



GILLINGHAM TOWN COUNCIL

EXTRAORDINARY FULL COUNCIL

The Town Hall, School Road, Gillingham, Dorset SP8 4QR
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Minutes of the Full Town Council meeting held on **Thursday, September 28th 2017**, in the Jubilee Room at the Town Hall, School Road, Gillingham commencing at 7.00pm.

Present: Cllr Mrs B Ridout (Mayor),
Cllr Mrs Su Hunt (Deputy Mayor),
Cllr Mrs A Beckley, Cllr Mrs S Cullingford,
Cllr R Evill, Cllr A Frith,
Cllr M Gould, Cllr P Harris, Cllr M Hill,
Cllr Miss N Purkis, Cllr J Robinson,
and Cllr Von Clemens.

Members of the Public None.

Members of the Press: None.

In attendance: Town Clerk, Mrs S Dobie.
Assistant Town Clerk, Mrs C Ratcliffe.

Apologies: Cllr S Joyce, Cllr R Monksummers, Cllr Mrs Potheary,
Cllr Mrs D Toye and Cllr D Walsh.

The Chairman opened the meeting promptly at 7pm.

334. Declarations of Interest: Members are required to comply with the requirements of the Localism Act 2011, section 27 disclosable pecuniary interests.

There were no disclosable pecuniary interests declared.

Cllr Von Clemens as a trustee of the Three Rivers Partnership (the umbrella organisation for the Gillingham Leisure and Community Trust) declared a personal interest.

Extraordinary Full Council – Thursday, 28th September 2017 (continued):

335. To receive and consider the Future Workshop Provision Working Party development plan and its Impact on the precept and associated budgets.

The Chairman invited Cllr Paul Harris, on behalf of the Future Workshop Provision Working Party, to speak. Cllr Harris informed members that the working party has met on several occasions. Planning permission has now been obtained and the next stage is to formally prepare the lease agreement with the Three Rivers Partnership. However, the Town Council does need to agree how the funding of this facility is going to be achieved prior to moving on to the next stage.

Cllr Harris stated that on behalf of the working party he has prepared a detailed development and financial presentation of how he believed that funding could be staged, together with how the Town Council could achieve a potential saving over seven years to the value of £168,000. He asked members to refrain from asking questions until the end of the presentation when he would be happy to open up a question and answer period prior to members making a recommendation as to how they wished to proceed.

Cllr Harris commenced with the spreadsheet showing the outline plan that councillors had already agreed which would complete the project by 2021 followed by an outline plan of how this could be achieved. At this point he presented a list of current and future projects that had been agreed by council which he had listed, in his opinion, in priority order. The two projects that had monies earmarked against them but would not likely to be achievable over the next three years, were the Allotment and Burial Provision and the Marlott Road play area refurbishment. Over the past two years a total of £30,000 has been set aside in the General Reserve for these projects.

Cllr Harris preceded to demonstrate that by earmarking the funding in the FY 2017/18 which has already been agreed for the new workshop provision of £39,037.00, less £963 that has been spent from the budget of £40,000 for the planning application, together with the accrued amount of £30,000 from Allotment and Burial Provision and Marlott Road play area together with the £10,000 allocated to the Three Rivers Partnership (as the agreement will not have been signed by the end of this financial year) there will be a total of £79,037 already available. The Town Clerk has confirmed that there is money available in the General Reserve that has not been earmarked up to the value of £65,500 which could also be earmarked towards this project. At the end of this financial year, reserves could be allocated to a total of £144,537 leaving a short fall of £155,463.

The next stage would be to establish similar funding for the FY 2018/19 and FY 2019/20. Cllr Harris gave four separate scenarios of how this could be achieved which included the £20,000 from Burial and Allotment provision and Marlott Road play area; £25,000 was earmarked within this year's precept for the refurbishment of the High Street public conveniences, but could be earmarked and reallocated to another project and, therefore, would not have any impact on the precept; £20,000 for the new works depot provision and a further £10,000 that could possibly be achieved by reducing some of the larger annual grants. In both financial years an additional £10,042 would need to be included within the precept and for this particular project would mean an increase on the precept of 1.314%.

Cllr Harris stated that if members wished to proceed with this project, savings will have to be made and this would most likely be through the reduction of the annual grant payments. Members may agree to make alternative savings within these budgets so that the grant payments do not have to be cut so drastically.

