

**DRAFT Minutes of the Meeting of the CAPITAL PROJECTS
SUB-COMMITTEE held at the TOWN HALL,
Swanage on WEDNESDAY, 6th MARCH 2024 at **2.30 p.m.****

Present:

Councillor M Bonfield	Swanage Town Council
Councillor T Foster (Town Mayor)	Swanage Town Council
Councillor A Harris	Swanage Town Council
Councillor C Tomes	Swanage Town Council
Councillor J Bishop	Swanage Town Council

Also in attendance: -

Martin Ayres	Town Clerk
Gail Percival	Assets & Compliance Manager
Matthew Snowdon	Assets & Compliance Support Officer

There were no members of the public present at the meeting.

1) Apologies

There were no apologies to record on this occasion.

2) Declarations of Interest

Members were invited to declare their interests and consider any requests for Grants of Dispensations in accordance with section 9 and Appendix B of the Council's Code of Conduct.

No declarations were made on this occasion.

3) Matters arising from the informal notes of the Capital Projects Sub-Committee meeting held on 4th October 2023

It was agreed that the notes of the informal meeting of the Capital Projects Sub-Committee held on 4th October 2023 were a correct record. There were no matters arising on this occasion.

4) Progress reports

a) Town Hall external works

The Assets & Compliance Manager reported that the Town Hall external works comprising:

- i. redecoration of external timberwork
- ii. inspection of the stone façade
- iii. installation of lightning protection
- iv. removal of the Town Hall clock bell, repair of the bell housing and reinstallation

are scheduled to commence on March 18th 2024, with an estimated duration of 8 weeks

b) Pevenil Point Road

The Assets & Compliance Manager reported that the specification, drawings and pre-construction information were completed for the works to be undertaken which include the first section of Pevenil Point Road, the retaining wall around Tide Reach garage and a shear key wall at the top of the Boat Park.

Discussions regarding the project management aspect of the scheme are ongoing and it is anticipated that once final details are established consultation with local residents, the RNLI and the NCI may commence in May 2024.

c) Carbon Neutral Implementation – Photovoltaic panels and LED lighting

The Assets & Compliance Manager reported that the outcome of the Low Carbon Dorset grant is still awaited. Until the decision is received, it is not possible to award contracts.

Many of the proposed works could be initiated promptly, although planning permission and a roof survey will be required for the PV installation at the pavilion at Beach Gardens.

d) Festive Lighting 2024-2026

The Assets & Compliance Manager advised that tender documents for the design, hire, installation, and maintenance of the festive lighting installations for the 2024-2026 period are complete. These will be issued on Contracts Finder imminently. It is anticipated that the assessment of the submissions will be undertaken in April 2024 with involvement from the Chamber of Trade.

5) Day's Park Lighting – update on contractual matters

The Assets & Compliance Manager reported that whilst the installation had been completed and the lights switched on in November 2023, a fault developed in December 2023. The groundwork and electrical contractors, that were engaged via the Dorset Council Framework, have conducted multiple inspections and investigative site visits to identify the point of failure and options for resolving the issue have been proposed.

A discussion was held on the most suitable resolution from the options that had been put forward, which will be carried out at no cost to Swanage Town Council. It was agreed that the Project Manager will take further advice regarding the contracts and warranties provided before a decision is made.

6) Prince Albert Gardens footpaths – resurfacing options

The Assets & Compliance Manager provided an update on the progress to determine appropriate resurfacing. It was noted that samples for the available options had not yet arrived and would be circulated in due course.

The options are of a similar colour to the existing pathways and in keeping with the original design of the site.

Potential for alterations of the pathway to provide better accessibility were briefly discussed although it was identified that this would go beyond the budget allocated for the essential repair works. The feasibility of these improvements would be investigated and the results of this brought to a future meeting for consideration.

7) North Beach and Main Beach car parks – isolated tarmac repair options

The Assets & Compliance Manager provided an update on the localised surfacing issues within North Beach and Main Beach car parks and the available options for resolving the issues within the allocated budget of £15,000 for the 2024/25 financial year.

