financial Officer), Samantha Bishop (Committee Officer), Steve Matthews (SJ Surveyors) and Brianna Millett (Weston & Somerset Mercury).

56.	<p>Election of Chairman</p> <p>The Town Clerk invited nominations for the position of Chairman.</p> <p>PROPOSED BY: Councillor Peter Crew SECONDED BY: Councillor Michal Kus</p> <p>A vote was taken and carried. Accordingly it was:</p> <p>RESOLVED: That Councillor Clive Webb be elected Chairman of the Policy & Finance Committee for the year 2017/2018.</p> <p>Councillor Clive Webb took his place as Chairman of the meeting.</p>
57.	<p>To receive Apologies for Absence and Notification of Substitutes</p> <p>Apologies for absence were received from Councillors Robert Payne and Mark Canniford with no substitutions.</p> <p><i>Councillor Ricard Nightingale joined the meeting at 7.02 pm</i></p>
58.	<p>To receive Declarations of Interest</p> <p>There were no declarations of interest received.</p>
59.	<p>Election of Vice Chairman</p> <p>The Chairman invited nominations for the position of Vice Chairman.</p> <p>PROPOSED BY: Councillor Peter Crew SECONDED BY: Councillor Clive Webb</p> <p>A vote was taken and carried. Accordingly it was:</p> <p>RESOLVED: That Councillor Michal Kus be elected Vice Chairman of the Policy & Finance Committee for the year 2017/2018.</p>
60.	<p>To approve the minutes of the Policy & Finance Committee meeting</p>

	<p>held on 24th April 2017</p> <p>The minutes had been previously circulated with the agenda.</p> <p>PROPOSED BY: Councillor Roger Bailey SECONDED BY: Councillor Peter Fox</p> <p>A vote was taken and carried. Accordingly it was:</p> <p>RESOLVED: That the minutes be approved and signed by the Chairman.</p>
<p>61.</p>	<p>To note the minutes of the Working Party to Review Expenditure & Governance 13th March 2017 (approved) and the 15th May 2017 (unapproved)</p> <p>A vote was taken and carried. Accordingly it was:</p> <p>RESOLVED: That the minutes be noted.</p>
<p>62.</p>	<p>Monthly Financial Reports: March & April 2017</p> <p>a) For Approval Schedule of Unapproved Expenditure</p> <p>PROPOSED BY: Councillor Peter Crew SECONDED BY: Councillor Michal Kus</p> <p>A vote was taken and carried. Accordingly it was:</p> <p>RESOLVED: That the Schedule of Unapproved Expenditure for March & April 2017 be approved.</p> <p>b) For Noting</p> <ul style="list-style-type: none"> i. Bank Reconciliations ii. Budgetary Control Report iii. Bank Interest Report iv. Schedule of Receipted Income v. Income Analysis vi. Overspend Month end report for March <p>A member was perturbed by the amount of overspend and asked who authorised the over expenditure. The Responsible Financial Officer explained that the amount was accumulative of the whole financial year (April16-March 17) and that monthly expenditure was reported to the committee for approval. There were always cases of unforeseen expenditure i.e. Water and utility bills even though the council forecasted and planed its budgets.</p> <p>In response to a query regarding the cleaning budget over expenditure, the Responsible Financial Officer reported that it was due to the Housekeeper retiring and the council making the decision to contract out the cleaning for an interim period.</p> <p>A member asked for an update on the council’s bank account provider and</p>

