



LEOMINSTER TOWN COUNCIL

FINANCE & GENERAL PURPOSES COMMITTEE

Tuesday 11th December 2018

To: All Members of the Finance & General Purposes Committee:
Councillors Marsh (Chair), Sutcliffe (Vice-Chair), Bartlett, Mr P Davies,
Marshall, Murdoch, Norman, Rumsey, Thomas and Williams. (One vacancy)
(Copies to other Councillors for information)

NOTICE OF MEETING

You are hereby summoned to attend a meeting of the **Finance & General Purposes Committee** to be held on **Monday 17th December 2018** commencing at **19:00 hours** in the Council Offices, 11 Corn Square, Leominster HR6 8YP.

Paul Russell
TOWN CLERK

AGENDA

- 1. APOLOGIES FOR ABSENCE**
Schedule 12 of the Local Government Act 1972 requires a record be kept of the members present and that this record form part of the minutes of the meeting. Members who cannot attend a meeting should tender apologies to the Town Clerk as it is usual for the grounds upon which apologies are tendered also to be recorded. Under Section 85(1) of the Local Government Act 1972, members present must decide whether the reason(s) for a member's absence are acceptable.
- 2. DECLARATIONS OF INTEREST**
Under the Localism Act 2011 (sections 26-37 and Schedule 4) and in accordance with the Council's Code of Conduct, members are required to declare any interests which are not currently entered in the member's register of interests or if he/she has not notified the Monitoring Officer of it.
- 3. REQUESTS FOR DISPENSATIONS**
To consider requests for dispensations (must be notified in writing).
- 4. QUESTIONS FROM THE PUBLIC (maximum 15 minutes)**
To receive questions and statements from members of the public as provided for in Standing Orders.
- 5. MINUTES OF PREVIOUS MEETING**
To receive and approve as a correct record the minutes of the Finance & General Purposes Committee meeting held on 29th October 2018.



LEOMINSTER TOWN COUNCIL

FINANCE & GENERAL PURPOSES COMMITTEE

6. CLERK'S REPORT

To receive the Clerk's Report on matters outstanding that may not appear on the agenda.

7. FINANCIAL AND COMMITTEE MATTERS

(a) **Financial Report** – To receive the financial report.

(b) **Outstanding Accounts for Payment** – A list of outstanding accounts for payment for December 2018 will be presented at the meeting.

(c) **Committee Report** – Please see the attached Committee update report.

8. CONFIDENTIAL ITEMS

Certain items are expected to include the consideration of exempt information and the Finance Committee is, therefore, recommended to resolve "That, in accordance with Section 100A(4) of the Local Government Act 1972, the public be excluded during the discussion of the matters referred to in the items listed below, on the grounds that they involve the likely disclosure of exempt information, as defined in the respective paragraph of Part 1 of Schedule 12A of the Act, and the public interest in maintaining the exemption outweighs the public interest in disclosing the information".

(a) **Projects Update Report** – To note the attached report.

9. DATE OF NEXT MEETING

The next meeting of the Finance & General Purposes Committee will be held on Monday 25th February 2019 at 19:00 at the Council Offices, 11 Corn Square, Leominster HR6 8YP.

LEOMINSTER TOWN COUNCIL

FINANCE & GENERAL PURPOSES COMMITTEE

Minutes of the Finance & General Purposes Committee meeting held on Monday 29th October 2018 commencing at 19:30 hours in the Council Offices, 11 Corn Square, Leominster HR6 8YP.

MEMBERS PRESENT: Councillors Marsh (Chair), Sutcliffe (Vice-Chair), Bartlett, Marshall, Murdoch, Norman, Thomas and Williams.

ALSO PRESENT: Ward Cllr Stone.

OFFICERS PRESENT: Town Clerk.

FG21/18 APOLOGIES FOR ABSENCE

Apologies were received and accepted from Cllr Mr P Davies (work) and Rumsey. Cllr Egan was absent.

