

**MELBOURN PARISH COUNCIL  
DRAFT MINUTES**

**Minutes of the Finance & Good Governance Committee Meeting held on Tuesday, 9 January 2018 in the upstairs meeting room of Melbourn Community Hub at 7.30pm.**

**F&GG Committee – Cllrs Gatward, Kilmurray, Madiyko, Sherwen**

**Present: Cllr Gatward, Kilmurray and Sherwen**

**In attendance: Assistant to the Clerk, Cllr Norman and four members of the public**

**FG27/17 To receive nominations and to elect the Chair of Finance & Good Governance Committee**

Assistant to the Clerk opened the meeting and asked for nominations for Chair. No nominations were received. Cllr Norman asked the record to reflect that Cllr Travis had stepped down due to conflicts of interest with his position as a Director of the Hub. As Chair of the Council, Cllr Norman noted that she could not be Chair of the committee. However, she agreed to chair the meeting as it was essential it went ahead.

**FG28/17 To receive nominations and to elect the Vice Chair of Finance & Good Governance Committee**

The Chair called for nominations for Vice Chair. None were received.

**FG29/17 To receive any apologies for absence**

Apologies received from Cllr Madiyiko for personal reasons.

**FDG30/17 To receive any Declarations of Interest and Dispensations:**

Cllr Kilmurray noted a non-pecuniary interest in FG38/17 as a Director of the Hub.

**a)** Assistant to the Clerk noted no requests for dispensations had been received.

**FG31/17 To approve the minutes of the Finance & Good Governance Meeting on 9 October 2017**

There were no amendments noted.

**IT WAS PROPOSED TO ACCEPT THE MINUTES AS PRESENTED. CLLR SHERWEN PROPOSED, CLLR NORMAN SECONDED. ALL IN FAVOUR. THIS WAS CARRIED.**

**FG32/17 To report back on the minutes of the Finance & Good Governance Meeting of 9 October 2017**

Assistant to the Clerk reported back:

- FG23/17 Ongoing – work in progress. Waiting to hear from Edge.
- FG25/17 Item was taken to F&GG meeting on 20 November – complete.
- FG26/17 2b) Letter sent to Melbourn Dynamos and payment received as agreed by Parish Council under item PC118/17 b) – complete.
- FG26/17 4a) Agreed by Parish Council under item PC118/17 c) – complete.
- FG26/17 4b) Agreed by Parish Council under item PC118/17 d) – complete.

**FG33/17 To approve the minutes of the Extraordinary Finance & Good Governance Meeting of 20 November 2017**

Chair noted that comments were sent to the Clerk regarding an amendment to the minutes under

**Item 3 – ‘Replace crazy paving around War Memorial’:**

- **IT WAS AGREED** to check with the memorial’s listing as to whether there are restrictions relating to the surrounding area. **ACTION: Cllr Norman.**
- **IT WAS AGREED** to check whether grants are available for maintenance work relating to war memorials. **ACTION: Cllr Norman.**

Depending on the outcome, **IT WAS AGREED** to obtain quotes for the different possible materials. **ACTION: Cllr Travis**

Under **Item 3 – ‘Wall light in [Hub] reception’** – to be amended to reflect amendment to Maintenance WP minutes that the work includes making good damage to the wall. **ACTION: Cllr Travis.**

**Minutes to be considered and approved at next F&GG Meeting.**

**FG35/17 To report back on the minutes of the Extraordinary Finance & Good Governance Meeting of 20 November 2017**

Nothing to report back.

**FG35/17 Public Participation: (For up to 15 minutes members of the public may contribute their views and comments and questions to the Parish Council – 3 minutes per item)**

19:42 Chair suspended Standing Orders to allow members of the public to address the meeting.

District Cllr Hales requested clarity as to whether solar farm money from Quintas Energy could be spent on preceptable items other than community projects. Chair noted that this would be considered under item FG36/17.

A member of MCHMG referred to item FG38/17 and provided some background as to the history of the Hub and its current success under the new management group. Noted that registration for VAT may have a negative impact on Hub finances. Chair noted that this would be discussed further under item FG38/17.

19:48 Chair re-imposed Standing Orders.