	<p>the Responsible Financial Officer informed that some of the smaller accounts were going to be transferred to Lloyds Bank first to test the service and that once satisfied, the large accounts would transfer across. The process had been delayed due to Mayor Making and new signatories for the accounts.</p> <p>A member questioned why the council could not dispose of its own refuse to alleviate refuse costs and was informed that the council would still incur charges for commercial waste.</p> <p>A vote was taken and carried. Accordingly it was:</p> <p>RESOLVED: That reports 7b i – vi for March & April 2017 be noted.</p>
<p>63.</p>	<p>Approval of Annual Return for the Year ended 31st March 2017</p> <p>i. To receive and approve the Annual Return</p> <p>A copy of the Annual Return was available at the meeting</p> <p>The Responsible Financial Officer apologised for the late issue of the Annual Return which had been held up by the Internal Auditor and had to be sent off to be signed and returned.</p> <p>Members were advised that signatures from the Chairman and the Town Clerk were required on page 2, section 1 of the document and that the committee would need to consider and answer the required governance statement as such. The Chairman would also be required to sign section 2, page 3.</p> <p>PROPOSED BY: Councillor Michal Kus SECONDED BY: Councillor Peter Crew</p> <p>A vote was taken and carried. Accordingly it was:</p> <p>RESOLVED: That the Chairman and Town Clerk be authorised to sign and approve the Annual Return and that the governance statement be completed answering yes to all sections.</p> <p><i>Steve Matthews joined the meeting at 7.15 pm</i></p> <p>In response to a question, The Town Clerk confirmed that the council now employed 54 members of staff which had slightly increased due to the staff employed to run the Visitor Information Centre (VIC).</p> <p>A member asked what the remaining mortgage balance was left on the Blakehay Theatre to which the Responsible Financial Officer informed that she would provide the exact figure to the member via email. However the council adopted the Blakehay in 2003 at the mortgage balance of £300,000.</p> <p>ii. To receive and approve the Statement of Accounts (unaudited)</p>

	<p>The Responsible Financial Officer sincerely apologised for the absence of the Statement of Accounts to members in time for the meeting and recommended that members deferred the item to the Expenditure & Governance Working Party or the next Policy and Finance Committee in order to properly digest the accounts and raise any questions. The legal part was to approve the Annual Return and that the Accounts were background information supporting it.</p> <p>The report was very positive and there had been an increase in income in all areas.</p> <p>PROPOSED BY: Councillor Roger Bailey SECONDED BY: Councillor Peter Crew</p> <p>A vote was taken and carried. Accordingly it was:</p> <p>RESOLVED: That the unaudited Statement of Accounts be deferred to the Expenditure & Governance Working Party Meeting on 3rd July 2017 and that members of both the Committee and Working Party be issued with a copy of the Statement of Accounts.</p> <p>A member wanted the Committee's thanks recorded to all staff who had worked to achieve an increase in income.</p>
<p>64.</p>	<p><i>The Chairman brought forward item 10 to be discussed at this point in the meeting.</i></p> <p>To approve the Grove House Extension Project</p> <p>The Town Clerk's report and extensions plans for Grove House had been previously circulated with the agenda.</p> <p>The Town Clerk explained that with Grove House now being let on a 25 year lease the Town Council had the opportunity to extend and improve its office base at a modest cost which compared well to the cost of renting other premises. The Grove House office extension project was therefore originally agreed as part of the 2016/17 budget at an estimated cost of £30,000.</p> <p>The reasons for the project were to increase the capacity of the General Office at Grove House from 2 to 6 staff and bring the toilet facility up to a fully disability accessible standard. Create a reception counter, improving customer care, safety and security. Bring grounds and general administration together and future proof Grove House as the administrative headquarters of the council. This would also free up a room at Grove Lodge for meetings.</p> <p>The project was never the most urgent and the aim was to commence in January 2017 with procurement, planning application and building regulations and the construction work in summer of July/August 2017. The Town Clerk had made enquiries with North Somerset Council and ascertained that both landlord's consent and planning permission were likely to be granted. However other projects were more urgent and this had been paused because the project manager SJ Surveyors Ltd was fully</p>