Cllr Harris outlined the advantages and disadvantages of four options, as follows:

Option 1: No reduction in annual grant payments but the disadvantage of a much higher charge on the precept.

Option 2: No reduction in annual grant payments but the disadvantage of project delays for burial provision and play area refurbishment.

Option 3: The precept charge would be kept to a minimum but the disadvantage will be that the annual grant payments would need to be reduced and project delays for the burial provision and the play area refurbishment would remain.

Extraordinary Full Council – Thursday, 28th September 2017 (continued):

335. To receive and consider the Future Workshop Provision Working Party development plan and its Impact on the precept and associated budgets.

Option 4: An early exit from the current lease for the workshops and the already identified amounts can be reallocated year on year. The disadvantage will be the effect on the annual grant payments and a higher precept charge.

To complete the presentation, Cllr Harris took the opportunity to present a ‘Spend to Save’ analysis. If members agree to proceed with the project, taking an average figure for leasing the current workshops for a further twenty year lease, together with the last four years of the current lease, savings will be made from 2041-2048 of £168,000.

Cllr Harris concluded his presentation by suggesting that it would be preferable to go for option 4 and to finish the project a year early. This would be the highest amount to add to the precept but it will be possible to reallocate funds in 2020. If option 4 is not palatable, because of the implications on a couple of large grant payments, then option 1 could be considered.

The Chairman thanked Cllr Harris for his very detailed presentation and for all the hard work already carried out by the working party and invited questions regarding the presentation from all members present.

The Town Clerk explained that it would be prudent to pay the first payment for the lease to Three Rivers Partnership in this financial year rather than start in the next financial year otherwise the project could be in jeopardy. This would reduce the presented figures by £10,000 but it may be possible to find this shortfall from existing budgets where there is an under-spend or by redirecting income from other sources.

Cllr Von Clemens agreed that a workshop was required but agreed with the Town Clerk that the lease for the footings should be signed as soon as possible and not be delayed until the facility was complete.

Cllr Von Clemens asked for clarity on how the figures had been calculated regarding the precept.

Cllr Harris replied that the percentage on the precept only related to the workshop build project and did not allow for other increases that will need to be considered such as employment costs.

Cllr Mrs Cullingford asked how the figure of the building cost had been derived.

Cllr Harris explained that the construction figure has been given by a technical officer at North Dorset District Council using national guideline figures that are published at regular intervals throughout the year by the construction industry. It is not possible to obtain quotations when the work will not take place for another two years.

Cllr Mrs Cullingford thought the cost of a build for a thirty year lease was excessive. Leases are normally for 99 years. What will happen after 30 years?

The Town Clerk replied that the lease is with Three Rivers Partnership. The workshop will be sited on footings that were originally intended for a community hall. The expected building costs for a community hall are currently unachievable for the Three Rivers Partnership but a sports hall may be required in the near future and the position of this would be better suited to the other side of the leisure centre complex using part of the recreation ground. A land swap has been negotiated whereby when the trust has sufficient funds (during the period of thirty years), they will be able to build a sports hall on the recreation ground to a similar size to the land used for the workshop.

Cllr Von Clemens confirmed the agreement that the Town Council has made with the Three River Partnership. Both parties are happy with the agreement.

Extraordinary Full Council – Thursday, 28th September 2017 (continued):

335. To receive and consider the Future Workshop Provision Working Party development plan and its Impact on the precept and associated budgets.

Cllr Gould thanked Cllr Harris for his presentation and fully supported the need for a new workshop facility and was in favour of option 4. It is a positive way forward for the town but the budget needs to be carefully adhered to.

Cllr Harris agreed that the project needs to be carefully managed. It will be possible to revisit the figures, especially after the tendering process has been completed. The figures presented tonight are a starting point only.

Cllr Gould commented that the project must be looked at in business terms and perhaps the town council does need to review how many grants it awards each year and the cost implications.

Cllr Robinson queried the definition of the phrase ‘in perpetuity’ in this particular context regarding budgets.

The Town Clerk explained that if, for example, £10,000 was no longer required for the workshop after year 2 this could then be re-allocated to another budget or used to reimburse a budget that has been ‘robbed’ to build the workshop.

Cllr Mrs Beckley indicated that she was considering option 4 but was very unhappy about severely cutting money from some organisations who rely on grant funding in order to provide a valuable service to the community.