After a brief discussion, the Assets and Compliance Manager concluded that the area in North Beach car park should continue to be monitored. Likewise, the area in Main Beach car park would also continue to be monitored but cordoned off in an unobtrusive way.

8) Boat Park jetty repairs – update on options

Further to Minute No. 129 (a) of the Council Meeting held on 30th October 2023 and Minute No. 159 (a) the Council Meeting held on 18th December 2023, the Assets & Compliance Manager provided an update with regards to planned repair works to the jetty extension which were put out to tender in late 2023.

It was noted that discussions are continuing between the Assets & Compliance Manager, the Town Clerk and the RNLI relating to the potential for a financial contribution towards the cost of these repairs. It was noted that no response had been received from the RNLI since a meeting in mid-January.

It was also noted that Dorset Council Flood & Coastal Erosion Risk Management Team (FCERM) are working with the Town Council to explore a revised, more cost-effective, specification of works.

Further discussions were held regarding options for notifying boat park users of the risks of using the jetty extension until the matter is resolved.

9) Any other business

a) Station Approach Infrastructure Improvements update

The Assets & Compliance Manager presented the proposed final designs for the improvements, which had been prepared by Dorset Council incorporating slight amendments to further improve safety and accessibility for pedestrians. It was noted these would be presented to the Community Services Committee for final approval.

10) Date of next meeting.

The date of the next meeting was discussed and it was agreed that it should be set as and when required.

The Meeting closed at 3.45 p.m.

Prince Albert Gardens pathway repairs – to consider authorisation of budget increase

The One-off Revenue Expenditure/Minor Works Budget 2024/5 contains a sum of £40,000 for pathway repairs at Prince Albert Gardens. The current surface is tarmac coated with a cementitious golden coloured surface that is deteriorating, and repair works are required.

Prince Albert Gardens is located within the Swanage Conservation Area. Investigation into an appropriate surface that is visually very similar and potentially more durable have been ongoing and a coloured tarmac product has been selected and samples shared with Members of the Capital Projects Sub-Committee for feedback.

The paths have stone edgings in all locations apart from the path that leads from the small car park section of Broad Road car park onto the gardens. This section is currently edged with timber. A separate quotation has therefore been sought for installing a similar stone edging in this location.

It was also requested that the slope of this section of path be assessed to understand if the fall of the path could be lessened to accommodate more easily those with limited mobility. Unfortunately, this is not possible without completely rerouting the pathway which would change the overall appearance of the gardens and be at significant expense.

Costs for these works have been received via the Dorset Council Minor and Small Capital Works Framework LOT 11 and assessed by the Dorset Council Regional Property Surveyor, Assets and Property Services. These are as follows:

- Budget cost to excavate for & lay granite edgings on suitable concrete bed to either side of the path from the small car park area onto the gardens £2,750
- Budget cost to plane existing tarmac up to retained edges and remove surplus, provide tack coat, new wearing coat and new coloured tarmac to sample depth £47,000 (N.B. prices of tarmac are subject to regular review).

Gail Percival
Assets and Compliance Manager

Item 4 b)

Beach Gardens Sports Park – Kiosk Awning

The Beach Gardens budget for the current year includes a provision of £3,000 to procure an awning for the kiosk. The awning is required primarily because the large sliding window for the kiosk is south facing and generates significant heat inside the building. During the summer this leads to significant discomfort for the staff working in the building and also means that a range of food products which might be affected by the heat cannot be sold. An additional benefit of the awning is that this will further enhance the look of the area, provide shade for customers queuing at the kiosk and should generate additional business.

It should be noted that the workload of the staff at the kiosk has changed significantly in the last year since the construction of the decking. The number of drinks that are being made and served has increased by 50%, thus the staff are now spending almost all of their time within the kiosk.

Three quotes were received for the awning and it became apparent that due to its weight any awning would need to be installed separate to the building using two metal posts. The most competitive quote received is for the sum of £4,270, which is £1,270 over the original budget.