**FG36/17 To agree to spend unassigned grant money (£7,237.00) on work authorised by Parish Council on 27<sup>th</sup> November 2017 – PC129/17**

Chair noted that this agenda item should have read ‘**to propose to spend ....**’ as this is an option to be put to full Parish Council. Chair read an extract from clause 3.1 of the Benefit Deed for Muncey’s Farm which sets out that money may be spent on projects which benefit the community. District Cllr Hales noted concern that the money would be spent other than on community projects. Chair introduced Ms van Poortvliet, the RFO who explained that she is currently working on the precise financial position for the Parish Council. Chair noted that to date all appropriate applications for grant funding have been met and there is a surplus of c.£7k. Chair noted that the Parish Council will write to Quintas to ask if the surplus can be used for other projects or should it be rolled over to the next funding round. Members queried if some of the maintenance work proposed could be covered by insurance policy or by the precept. Noted that any maintenance projects would be funded as a one-off. RFO noted that difficulties with establishing precise financial position due to backlog of bank reconciliations but should be available by end of January. Noted that the surplus can be rolled over to next funding year but need to ensure it is earmarked for specific projects.

**ACTIONS:**

- **Assistant to the Clerk to check what excess there is on the insurance policy.**
- **Assistant to the Clerk to write to Quintas advising of the grants awarded and requesting permission to use the surplus for other projects.**

**FG37/17 To receive an explanation from the RFO about how the precept is calculated**

Chair invited comments or questions for the RFO on the precept explanation note circulated with the Agenda. No questions forthcoming.

**FG38/17 To discuss proposed grant funding request from the Hub for 2018/2019**

Cllr Kilmurray left the room.

There was discussion around possible advantages of not taking a licence fee from a VAT point of view. Under Para 2.1.1 of Schedule 5 amount of licence could be changed. Therefore possible to reduce the licence fee with the balance to be paid by way of a grant. Noted that it is important that the amount to be paid is agreed rather than whether it is calculated as a grant or licence fee. Chair noted correspondence between Hub and Parish Council. Requirement for VAT registration is a result of increased turnover – likely to be paying iro £1.3k per month in VAT. Over 12 months, this equates to the £15,000 grant being requested by the MCHMG. A member of the MCHMG noted that at Business Plan breakeven point the Hub will be £14.5k short but noted that success of the Hub will continue to grow and it has become a valuable community asset. Also noted that Hub is likely to become self-sustaining in approx. 3 years. There was discussion as to impact of increased profit with regard to Charity Commission but MCHMG member pointed out that any profit is being used to build up reserves.

Cllr Kilmurray returned to the room.

**FG39/17 To discuss and review the first DRAFT of the 2018/2019 Precept**

Two spreadsheets circulated for consideration – one including discretionary spend (including maintenance expenditure, an amount for reserves and assets). Income is budgeted at £26,200 to include Littlehands rent – adjustment to be made once increase in rent is agreed. To provide sufficient funding, precept increase of 9.37% is required. RFO noted this should be 9.73% based on corrected precept figures (7.81% for Band D property). Further spreadsheet provided not including discretionary spend (taking out all items of spend which were prioritised at the last F&GG meeting). On this version increase would be 5.48% (3.63% for Band D property). Chair noted that figure for cemeteries contract was incorrectly shown on spreadsheet and therefore corrected figures would result in increase of 15.44% with discretionary spend and 11.18% without discretionary spend. Members noted that essential works are required so not all discretionary spend can be taken out of the budget. There was discussion about the Parish Council's position this year with figures that are based on more accurate budgeting. Chair requested input as to items of expenditure that should definitely remain and those that may be taken out of the budget.

**The Chair closed the meeting at 20.:43**

# MELBOURN PARISH COUNCIL

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Clerk:  
Melbourn Parish Council  
Melbourn Community Hub  
30 High Street  
Melbourn  
SG8 6DZ

E-mail: [parishclerk@melbournpc.co.uk](mailto:parishclerk@melbournpc.co.uk)

Telephone: 01763 263303

<http://www.melbournparishcouncil.co.uk>

Please note: New Parish Office opening hours:

**Monday: 10.00-1.00, Wednesday: 10.00-1.00, Friday: 10.00-12.00**

Alternatively, please call to arrange an appointment.

