

**MEETING OF THE FINANCE AND GENERAL PURPOSES COMMITTEE HELD ON
MONDAY 17 OCTOBER 2022 at 7:00 pm**

PRESENT: Biscoe, Mrs Carlyon, Nolan, Rich, Roden (Chairman), Smith, Mrs Stokes, Mrs Swain (Deputy Mayor), Unwin, Webb (Mayor) and Wells.

Also, in attendance: Mrs Jo Trevelyan, Financial Officer
Malcolm Bell, Chief Executive of Visit Cornwall

APOLOGIES: An apology of absence was received from Councillor Mrs Eathorne-Gibbons.

At the start of the meeting the Chairman informed Members that as part of the Change Programme the Chairmen had met with the Committee Clerks and there would be some trial changes to agendas and minutes, which Members would be informed about ahead of time. Standing Orders were also going to be adhered to.

181 DISCLOSURES OR DECLARATIONS OF INTEREST

There was no disclosures or declarations of interest to report.

182 OPEN SESSION FOR THE ELECTORS OF TRURO

There were no electors of Truro present.

183 MINUTES OF THE FINANCE AND GENERAL PURPOSES COMMITTEE

The Minutes of the Finance and General Purposes Committee meeting held on 11 July 2022, having been before Council 25 July 2022, were noted as a correct record.

184 NATIONAL REVIEW OF DESTINATION MANAGEMENT ORGANISATIONS

The Chairman welcomed Mr Bell, Chief Executive of Visit Cornwall, to the meeting and explained he was there to give a presentation on the National Review of Destination Management Organisations (DMO). The Chairman informed Members that Mr Bell was due to retire at the end of the year and all Members joined the Chairman in thanking Mr Bell for the fantastic support he has given the City Council.

Mr Bell explained that he was hoping to promote Cornwall as a place for all seasons, somewhere visitors came for its heritage and culture, not just its coastline. He explained that data suggested visitors preferred local independent shops and cafes, rather than the big chains.

Mr Bell said he felt the Tourist Information Centre was more of an advice centre than information, as visitors pop in for advice which was vital for Truro.

He explained the current issues were:

- Visit Britain and Visit England find it hard to work with confusing current DMO structure
- No coherent way of marketing the regions and destinations in England
- No clear structure for devolving funding for marketing and tourism development
- Confusion for Local Govt, partners and funding bodies of the structure and who to work with
- Need for “tiering destinations” – i.e., attack brands vs supporting locations/destinations
- VE-VB ideally looking for circa 20- 30 Tier One bodies - Local Visitor Economy Partnerships LVEPS (as opposed to current 200+).

There were several possibilities of a way forward that were being considered, including the possibility of Cornwall linking with the Isles of Scilly, of linking with Devon, or of working as its own body. It was hoped this change would bring several benefits to the county, including, but not limited to, increased advertising provided by VB and VE and closer partnership working. Members were supportive of the changes and the benefits this may bring to Truro as a result. The PowerPoint presentation would be circulated by the Committee Clerk.

Councillor Smith left the meeting at 7.43pm

185 TOWN CLERK/RESPONSIBLE FINANCIAL OFFICER'S REPORT

The management accounts explained the estimates for the year were agreed in January 2022. At the time it was recognised that there was an uncertainty regarding the level of inflation and therefore the City Council did not include in the individual expenditure areas two primary costs: price inflation and the April 2022 national pay award. In agreeing the estimates, the City Council covered this by an inflation contingency. The assumptions made were that both price inflation and the pay award would be 3%. Since that time, it had become clear that inflation will be higher than this, and the current likelihood is about 10%.

Councillor Smith re-joined the meeting at 7.47pm

In terms of the pay award, the employers had made an offer to the unions and the cost of the offer to the City Council was £95k, which was £60k higher than the provision made in the contingency. The unions were due to respond shortly.

Café

A Member queried the amount of profit made at the Café and the Financial Officer confirmed the figure was lower than estimated, however, the café does make a good profit.