Income and activity levels at Beach Gardens continues to grow with an 11% increase on turnover for April to May compared to the same period last year. It is, therefore, anticipated that the increased budget is likely to be recovered through increased income.

Culvin Milmer
Visitor Services and Business Development Manager

Sources of financing

In giving consideration to budget increases, Members are encouraged to use virements as best practice. This ensures that any increases in individual expenditure lines are within the limits of the expenditure totals approved in the estimates. This requires a virement (a transfer from one budget to another). Several possible virements have been identified from the one-off expenditure and minor works schedule:

Community Services Committee

- £2,000 from Spa for a noticeboard (not required)

Environment Committee

- £10,000 from Parks & Gardens for the supply of electricity (project uncertain)

Tourism & Local Economy

- £2,000 for market storage facility (potential to use the football changing facilities)

In determining whether to increase budgets, it should also be noted that an additional £43k of expenditure has already been approved by council for the repairs to the boat park jetty.

Decisions required:

- a) i) To consider approving a £7,000 increase to the current budget allocation of £40,000 to enable repair works to be completed to Prince Albert Garden pathways.

ii) To consider approving a further £2,750 increase to the budget allocation of £40,000 to install granite edgings to the section of pathway that is currently timber edged.
- b) To authorise additional spending of £1,270 for the awning at Beach Gardens.
- c) To determine whether to vire these sums from the list of potential virements set out above.

Martin Ayres
Town Clerk & RFO
June 2024

NNDR-Update on check and challenge process**1. Introduction**

- 1.1 The purpose of this agenda item is to provide an update on the review of the Council’s business rate charges which commenced in January 2023 and was reported to the Finance & Governance Committee meeting held 13th December 2023. An updated table is provided as Appendix A.
- 1.2 This table shows the current year’s charge and information relating to the status of the check/challenge process as well as information regarding refunds received.
- 1.3 The remainder of this briefing note considers next steps in connection with a potential challenge to the ratable value (RV) of Council beach huts.
- 1.4 The December 2023 report has been included at Appendix 2 as background information.

2. Business Rates for beach huts

- 2.1 The Town Council operates beach huts at two locations on the seafront and both of these sites are liable for business rates.

Location	No. of huts
Shore Road Huts	60
Spa and Spa Retreats	14

- 2.2 The RV is a figure which is calculated by the Valuation Office Agency (VOA) periodically and forms the basis for billing by Dorset Council. It is calculated using the potential annual revenue, allocating a base rate to each unit/hut.
- 2.3 A review of property valuations was undertaken nationally by the VOA with revised RVs being applied from 1st April 2023. Transitional relief may be applied for a three year period for certain properties to allow for an adjustment to higher valuations and charges. As such, the full impact of any RV increases will not be felt until 2026 and a further revaluation is expected to take place effective from 1st April 2026.
- 2.4 The table below provides the detail of the business rates paid, including refunds.

Year	Shore huts	Spa huts	Total
2021-22	£16,716	£3,293	£20,009
2022-23	£16,716	£3,293	£20,009
2023-24	£23,110	£3,458	£26,568
2024-25	£33,900	£3,805	£37,705
2025-26*	£53,900	£4,755	£58,655
2026-27*	£62,010	£6,610	£68,620

*estimates with inflationary increases

3. The Check/Challenge process

- 3.1 The VOA has a procedure by which it is possible to check and challenge a ratable value assigned to a hereditament. It is clear from the table that the amounts paid by the Town Council will increase significantly from £24,949 in 2022-23 to £68,620 in 2026-27.
- 3.2 Officers have undertaken the first stage of the process which is to check whether the factual property details on which the RV is based are correct.
- 3.3 In the case of the Spa, the number of huts was reduced from 27 to 14 and the RV reduced accordingly, with a refund backdated to 2018. The RV on the Shore Road beach huts was not changed.
- 3.4 For both properties, the next stage is to consider whether or not to *challenge* the RV assigned to the properties. Any challenge needs to be submitted by 20th June and 21st June for Shore Road and Spa respectively.