FG22/18 DECLARATIONS OF INTEREST

The following declarations of interest were made:

- Cllr Bartlett: Informal link with the Meeting Place;
- Cllr Norman: Informal link with the Meeting Place.

FG23/18 REQUESTS FOR DISPENSATIONS

There had been no requests for dispensation.

FG24/18 QUESTIONS FROM THE PUBLIC

There were no members of the public present.

FG25/18 MINUTES OF PREVIOUS MEETING

It was **RESOLVED** that the minutes of the Finance & General Purposes Committee meeting held on 3rd September 2018 be agreed and signed as a correct record.

FG26/18 CLERK'S REPORT

The following Clerk's Report was noted:

- (a) **Christmas Lights Contribution** – Committee noted Oldfields Garage Services Ltd had chosen to support the Christmas Lights at the top of West Street with a donation of £200. They donated to a local cause annually instead of sending out Christmas cards. The Committee **RESOLVED** to formally record its thanks to Oldfields Garage for the generous contribution.
- (b) **Modern.Gov Quotation** – Committee noted that a quotation had been received from Modern.Gov for its “Lite” governance system. This would be considered over the next few months to assess all the infrastructure required to put the system in place.

FG27/18 FINANCIAL AND COMMITTEE MATTERS

- (a) **Financial Report** – Committee considered the interim Financial Report to date for the 2018/19 financial year and, following discussion, **RESOLVED** to note the report. Balances held as at 30th September 2018 amounted to £537,221.

Committee noted that the current projected overspends were mainly due to the projects, which showed the overspend, being funded from existing balances and funding received in the 2017/18 financial year. The income allocation would be transferred from reserves into the relevant budget line once the financial Healthcheck, scheduled to be undertaken on Thursday 15th November 2018, had been undertaken.

The Internal Audit report and actions were noted.

- Lengthsman Costs – These would be re-coded and journalled accordingly;
- Annual Budget Figures – This was being addressed through the development of a detailed spreadsheet, which outlined costs incurred to date, as well as providing projected expenditure to enable a better understanding of income and expenditure;
- Fidelity Guarantee – It was agreed to obtain a quotation from Zurich, the Council's insurers, to increase the fidelity guarantee from £500,000 to £750,000;
- Attach an appendix of accounts paid to Council and Committee minutes – This would be included in future;
- Cllrs Sutcliffe and Marsh had previously been appointed to carry out random checks of the accounting system as recommended.

- (b) **Outstanding Accounts for Payment** – Committee noted that details of payments outstanding for October 2018 were not available and would be distributed to Members in due course.

- (c) **Committee Report** – Committee considered the Committee Update Report and, following discussion, **RESOLVED**:
- That the report be noted;
 - That no grants were currently available from the McCaull Trust as there were no funds available, but a number of fundraising ideas were being pursued;
 - That the next Personnel Sub-Committee meeting would take place on Monday 5th November 2018 at 10am;
 - That an information discussion with the Herefordshire Community Led Housing group would be held at 1pm on Monday 5th November 2018.

FG28/18 CONFIDENTIAL ITEMS

As certain items were expected to include the consideration of exempt information and the Finance & General Purposes Committee **RESOLVED** that, in accordance with Section 100A(4) of the Local Government Act 1972, the public be excluded during the discussion of the matters referred to in the items listed below, on the grounds that they involve the likely

disclosure of exempt information, as defined in the respective paragraph of Part 1 of Schedule 12A of the Act, and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

- (a) **Leominster Inclusive Duke of Edinburgh (DofE) Programme –** Committee considered the report relating to this initiative. Following discussion, Committee **RESOLVED**:
- To continue to develop the Leominster Inclusive DofE programme according to the structure and schedule as outlined in the report;
 - To confirm the existing allocation of £3,000 from the 2018/19 Youth Budget to help fund the DofE inclusive programme;
 - To confirm the existing allocation of £1,050 from the 2018/19 Youth Budget to help fund the DofE licence;
 - To allocate £4,300 from the 2018/19 Youth Budget to fund the development of the Leominster DofE inclusive programme;
 - That fundraising options to help towards the funding of the DofE programme be considered and pursued if possible;
 - To note that a balance of £1,700 remained, which would be allocated under Minute FG28/18(b).