With regards to the £650 of card charges, a member pointed out there are machines available, that can be purchased for a one-off cost of around £30, that would eliminate any future card charges. The Financial Officer agreed to investigate this.

Library

It was asked by a Member if the £17k for gas and electricity was a fixed amount and the Finance Officer confirmed this was fixed for three years.

It was proposed by Councillor Roden, seconded by Councillor Unwin, and

RECOMMENDED the Town Clerk/Responsible Financial Officer's report be noted.

186 FINANCIAL POSITION 2023-24

The Chairman informed Members there was four challenges the City Council needed to address in the next year:

- To commence repayments for the loan to pay for the clock tower and external works on the Municipal Buildings.
- To open the Municipal Offices again with running costs such as business rates etc.
- To implement the Organisational Review approved by the Council in July.
- To address higher and unpredictable rate of inflation affecting staff pay and other costs.

He explained that the pay award was still in discussion with the unions and that an

agreement had not yet been reached. Members also needed to consider repayments for the clock tower which were due to commence next year, and the costs incurred from the organisational review. The Chairman informed Members that he had recently attended a meeting with the larger Councils in Cornwall, and many were looking at increasing their precept by 20%, some by more. He explained the Town Clerk would be looking to meet with senior officers and Members to consider how to approach the precept and where potential savings could be made.

Members agreed that a workshop would be a productive way of discussing where savings could be made and the Town Clerk needed to hold this as a matter of urgency.

30 Boscawen Street (Tourist Information Centre)

The Chairman informed Members the City Council had a commercial lease on 30 Boscawen Street for a period of 10 years from 2018 to 2028. The lease had a break clause at its mid-point date of 8th June 2023, when the City Council had the ability to terminate. If the City Council did wish to terminate then notice would have to be given before the 7th December 2022, hence the urgency. If no action was taken, the lease would continue.

The current rent for the building was £35k per annum with business rates of £16k and the rent had been negotiated with the owner to remain at that level for the remaining five-year period of the lease.

The Chairman explained that when the City Council took the lease it agreed to take the costs of the refurbishment and repairs from the Finance Committee Building Fund and then repay the costs from the annual budget (precept), so that when the lease period was completed there would not be a liability ongoing i.e. the fund is zero. This reflected the fact that the Finance Committee Building Fund had a substantial balance within it, and therefore this was a practical solution avoiding a one-off large cost being required from the precept. At the time the negotiation included significant rent reductions that compensated for the repair costs.

In summary, if the City Council assumed that the windows would cost £14k then the options were: -

- If the lease continued there would be a contribution to the building fund of £17k per year for the next five years.
- If the Council resolved to terminate the lease then there would be a contribution of £84k in 2023-24.

These contributions would have to be made either from the precept of, if the Council chose, in whole or in part from other earmarked reserves instead of the precept.

It was felt by most Members that the TIC was the public face of Truro City Council and a vital part of the city centre and should remain where it is.

Some Members felt that the Committee was being asked to make an uninformed, rushed decision without any facts and suggested a review was required to determine whether the TIC demonstrated a service that delivered good value for money. It was mentioned that consideration needed to be given to the large sum of money the City Council was spending to subsidise the TIC each year.

It was pointed out that in terms of operating costs the TIC represented very good value for money. Net expenditure for the current financial year was £77,523. This represented only 3.8% of the precept, equivalent to £10.47 per annum or 20p per week to Council Tax payers.

Another Member commented the re-location of the TIC to 30 Boscawen street had been an excellent decision as it was now in a much improved trading position.

Cornwall's Home Library Service

The Chairman informed Members that The Town Clerk attended a meeting regarding the current service provider of Cornwall's Home Library Service, The Royal Voluntary Society (RVS) was being terminated from 1st January 2023, the primary reason for this being budget pressures. It was felt by Cornwall Council that the service would be more efficiently managed locally as retained libraries understood and worked with their communities.