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Attention :

Ana Molina, Finance Department, Quintas Energy

[Ana.molina@quintasenergy.com](mailto:Ana.molina@quintasenergy.com)

Alejandra Miguel, Legal Department, Quintas Energy

[Alejandra.meguel@quintasenergy.com](mailto:Alejandra.meguel@quintasenergy.com)

## By Email

16 January 2018

Dear Ms Molina and Mr Miguel

**Black Peak Solar Farm (Council Ref: S/1902/14/FL). Black Peak Farm, Fowlmere Road, Melbourn, Cambridgeshire, SG8 7PJ**

**Munceys Solar Far (Council Ref: S/1898/14/FL), Muncsey's Farm, London Way, Melbourn, Cambridgeshire, SG8 6DJ**

Dear Ms Molina and Mr Miguel

## Community Grant Funding

In keeping with the principles of the Community Grant money received from you, Melbourn Parish Council has undertaken to support community groups that benefit Melbourn and surrounding areas.

I have detailed below the various groups that have benefitted from the community grant fund of £32,089.00 for 2017:

### April 2017

Grinnell Hill BMX Insurance	£1,500
Allotment Association	£264
Relate	£1,750
MAYD	£11,000

Melbourn Mobile Warden Scheme	<b>£7,500</b>
Melbourn and Meldreth Lunch Club	<b>£650</b>
Celebrating Ages Event	<b>£2,400</b>
Melbourn Netball	<b>£400</b>
<b>November 2017</b>	
1 <sup>st</sup> Orwell Scout Group	<b>£1,000</b>
A Chain of Wild Flowers	<b>£500</b>
Gallery Writers (Meldreth/Melbourn)	<b>£600</b>
Melbourn Amateur Dramatics Society	<b>£500</b>
Melbourn Community Hub Management Group	<b>£1,000</b>
Melbourn Short Story Reading Group	<b>£30</b>
River Mel Restoration Group	<b>£200</b>
RSPL Fowlmere Nature Reserve	<b>£750</b>
The Melbourn District Library	<b>£500</b>
Home Start Royston and South Cambridgeshire	<b>£1,545</b>
<b>Total allocated</b>	<hr/> <b>£32,089.00</b> <hr/>

As not all of the grant money has been allocated at this stage, we would like to allocate the remaining amount of approximately £7,000 for use by the Parish Maintenance Working Party to fund specific projects in the village.

If you require further information please do not hesitate to contact me.

Yours sincerely

Claire Littlewood  
Assistant to the Parish Clerk

## **FG37/17: To receive an explanation from the RFO about how the precept is calculated**

### **What is a Precept?**

The Precept is a tax that Parish Council's charge their local electors to meet their budget requirements. Parish Councils do not receive any direct funding from central government and rely on their Precept plus any other income they generate from services or facilities they provide. The Parish Council Precept is part of the Council Tax and is collected from local electors via their Council Tax payments.

### **How is it Calculated?**

The Precept requirement is the difference between the Parish Council's estimated income and its anticipated spending requirements for the financial year (its budget). The financial year runs from 1st April to 31<sup>st</sup> March. The Parish Council needs to agree a budget before it can set its Precept and both must be agreed by the full Parish Council.

When calculating the Precept, the Parish Council takes into consideration:

- current year's spending levels - for ongoing services for which it is responsible e.g. recreation facilities, lighting, cemeteries, insurance and cost of the Parish Office
- costs of any additional spending plans or projects
- provision for contingencies and reserves
- levels of anticipated income – from services for which it is responsible e.g. rental income, allotment fees, burial fees, grants

Currently there is no cap on the amount that Parish Councils can raise via their precept (District Councils and County Councils are capped). This is under consideration but for now Central Government expects Parish Councils to demonstrate restraint. They should be able to explain and justify larger precept increases.

Once a Precept has been approved by the Parish Council, they inform SCDC and it is then added to residents Council Tax bills. SCDC pay the Precept to the Parish Council in two instalments (Apr and Sept).

### **Tax base and Band D equivalent.**

Part of the Precept Calculation is the 'Band D equivalent'. Band D is the middle band of Council Tax and is supposed to represent the amount of Council Tax paid on an average property in the area. The Band D equivalent provides a measure which allows precepts among councils of different sizes to be compared. The estimated number of Band D equivalent properties in the tax base is notified to the Parish Council by SCDC prior to the Precept setting exercise. The required Precept is divided by the number of houses in the tax base to get the Band D equivalent

# MELBOURN PARISH COUNCIL

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FG 38/17.

Clerk: Sarah Adam  
Melbourn Parish Council  
Melbourn Community Hub  
30 High Street  
Melbourn  
SG8 6DZ

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6 December 2017

Mr J Travis  
Chairman of Melbourn Community Hub Management Group  
Melbourn Community Hub  
30 High Street  
Melbourn  
SG8 6DZ

Telephone: 01763 263303

Dear John

## SETTING THE PRECEPT FOR FY 2018/9

As you are aware, it is time for the Parish Council to set the Precept for FY 2018/19 and agree the budget on which the Precept is based.