<p>occupied with the Museum project.</p> <p>At its meeting on Monday 15th May the Expenditure and Governance Working Party considered a report from the Town Clerk and the plans for the extension which were circulated to members at the meeting. The Working Party resolved “that the extension plans for Grove House be recommended for approval to the Policy & Finance Committee and that the project commence as planned.”</p> <p>The extension was single storey and would be to the rear right of the building. A timescale of 6 to 8 months was envisaged for obtaining the necessary planning, building control and landlord permissions and for the procurement process ahead of construction in the new year. The procurement process would show an increase in the initial costs. Any additional costs would be identified through other budgets and would be brought before members for approval.</p> <p>Lengthy discussion commenced where a suggestion was made to convert the meeting room into office space and that meetings could be diverted to other council facilities such as the Museum and the Blakehay.</p> <p>Concern was expressed over the effect this option would have on the Mayoral hosting of receptions and Remembrance Service. The Town Clerk advised that if members wanted to seriously consider this option then he was happy to pursue it but further exploration into alternative meeting places would be needed first.</p> <p>A member requested clarification of the reference to renting other properties within the Town Clerk’s report of which the Responsible Financial Officer informed that this was in reference to Grove Lodge at an annual rent of £5,000.</p> <p>A member questioned why the toilet needed to be refurbished and was informed by the Surveyor that the council was obligated under equality and diversity policy to provide an accessible facility if the council was offering a service to the public.</p> <p>A member reminded the committee that the decision to extend had already been previously approved by them and that it was now a case of when it should be done.</p> <p>The Town Clerk stressed the pressures of office space at the Lodge.</p> <p>In response to a question regarding the total fees connected with the project, the Surveyor informed that these would amount to somewhere between £1,000 – 1,500.</p> <p>The suggestion of a two storey extension to Grove House to house all staff was posed. If implemented, Grove Lodge would not be required making an annual £5,000 saving towards the cost of an extension.</p> <p>PROPOSED BY: Councillor Peter Crew SECONDED BY: Councillor Richard Nightingale</p>

	<p>A vote was taken and carried. Accordingly it was:</p> <p>RESOLVED:</p> <ul style="list-style-type: none"> i. To defer the Grove House Extension Project to the Expenditure & Governance Working Party Meeting on 3rd July 2017. ii. That the Surveyor prepare some amended two storey extension Plans for discussion.
<p>65.</p>	<p><i>It was resolved under the Public Bodies (Admissions of Meeting) Act 1960 to exclude the public and press for the following items by reasons of confidential nature of the business.</i></p> <p>To approve the Museum Costs Overspend - Entrance Doors</p> <p>A confidential joint report of the Responsible Financial Officer and the Town Clerk was circulated to members.</p> <p>The museum project was nearing completion with a Grand Opening date set for 26th August 2017.</p> <p>The museum staff were due to go back into the building during the first two weeks of July in order to prepare the building for operations and ensure everything was ready for the grand opening. Recruitment of the new posts required had been started with job advertisements published.</p> <p>As part of the preparation for the opening process the Heritage Lottery Fund (HLF) Project Co-ordinator organised the necessary fire risk assessment and pre visit initially to gain advice on equipment that would be needed to open and also to check through the building as a precaution. The visit was attended on 2nd June 2017 by the professional team manager and the Visitor Services Manager along with a representative from Risk Monitoring Ltd. At that meeting it was found that the front glazed entrance screen did not meet the necessary requirements for fire protection as they were on a fire escape route.</p> <p>Investigation was now being done to ascertain how the design of the doors fitted had not met the requirements of the building and fire regulations. The Town Clerk, HLF Project Coordinator and professional team were undertaking the exercise. It was clear that a new screen would need to be installed and it was believed a financial claim against the appointed architects would be necessary.</p> <p>In order to minimise further costs and prevent potential disruption to the opening day the professional team had been asked to provide the council with options to enable the programme to remain on track. Whichever option was chosen the council was now faced with funding the doors in the interim period whilst a claim for compensation was investigated. This cost</p>

was estimated at between £49,000 – £63,000. In addition to the installation of the new screen, if there was a delay there would be further costs incurred to the council for rent of the Badger Centre and cancellation and loss of revenue costs. It was noted that the costings were provisional and it may be possible to amend them through negotiation.