It was agreed to investigate the opportunities offered under the National Citizens Service to the young people of Leominster.

- (b) **Youth Report –** Committee considered the Youth Report and the “Project Greenchild” progress report, which had been distributed for information. Committee **RESOLVED** to:
- Award a grant of £1,200 from its Youth Budget to Herefordshire Wildlife Trust to fund 6 WildPlay sessions at Barons Cross during Easter and Summer 2019, subject to the relevant risk assessment being provided;
 - Allocate £500 of its Youth Budget to support the 2018 “Through the Wardrobe” event.

- (c) **Grant Applications –** Following consideration of the grant application received, Committee **RESOLVED** to award the following grants:
- Leominster Meeting Centre – To award a grant of £1,000 to help towards the cost of the lease;
 - HALO Leisure Poolpod Installation – To commit to award a grant of £700 towards the cost of installing this facility at Leominster Swimming Pool. The funding would be forwarded to HALO Leisure once it had confirmed that it had secured all the required funding to enable the project to go ahead.

- (d) **Museum Curator Report –** Committee noted the Museum report and **RESOLVED** to carry out a review of the partnership in January 2019 to assess whether the collaboration should continue in 2019/20. A Task & Finish Group would be appointed at the Full Council meeting to be held on Monday 26th November 2018.

FG29/18 DATE OF NEXT MEETING

Committee noted that the next meeting of the Finance & General Purposes Committee would be held on Monday 17th December 2018 at 19:00 at the Council Offices, 11 Corn Square, Leominster HR6 8YP.

There being no other business the meeting closed at 9:00pm.

CHAIR:

DATE:



Finance & General Purposes Committee

Date: 11th December 2018

Title: Interim Financial Report

Purpose of the Report: To provide Members with an interim Financial Report.

Contact Officers: Paul Russell

1. RECOMMENDATION

- 1.1 That the report be noted;
- 1.2 To ratify the payments for October 2018 amounting to £93,332, exclusive of VAT, and November 2018 amounting to £34,723 , exclusive of VAT.
- 1.3 To note income received and current balances for the 2018/19 financial year as outlined in the report.

2. INTRODUCTION

- 2.1 This Financial Report provides interim details of Leominster Town Council's financial activities to date for the 2018/19 financial year.
- 2.2 An internal audit took place on and a Healthcheck has been booked in for xx. A final audit conclusion is still awaited but the legal notices have been displayed
- 2.3 This report includes details of current balances held at the bank as at 30th September 2018 along with initial end of year income and expenditure projections.
- 2.5 All account transactions detailed in the report exclude VAT. VAT is claimed back every quarter by the Town Council. The Town Council is VAT registered.

3. INCOME & EXPENDITURE OVERVIEW

- 3.1 The table below outlines income and expenditure to date for 2018 as at the end of Month 8, November 2018:

Income	Actual to Date	Projected	Budget
Precept	£484,632	£484,632	£484,632
Interest	£0	£0	£200
Event Income (lights)	£200	£600	£0

AGENDA ITEM 7(a)

Events Income	£1,474	£1,500	£8,000
Income - Grants	£5,990	£5,990	£0
Income - Misc	£386	£390	£0
Grants Received	£6,295	£6,295	£0
Corn Square Room Rental	£755	£1,000	£7,000
Office rental	£10,584	£14,000	£14,000
Holiday Flat	£0	£0	£12,000
TIC	£21,282	£25,000	£40,550
Open Spaces	£7,604	£7,600	£7,785
Allotments	£4,168	£5,000	£5,000
Markets	£8,776	£12,000	£27,000
Public Conveniences	£0	£0	£3,000
Capital Grants	£30,229	£30,229	£0
PWLB	£0	£0	£0
TOTAL	£582,375	£594,236	£609,167