There were numerous concerns from Members regarding the transfer of this service to the City Council, particularly as to how much cost the City Council would incur. The Chairman explained that the Town Clerk was going to take legal advice regarding this and what the City Council's options were.

It was proposed by Councillor Roden, seconded by Councillor Smith, and

RECOMMENDED that the position for the financial year be noted.

It was proposed by Councillor Roden, seconded by Councillor Smith, and

RECOMMENDED the Town Clerk lead a financial review with senior managers in order to provide the Council with three options for the level of precept for 2023-24 at the estimates meetings in January 2023.

It was proposed by Councillor Roden, seconded by Councillor Smith, and

RECOMMENDED the Council do NOT give notice for the early termination of the lease at 30 Boscawen Street and continue to operate from the premises.

Councillor Mrs Stokes wished for her name to be recorded as having voted against the above recommendation.

It was proposed by Councillor Roden, seconded by Councillor Biscoe, and

RECOMMENDED the briefing note on Cornwall's Home Library Service be noted with a request for a further report to be brought back to the Committee.

187 REPORT ON URGENCY PROCEDURE

The Chairman informed Members that upon the death of the Queen, procedures and protocols contained in the 'London Bridge' document were carried out. There were several costs that the City Council had incurred, and the Town Clerk had consulted the Mayor and Chairman of the Finance & General Purposes Committee before authorising the costs. The Town Clerk had estimated the costs at £4,500, however, the costs were less than originally estimated at £3,500, thanks to a contribution from Truro BID.

Members agreed the work carried out by the City Council, including the hire of a large screen to display the funeral, was very appropriate and thanks should be given to the staff involved.

It was proposed by Councillor Rich, seconded by Councillor Unwin, and

RECOMMENDED the report on the urgency procedure be noted.

188 CITY CENTRE HEALTHY STREETS

It was explained to Members by the Chairman, that in September 2020 the Finance & General Purposes Committee set up a working group that had worked with stakeholders and Cornwall Council to advise on the way forward with regards to traffic management in the City Centre. The Highways Department had now advised that it is commencing work on the Truro Transport Strategy and the advice it was now seeking from the City Council was beyond the terms of reference of the current working group. The Town Clerk was therefore recommending that the working group be disbanded and replaced by a Truro Transport Strategy Working Group.

The Chairman informed Members the current highway maintenance scheme would finish in early/mid-November and the Highways Department had requested that the City Council advise the layout it wished to see at the end of the works, through to early in the New Year. The current Experimental Traffic Regulation Order would finish in March 2023, by which time consideration would need to be given to the longer-term traffic management in the street. The proposal suggested by the Highways Department would see a two-way layout down the centre of Boscawen Street. The road would be a standard 6.5m width. The advantage of using the centre of the street was that there would be less damage to the surface by heavy vehicles.

Discussion took place regarding the removal of the planters, and it was pointed out that though these would be pushed back to allow traffic through the city centre, they had to remain in place for the duration of the temporary period. Some Members felt if the planters were to be removed, they should be replaced by benches as lots of members of the public stop to sit on them.

There was concern over the number of buses passing through the city centre and a Member informed the Committee that alternative bus routes were being looked at in order to try and avoid this.

It was suggested retailers should be asked how they felt about the strategy and that data was required to make an informed decision.

It was proposed by Councillor Roden, seconded by Councillor Smith, and

RECOMMENDED the Healthy Streets working group be-disbanded.

It was proposed by Councillor Roden, seconded by Councillor Biscoe, and

RECOMMENDED the Council set up a new 'Truro Transport Strategy' working group at its 24th October meeting.

It was proposed by Councillor Roden, seconded by Councillor Smith, and

RECOMMENDED the City Council advises Cornwall Council that it accepts the 2-way traffic flow design shown on the plan.

Councillors Mrs Carlyon, Nolan and Mrs Stokes wished for their names to be recorded as having voted against the above recommendation.

The meeting closed at 8.51pm.

CHAIRMAN