



TODMORDEN TOWN COUNCIL

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## REPORT TO RESOURCES COMMITTEE

<b>REPORT AUTHOR</b>	<b>Colin Hill - Town Clerk &amp; Responsible Financial Officer</b>
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<b>Date</b>	<b>2<sup>nd</sup> December 2020</b>
<b>SUBJECT</b>	<b>Festive Lights update</b>

### PURPOSE OF REPORT

1. To advise Members of near completion of this project, culminating in it is anticipated by the time this report is received, the successful switching on of the new displays in Todmorden Town Centre ,Walsden, Eastwood, Portsmouth and Cornholme.
2. To remind Members that in addition to those displays already installed, we have: -
  - ordered a further 5 displays for Cornholme
  - agreed with Calderdale MBC to install power infrastructure to 5 lighting columns
  - agreed for 8 children's displays to be installed for 2021
    - Launched a design competition to local schools
    - Agreed a location for the children's displays – long Market Hall wall
3. To inform Members that whilst we have email assurances of availability of funding and indeed press releases issued by both ourselves and Calderdale MBC to that effect, we are still waiting for the formal agreement and purchase orders to be issued, so that we can issue invoices against these.

### Funding Agreement

4. As is normal, funding agreements from Government are detailed and seek to protect the public purse by ensuring all requirements of the specific scheme are met.
5. We are waiting on advice as to whether Calderdale MBC require for this scheme a similar Ministry of Housing, Communities and Local Government("MHCLG") agreement for funding to be entered into as with the Wheelspark agreement in terms of the :
  - Aims and Objectives of the Project
  - Outputs
  - Outcomes
  - Monitoring Information
  - Payment Schedule

## Payment schedule

6. Calderdale MBC are under severe administrative pressure in their finance department owing to the need to make Covid 19 related payments, which have been given priority.
7. To take advantage of the financial savings generated by purchasing the displays outright, the following payment schedule has been agreed: -

30% payable on order	£13,492.50	plus vat £2698.50– paid on
70% balance on installation	£31,482.50	plus vat £6296.50 – to be paid on 17 <sup>th</sup> December 2020 following Council payment approval
Total scheme 2021	£44,975	plus vat £8.995
Children displays	£6,000	plus vat £1200 - bespoke design displays May – 2020 – committed March 2021
Total scheme excluding infrastructure costs	£50,975	
Plus infrastructure cost	£3,500	Eastwood and Portsmouth power
<b>Total grant scheme</b>	<b>£54,475</b>	

8. There will be **additional infrastructure costs for Cornholme of up to £2,100** in respect of the additional displays to be included in the 2021 scheme and an approach has been made to see if this sum can also be added to the grant award.
9. Vat paid will be reclaimed as part of our quarterly return process.

## FINANCIAL IMPLICATIONS

10. Delays in processing purchase orders by Calderdale MBC is likely to mean that we will have paid some £53,970 including VAT out of cashflow before being able to invoice for grant reimbursement.
11. Whilst the Town Clerk continues to chase for such purchase orders/formal agreement, the circumstances behind Calderdale MBC delay, whilst unacceptable, is nevertheless a consequence of Covid priorities.
12. There is sufficient cash flow availability to bridge the receipt of grant funds should these not be received by the time of payment to be made on 17<sup>th</sup> December 2020, with the Town Council therefore in a position to meet this contractual commitment.
13. From a risk perspective there is nothing that indicates the grant will not be forthcoming other than through administrative delay.

### **RECOMMENDATION:**

14. That the Resources Committee note the progress in delivering this scheme.
15. That the Resources Committee note the financial shortfall of £44,975 ex vat, pending grant reimbursement from Calderdale MBC.
16. That if it necessary to access funding through use of the MHCLG funding agreement, the Town Clerk be authorised to complete the relevant sections, and that the Mayor and Chairman of Resources Committee be authorised to execute such an agreement on behalf of the Town Council.

### **REASONS FOR RECOMMENDATION**

17. To keep Members apprised of progress for this major project and any outstanding issues
18. To make Members aware of the financial implications arising out of the delay in receipt of Grant funds.
19. To authorise the execution of a legal document on behalf of Todmorden Town Council.

### **POLICY IMPLICATIONS:**

29. None arising from this report

### **DETAILS OF CONSULTATION:**

21. None.

### **SUPPORTING PAPERS:**

24. None

**FURTHER INFORMATION, PLEASE CONTACT: Colin Hill**