Expenditure	Actual to Date	Projected	Budget
Administration	£25,712	£35,000	£30,000
Corporate Management	£98,605	£150,000	£129,148
Democratic	£4,757	£8,000	£10,000
Grants	£33,938	£50,000	£51,000
Corn Square	£29,615	£45,000	£52,572
TIC	£43,679	£62,000	£86,753
Open Spaces	£88,248	£130,000	£144,832
Allotments	£2,628	£3,100	£3,500
Markets/Events	£3,251	£8,800	£9,390
Central Toilets	£3,714	£8,000	£8,300
Grange Toilets	£3,245	£8,000	£8,100
Westbury St Toilets	£0	£0	£11,950
Economic Development	£21,076	£32,000	£31,150
Capital Projects Equipment	£150	£5,000	£10,000
Capital Projects Play Area	£44,442	£45,000	£5,000
Capital Projects PWLB	£0	£0	£13,472
Capital Projects Flat	£16,470	£25,000	£0
Planning & Highways	£971	£3,500	£4,000
TOTAL	£420,501	£618,400	£609,167

EXPENDITURE	£420,501	£618,400	£609,167
INCOME	£582,375	£594,236	£609,167
SURPLUS/DEFECIT	£161,874	-£24,164	£0

3.2 Listed below are the balances at the bank as at 30th November 2018:

Bank Balances	
As at 30th November 2018	

Current Account	£435,662
Other Debtors	£988
Petty Cash	£145
Control A/C	£526
Creditors	-£4,810
Events Control	-£6,328
TIC Stock	£11,155
Outstanding VAT Claim	£8,955
Total Balances	£446,293
Represented by:	
Current Year Fund	£161,872
General Reserves	£95,358
Earmarked Reserves	£110,575
Capital Receipts Reserves	£78,488
Total Balances	£446,293

- 3.3 Currently an overspend of £24,164 is being projected. This is partly due to a significant projected shortfall in income against the budget. The shortfall of income includes the holiday flat (£12,000 income), the Secret Garden (£3,500), and the loss of traders on the Friday Market (£15,000).



Finance Committee

Date:	11th December 2018
Title:	Committee Report
Purpose of the Report:	To provide Members with a full report relating to all current Committee matters.
Contact Officers:	Paul Russell

1. RECOMMENDATION

- 1.1 That the report be noted;
- 1.2 To consider agreeing to the replacement photocopier.
- 1.3 To consider the recommendations regarding the holiday flat (Appendix One)

2. INTRODUCTION

- 2.1 This report updates members on progress relating to Committee projects and outlines matters requiring a decision.
- 2.2 The responsibilities of the Finance & General Purposes Committee are contained within the Terms of Reference and Scheme of Delegation. These include monitoring the Council's finances, recommending budgets and overseeing project development.
- 2.3 The Committee is also responsible for Staff Matters and has appointed a Personnel Sub-Committee to oversee the management of this responsibility.

3. COMMITTEE REPORT

Janice & Peter McCaull Trust

- 3.1 To note that probate had now been completed. Trustees would be meeting again in January 2019 to complete the process.

Annual Budget

- 3.2 To note that the annual budget had now been agreed, subject to final ratification at the Full Council meeting on 28th January 2019.

Vision and Mission Statement, Corporate Strategy

- 3.3 To consider the following amendment proposed:
 - New Vision - "Leominster is an attractive place to live, work and visit with a high level of social, environmental and economic well-being".

It is suggested that the mission statement remains the same.

PWLB Loan Reply

- 3.4 To note the reply submitted to the Ministry regarding the Town Council's PWLB loan application. The final reply will be forwarded to Members once completed.

Free Car Parking Proposal

- 3.5 To note that an initial submission was sent in to Herefordshire Council. A number of similar comments had been received from other market towns, and a final response from Herefordshire Council is awaited.

Herefordshire Cabinet

- 3.6 To note the following statement made by the Herefordshire Council Cabinet regarding Universal Credits and the Citizens Advice Bureau.