In previous years, the PC has made a grant to the Hub Management Group. I would be grateful if you would let me know if the MG intends to ask for a grant for the forthcoming Financial Year. If that is the case, please advise me of the amount requested and an explanation of what that money will be used for.

Thank you

Yours sincerely

Sarah Adam  
Melbourn Parish Clerk



Melbourn Community HUB



Tel: 01763 263303  
[www.melbournhub.co.uk](http://www.melbournhub.co.uk)

21 December 2017

Clerk: Sarah Adam  
Melbourn Parish Council  
Melbourn Community Hub  
30 High Street  
Melbourn  
SG8 6DZ

Dear Sarah,

For 2018/19 we would like to request grant funding of £27,775. A license fee will no longer be charged. This grant funding is requested to cover the day to day running and functioning of the community space and also those services and support costs related to the Parish Council office.

This new arrangement is a consequence of the business now being registered for VAT, avoids tax, and enables us to spend the full amount of the funding on the stated charitable aims of the Hub. The Directors of the Hub formally request your written agreement the changed funding arrangements, as required under the terms of the Lease, Paragraph 2.1.1 of Schedule 5.

There will be no change to the exclusive access to the office space inclusive of heating, lighting, etc and a commitment to maintain this.

Our longer term aim is to be able to reduce reliance on grant funding and we have made strides to work towards that in 2018. The Hub's performance was strong in the latter part of 2017 but having reached the VAT threshold and registered for VAT this will have an adverse impact on profits in the 2018 financial year. The Hub needs to strengthen the balance sheet to ensure it has appropriate reserves and resilience for unforeseen circumstances.

Yours sincerely

Antonia Anderson



## Assistant Clerk

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**Subject:** FW: Hub Grant Request for 2018 Precept - request for further information

**From:** RFO

**Sent:** 03 January 2018 19:09

**To:** Antonia Anderson

**Cc:** Julie Norman; John Travis

**Subject:** Hub Grant Request for 2018 Precept - request for further information

Dear Antonia,

Thank you for the Hub's grant request per your letter of 21st December 2017. This was forwarded to me as there is currently no Chair of the F&GG Committee. The grant request will initially be considered at the F&GG Committee meeting next Tuesday 9th January.

Please could you provide some further information in order to help the Parish Councillors with their decision-making? The Hub has requested a grant of £15,000, in addition to the licence fee (as is) of £12,775, to cover the day to day running and functioning of the community space. If we could have some further details of what this will be spent on, that would be really helpful.

Hopefully the Hub Management Group will already be aware that the Parish Council is also in a position where we need to strengthen our reserves. We had been hoping for a lower grant application from the Hub for 2018/19. We have noted that your longer term aim is to be able to reduce reliance on grant funding and that you have made strides to work towards that. However, despite the success of the new Hub Management Group in increasing income in the past year, this is not yet reflected in a request for a lower degree of grant funding. Please could you let us know the likely financial impact on the Hub if the PC is not able to provide the full £15,000 requested (in addition to the licence fee)? It would also be helpful if you are able to give an indication/approximate time-frame of when the Hub might be able to start to reduce its reliance on PC grant funding. We appreciate that this will necessarily be an estimate and you will need to see what the impact of VAT is on profits.

Finally, there is a list of maintenance work to the Hub which will need to be funded by the Parish Council. From the draft Council budget for the FY 2018/19, it is already apparent that the Council will not be able to meet all the requests which have been put to it. Some idea from the Hub MG of priorities would be really useful.

I hope that you can understand our position. The grant/licence fee to the Hub represents a large proportion of the Parish Council's budget and we need to have adequate information to be able to consider this properly and justify decisions made.

All of the above points are made with no guarantee of the Council's decision on funding for FY 2018/9. It might be helpful if someone from the Hub could attend the F&GG meeting to answer questions if necessary. If Steve is planning on attending anyway then he might be able to do this so it is probably worth checking.

Hopefully we can finalise the issue of no longer charging a licence fee once we understand the VAT situation better. We can bring this up at the meeting though and start the discussion off.

I apologise for the long email and hope it makes sense.

Many thanks for your help.

Best wishes

Gabby

Gabrielle van Poortvliet

RFO Melbourn Parish Council