The Town Clerk commented that Gillingham Town Council has been very generous to some of the same organisations for nearly thirty years.

Cllr Harris understood why many would feel unhappy about reducing some grants to worthy organisations.

Cllr Frith suggested that some grants could be reduced to nil, especially where some organisations have a significant reserve.

Cllr Mrs Hunt was very concerned that the reduction of some of the grants would have a significant effect on those organisations which heavily rely on grant funding and, therefore, she would like more time to consider the options presented.

Cllr Evill agreed that the workshop facility was a priority project. Town or parish councils are not obliged to give grants to local organisations.

Cllr Harris understood that some members may require more time to consider all the information.

Cllr Von Clemens remarked that members needed to make a decision tonight because each committee will be considering their precept ‘wish list’ over the next month. It is still possible to investigate where further savings can be made.

Cllr Mrs Ridout and the Town Clerk thanked Cllr Harris for his excellent presentation.

Cllr Harris proposed that **“as per the presentation that option 4 was taken forward with the proviso that a review of all the grants was undertaken by the Policy and Resources Committee”**. Cllr Gould seconded and the vote was unanimous.

A copy of option 4 will be circulated with the minutes.

The meeting closed at 8.25pm.

GTC FUTURE WORKSHOP PROGRAMME

Option 4 Recommended		2017		2018	2019	2020	2021
FINANCE		Jul-Sep	Oct-Dec	Apr	Apr	Apr	Apr
COST	ROM Cost Aug 17	£300,000					
	ROM Cost Apr 19 (Apr 18 +2% inflation)			£306,000			
	ROM Cost Apr 19 (Aug 18 +2% inflation)				£312,120		
	Total	£300,000		£306,000	£312,120	£0	
Precept Income	FY 16/17 & FY 17/18	£40,000					
	FY 18/19 Precept Nov 17 avail Apr 18			£20,000			
	FY 19/20 Precept Nov 18 avail Apr 19				£20,000		
	FY 20/21 Precept Nov 19 Avail Apr 20						
Spend	Planning Application	-£963					
	RECOMMENDED ADDITIONAL FUNDING						
<i>FY 18/19 Precept Nov 17 avail Apr 18</i>	From GC< Reservation FY17/18		£10,000				
	From Air Ambulance grant reduce by £2.5K			£2,500			
	From GTC PT Refurb			£25,000			
	From CAB (not in North Dorset)			£5,000			
	From Marlot Rd		£20,000	£10,000			
	From Burial Land		£10,000	£10,000			
	From General Reserve unearmarked		£65,500				
	Additional Precept			£10,042			
<i>FY 19/20 Precept Nov 18 avail Apr 19</i>	From Air Ambulance grant reduce by £2.5K				£2,500		
	From GTC PT Refurb				£25,000		
	From CAB (not in North Dorset)				£7,500		
	From Marlot Rd				£10,000		
	From Burial Land				£10,000		
	Additional Precept				£10,042		
	Total Funds Available	£39,037	£144,537	£227,079	£312,120		
	Total Funds Outstanding	£260,963	£155,463	£78,922	£0		
	Handover lease to another leaseholder					Feb/Mar 20	

Current Precept	£764,594.13
% increase	1.314 %
Max 5% increase leaves	3.687 %

Precept increase 2018 minus £10,042 for Workshop leaves:

5% leaves	£28,190.58
4% leaves	£20,542.27
3% leaves	£12,896.32
2% leaves	£5,250.38

Option 4 Recommended
 Handover Lease Early
 reduce Air Ambulance Grant
 Reduce CAB Grant
 Reduce Marlot Rd and Burial Land funding @£10K ea for FY 2018 and 2019
 Add £10,042 to Precept in 2020

Key Advantage
 Early exit
 Precept available for reallocation year on year

Disadvantage
 All grant
 Highest Precept Charge

	Avail 2020	Avail 2021
Precept Allocation for Workshop avail for redistr		
Grants Reintated in 2020	£20,000	£20,000
Available in Precept for Reallocation in 2020	£25,000	£25,000
Grants Reintated in 2020		
Reserves reintated in 2020	£10,000	
Reserves reintated in 2020	£10,000	
Available in Precept for Reallocation in 2020	£10,042	£10,042
Total For Reallocation	£55,042	£55,042