Improved customer service

61. Since Universal Credit (UC) was launched in Herefordshire, in the first three weeks almost a third of new claimants have taken up assistance from the council's customer services team to make their claim or for help with budgeting, including the DWP highlighting the good practice by the service in supporting refugees coming into the county. As from April 2019 the Government have decided to commission Citizens Advice Bureau nationally to provide the UC support.

Photocopier

- 3.7 To consider upgrading the current photocopier (situated on the first floor of the Council Offices) with an updated model via the existing lease. Costs are as follows:

	Mono	Colour	Cost Per 1/4	Annual Savings
BOSS Current Cost	£0.644	£0.644	£454.72	
Revised BOSS cost	£0.028	£0.280	£399.98	£218.96
DCS Group	£0.0025	£0.025	£320.00	£538.88

- 3.8 It is recommended that Council considers accepting the DCS Group Kidderminster quotation. The length of the new contract would be for 60 months. The previous agreement has now completed.

The Holiday Flat

- 3.9 Please see the attached report contained in appendix one, which includes a number of recommendations **(in bold)**

THE HOLIDAY FLAT REPORT

Holiday Accommodation: Bookings Management, Costings and Promotion

The Servants' Quarters at 11 Corn Square will become one of a growing number of much needed self-catering holiday accommodation options within Leominster town centre. With the absence of traditional Bed & Breakfast accommodation in the town and only one hotel, the existing self-catering provision is becoming much more in demand.

Promotion and bookings management go hand in hand in regards to The Servants' Quarters. Potential visitors tend to research accommodation online. If you were to search for "self-catering accommodation in Leominster" on Google, you will find sites such as Airbnb, Booking.com and a variety of "holiday cottage" letting sites such as HomeAway. The existing Leominster Tourist Information Centre site also appears as a top result. HomeAway, Airbnb, Booking.com and advertising through the TIC website are suitable booking/promotional options at present.

Bookings Management

Airbnb

Traditionally a platform for home owners to advertise spare rooms, Airbnb is rising in popularity for those searching for self-catering accommodation. Potential guests also use Airbnb to search for accommodation in places off the traditional tourist track. There are a number of properties in and around the Leominster area currently listed, none of which are similar to the product we will be offering. For ease of reading, the below points summarise the service Airbnb can offer us:

- Listing a property is free.
- Airbnb take 3% on any bookings.
- All potential bookings and communication comes through their system directly to us, enabling us to vet all potential bookings before we decide to accept or decline.
- Payment is direct to Airbnb, money owed to us minus 3% paid monthly directly into our account.
- Airbnb Host Guarantee provides protection of up to £1m to host (host must still have appropriate insurance).
- Can add separate cleaning fee to basic hire cost – I feel cleaning cost should be included in overall hire cost so guest sees one price not a basic price with further charges.
- Late check-in fee can be added for those who need to check in later than our opening times.
- Availability calendar is in our total control. We can block dates, co-ordinate calendar with other providers we may use to stop double booking.
- Pricing can be adjusted for peak and off peak times, special offers, discounts on multiple nights.
- Cancellation policies in place as standard. Can adjust these to suit us.
- Compliant to GDPR, secure website and 24/7 host support.

Booking.com

A website used by hotels and B&B's, Booking.com has grown in popularity with self-catering accommodation providers.

- Full control of calendar – open & close when we want, control availability and use alongside other platforms so there are no double bookings.
- Commission is paid to Booking.com on every booking taken through the site. A monthly invoice is generated with amount owed to them. Commission rate is not known until you set up the property for live listing. It is based on location.
- Booking.com actively market the property on Google, Bing & Yahoo – exposing to highest number of potential bookers.
- No need to confirm bookings, system automatically confirms booking to guest.
- Guests pay for their booking on arrival – this could prove difficult for us, especially if guests arrive after TIC close. However, Booking.com indicate that they are looking at adding pre-charging as an option in the near future.
- Cancellation policies – can opt for free cancellation policy within so many days of booking, no commission charged to us. Chargeable cancellation policy sees a fee paid directly to us from guest and then booking.com takes commission.
- Compliant to GDPR, secure website and 24/7 support.

