

BOVEY TRACEY COMMUNITY HUB STEERING GROUP MEETING
HELD IN THE COUNCIL CHAMBER ON THURSDAY 3RD NOVEMBER 2016 at 2.00pm

Present:

Cllr T Allen (Town Mayor)
Cllr R Ashby
Ms D Eckhart – Devon Communities Together
Mrs L Smith – Devon Communities Together
Mrs J Paxman – Bovey Tracey Library
Miss E Steer – Bovey Tracey Information Centre Trust
Mr M Wells – Town Clerk

In the absence of the Steering Group Chairman, the meeting was chaired by the Town Clerk.

1. Apologies for absence:

Mr P Hall
Cllr R Bray
Cllr E Kelly

2. Governance Arrangements & Future Management Options

Mark provided an update as to why the meeting had been arranged and handed over to Lesley to offer further information and guidance for each of the four potential future management options as highlighted within the Business Plan:

Lesley explained that Members and stakeholders must be completely comfortable with whichever option is chosen and forewarned the group that some options are difficult to row-back from. Lesley also highlighted that it is good to think at this stage about how the centre might operate, however depending on the preferred option, can proceed via one route, yet evolve via an alternative method as circumstances and developments allow.

Option 1 – The Town Council or a committee there-of continue to run the governance and management of the asset.

Current VAT rules afford local Councils a threshold of £7,500 VAT which is all that can be reclaimed in any one year. The Council could 'opt to tax' the building, however there would be an accounting implication to then complete an annual VAT return. The Council could also be registered for VAT; however, this will put up prices of all services by 20%. Currently, the Council is not VAT registered.

Experiences from Ivybridge Town Council (TC) in relation to the Watermark Centre show that following a presentation of options they received from a firm of Solicitors, the Town Council agreed to run the centre under the auspices of the Town Council in order to retain control over staff recruitment etc which has enabled them to employ a good calibre of staff which is an important element of its success. Ivybridge TC did put aside a budget for sufficient start-up costs.

The downside is that it is the Town Council that is running a community building rather than 'the community'. That said, the Town Council would have Insurance, Risk Assessments and other such policies already in place.

Ivybridge TC hope to break even just next year, establishing the building in 2012.

Dawn highlighted that 8 Town/Parish Councils in Devon have retained governance and management of new community halls/buildings.

Option 2 – Establishing a Management Committee of multi-stakeholders including representatives from the Council, tenants, staff, other public agencies and community representatives.

Similar option to Option 1 as above, however a well-documented Terms of Reference will allow for Stakeholders to also be represented on the Management Committee. Non-Councillors on the committee would not have voting rights and care must be taken to declare interests when relative items are discussed within Council.

Option 3 – Establishing a dedicated not-for-profit community organisation to govern and manage the asset on behalf of the Council and the Community.

This option would be harder to row-back from once set-up. Buildings would be asset locked for the purposes of forming a CIC. Any surplus reserves made following the operation of a CIC would need to be handed over to a similar organisation if arrangements did not work.

A 10-year lease would be required to handover the building by the Town Council. Any lease arrangements over 7-years is classified as a disposal and therefore would need to comply with due protocol.

There are substantial VAT implications when creating a charity, for example any changes in the future, all VAT would need to be unravelled.

From the experience of other towns involved in similar projects, it was felt that as a lot of investment goes into the building, members did not want to let go and relinquish responsibility. In addition, the recruitment of volunteers as trustees can be very difficult. Previous experience highlighted from DCT shows that ratepayers want a service, e.g. The Council to deliver within precept contributions and not for parishioners to get involved and run facilities themselves.

Councillors on any CIC board must declare interests as appropriate.

The main benefits of CIC's include: Not for profit community organisations allow access to grants for CIO's, but access is not greatly increased from that which a Town Council could access.

A downside to a CIC is that they could run out of money and this would be less likely to happen if a Town Council were to operate it.

Option 4 – Establishing a charity to run the Centre.

Charitable status offers:

- Access to lots more grants (note that these grants would cover running costs however)
- Eligibility for 100% rate relief, however this new legislation might offer Town Council's this benefit in April 2017 anyway.

It was agreed that a visit to the Watermark Centre would be a useful exercise to meet with the Centre Manager, the Town Clerk (Lesley Hughes) and Lynn West (Library Supervisor). Jackie agreed to check availability and circulate to the group.

3. Agenda Items for next meeting

The Town Clerk invited items for discussion by the Steering Group at the next meeting. It was agreed to provide the following:

- Approve Minutes from Previous meeting
- Architect Tender Process - Update

4. **AOB**

No other items were raised.

5. **Date of next meeting**

The date of the next meeting will be 22nd November at 2.00pm.