There were two options to deal with funding the order:

Option A: The value was not available within the current budgets for the project and therefore would need to be authorised as an overspend and recommended to full Town Council in order to approve the money from General Reserves. With lead times and council meeting dates this would result in a delayed opening for the project estimated to be in October.

Option B: The council has in its revenue budget a sum of £55,000 towards phase 2 of the Museum project. This money with the Committee's permission could be vired to the HLF build project to enable option 3 to proceed with the main objective of staff being able to move back to the building in July (temporary wooden fire doors to be installed) and releasing the Badger Centre offices. It would also enable the Grand Opening to remain as 26th August 2017 with the original requirement of glazed entrance doors in place (as a result of new glazed doors being ordered and fitted allowing for lead time).

This would avoid delay in issue of practical completion, minimising costs, and allow full investigation and consideration of a potential claim against the architects for reimbursement.

Debate ensued. Members were concerned at the situation, requested clarity on whose fault it was that the situation had happened and recalled that this was not the first time there had been a discrepancy with fire regulations on the project. The Chairman of the Museum and Heritage Sub Committee explained that it was an error by the architects although they had not admitted liability. The Surveyor confirmed that this was the case as the architects did not translate the fire doors into their specification and he read aloud email exchanges between parties involved in the project.

The Chairman of the Museum and Heritage Sub Committee believed that the money would be recovered but stressed the need and financial advantages for the Museum to open on time as planned.

PROPOSED BY: Councillor Peter Crew

SECONDED BY: Councillor Michal Kus

A vote was taken and **carried**. Accordingly it was:

RESOLVED: To vire the sum of £55,000 earmarked for the Museum

<p>phase 2 from the capital projects budget to the HLF build project to enable replacement doors to be ordered, so that phase 1 could be completed on time and staff and volunteers move into the building.</p> <p>To approve the Museum costs overspend – Café</p> <p>The report of the Finance Officer had been previously circulated with the agenda.</p> <p>In accordance with the Town Council's Standing Orders and Financial Regulations, the procurement process for the Museum café was adhered to and the tenders resulted in a local business being shortlisted, as a potential café concessionaire. This was dependant upon the results of both the financial and personal references that had been applied for.</p> <p>Having received the references the information contained within them did not meet the Town Council's criteria. This resulted in having to investigate running the Museum café function in-house. A business plan for the café had been put together by the Visitor Services Manager and approved at the Museum and Heritage Sub Committee on 25th May 2017.</p> <p>Within the business plan the staffing structure was revisited and this identified a requirement to have a full time Café Supervisor, part time Café Assistant and a full time Café Apprentice for it to function effectively. Having re-costed the new staffing requirements, it has meant that there would be an additional cost of £20,621 over and above the approved Museum staffing budget for 2017/2018.</p> <p>The Business Plan produced by the Visitor Services Manager and approved by the Museum and Heritage Sub Committee envisaged income which would balance and in fact make a surplus over the cost of staffing the café.</p> <p>Debate ensued over the decision to run the café in house and members requested the budgeted figure for the following year 2018/2019, if the café was to be run in house.</p> <p>In response the Responsible Financial Officer reported that it would be approximately £112,000.</p> <p>The Town Clerk reminded the committee of the HLF stipulation that income would need to be raised from the shop, café and other events; so café income must be achieved and he concurred with the Responsible Financial Officer's recommendation. It was the failure of the external bidders to satisfy the Council's financial and other requirements in the procurement process which had left little or no choice but to revert to operation of the café in house.</p> <p>PROPOSED BY: Councillor Peter Crew SECONDED BY: Councillor Peter Fox</p>
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	A vote was taken and carried . Accordingly it was: RESOLVED: To approve the additional costs of £20,621 for the Museum café staff over and above the approved Museum staffing budget for 2017/2018.
	There being no further business, the Chairman closed the meeting at 8.35 pm

Signed..... Dated.....
Chairman