HomeAway

Previously known as Owners Direct, HomeAway offer holiday lettings throughout the world. There are two potential options for listing a property with them:

- Annual Listing Charge of £249+VAT or
- Commission 5%+VAT then 3% transfer charge

As with Airbnb & Booking.com, HomeAway offer a calendar that is in our control, but it does not appear to work in conjunction with other sites. Similar to Airbnb in regards to having full control of bookings and payment direct to HomeAway then transferred to us. HomeAway also actively promote via search engines and Expedia.com

Booking Management: Summary and Recommendations

All of these platforms offer listings with multiple photos, the ability to upload full information about the flat, promotion on search engines and a secure booking system with a fully flexible service.

I would recommend Airbnb as the most suitable online booking platform, especially as we find our feet. Although Airbnb will require frequent monitoring, especially in regards to booking requests, it offers a more “personal” and flexible service. You get to know the guests before they arrive and you can refuse booking requests if needed. Direct payment to Airbnb minimises the risk to us in regards of non-payment. Booking.com is traditionally a site used for hotels and B&B's, holiday lets appear at the bottom of their listings. There is also a risk that Booking.com bookings would need to pay us directly on arrival, meaning the TIC would need to be manned until those guests arrived. HomeAway is not recommended as it could potentially be quite costly as their commission is much higher.

TIC Bookings

Working in conjunction with an online bookings provider, direct bookings through the TIC can be made either in person or over the telephone. This would need a separate Reservations Management System put into place. This could be as simple as paper booking forms and a diary being used alongside the online platforms. Availability can be checked using the Airbnb calendar and any bookings made in the TIC can be added as blocked dates. Deposits or full payment could be taken by card by paid members of staff. A computer based RMS could be purchased; however, this may overly complicate the overall booking procedure and seem costly.

Hire Rates

Comparable costings for 2 bed holiday lets in Leominster and the surrounding area indicate an average price of:

- **£60 - £75 per night in Winter/off peak**
- **£80 - £95 per night in Summer/Christmas/Easter**

Weekly prices range from £300 - £750, depending on season.

This is a realistic price for self-catering accommodation in Leominster. Many of the comparable properties have features such as garden access and car parking, neither available to us at The Servants' Quarters, however the overall standard of decoration and fixtures and fittings in The Servants' Quarters, and the central location, would possibly outweigh this.

It is worth noting that Airbnb offer the ability to charge for additional costs such as cleaning fees (average £5-£10 per night where added to nearby properties) and late check in fees (none locally charge for this).

Promotion

The Servants' Quarters Holiday Accommodation is already featured in the Leominster Country area guide. 10,000 copies will be distributed throughout the country. In addition to this, once the flat is ready for bookings we shall list it on the TIC website with a hyperlink to either book directly with us, or with one of our online providers. The TIC website averages 1,200 hits per week.

Social Media can be utilised to promote the flat. We will set up a Facebook page for the The Servants' Quarters, but use the TIC Twitter account to advertise the flat. We could run offers on Social Media to encourage bookings.

In addition to the automatic promotion we would benefit from using Airbnb, who actively promote via search engines, we could become members of "traditional" travel and tourism organisations. The two main Herefordshire offerings being Eat, Sleep, Live Herefordshire (ESL) and Visit Herefordshire. ESL 12-month membership is £150+VAT. This would give us a full page advert online, 6 images, a link to our website or booking provider, Social Media coverage and support. In addition, we are able to list the flat in their annual tourist guide (we have missed the 2019 edition) at a cost of £195+VAT (member price, £245 if not a member) for a quarter A5 page advert. ESL distribute their guide throughout the country and at travel trade shows. Visit Herefordshire charge £180+VAT for 12 months listing on their website.

Promotion: Recommendations

Taking into account the fairly high advertising charges and the fact that the existing Leominster TIC website ranks higher than the aforementioned organisations, I would not see a huge benefit to us in advertising through either at present.

Jaimie Wood
December 2018