4. Considerations before a challenge is made

- 4.1 There are a number of factors that need to be considered prior to a decision being taken as to whether or not to pursue a challenge to the assessment of the beach huts' rateable value.
- 4.2 The RV of beach huts has increased significantly across the country as a result of the latest revaluation by the VOA.
- 4.3 Informal discussions with the VOA have indicated that they consider that the Shore Road huts had been undervalued following their construction. This suggests that the Town Council may have benefited from lower rates during the period 2015 to 2023, but that now an element of 'catch up' is required.
- 4.4 Any challenge would need to be informed by data on comparable properties, but only one example has been identified where a lower valuation has been accorded to similar beach huts. By contrast, there are many examples of similar huts with higher RVs. For example, some council run beach huts in Bournemouth, which have similar rental charges as the Shore Road lower level huts, have a significantly higher RV.
- 4.5 As part of the valuation process, the VOA assesses the base rate of commercial properties within an assigned valuation scheme. The Shore Road and Spa beach huts are included in a 'scheme' for 'multi-unit beach huts and sites within the South West'. This scheme provides a base rate scale with a minimum and maximum rate that can be allocated per unit. Shore Road huts are valued at the maximum within the scheme (£1,775 per unit) and provide the highest amount of income from beach huts within this scheme by some margin. Most other huts within the scheme are similar to the private site arrangements. By way of comparison, the Bournemouth beach huts referred to in paragraph 4.4 are on an alternative 'scheme' which has a higher ceiling of £4,150 per unit.
- 4.6 As a basis of their valuation the VOA has taken the 'assumed annual total income' for beach huts and allocated a base rate based upon this figure as a whole, regardless of beach hut type (either lower, upper or premium). The Council could reasonably challenge the RV of the upper level huts as these have a lower annual rental, which

should afford a lower base rate. However, it is clear from informal discussions with the VOA that once a challenge is lodged all elements of the valuation process can be reviewed, including whether or not the huts should be placed into a new scheme which could have a higher maximum base rate. If that were to occur, then the RV of the huts could increase significantly.

- 4.7 Initial calculations suggest that if a challenge to the rateable value of the upper level huts were to be successful then this could result in the following reductions to the Council's rates bills for beach huts.; 2023-24 £98, 2024-25 £352, 2025-26 £517, 2026-27 £4,385.
- 4.8 No rates will be payable for the Spa/Spa Retreat huts while this area is closed as part of the Green Seafront work.

5. Decisions Required

- 5.1 To determine whether or not to instruct officers to lodge a challenge to the valuation of the Council's beach huts.

Culvin Milmer, Alison Spencer and Martin Ayres
Visitor Services and Business Development Manager, Finance Manager and Town Clerk

June 2024

Appendix 1

Table 1: Swanage Town Council - Business Rates

STC Property	Ratable Value £		Chargeable Amount £		Refunds received £	Comments	Chargeable Amount £	VOA Status
	2017-23	2023/24	Actual 2022/23	Actual 2023/24			Actual 2024/25	
Town Hall	20,000	25,500	9,980	11,475			12,724	
Beach Huts – Private Sites	14,500	23,750	7,235	8,320		RV reduced from £50,000 after initial contact with VOA in January 2023.	10,401	Check completed and challenge submitted November 2023 -caseworker assigned
Beach Bungalows-.Shore Road	33,500	106,000	16,715	23,110			35,406	Check case notice received February 2024. RV not changed- challenge to be submitted by 21 June 2024.
Spa Bungalows and Retreats	16,500	13,250	8,235	3,458	27,800	RV reduced and applied to 2017 listing due to factual error.	3,804	Check case completed and factual details updated regarding number of beach huts. Challenge of RV to be received by 20 June 2024.
Beach Gardens	11,000	10,000	5,490	4,990			4,990	
Car Park – Broad Road	51,000	56,000	26,110	28,670			30,576	
Car Park – Victoria .Avenue*	69,000	97,500	35,330	40,865	10,884	The VOA agreed to split the car park and toilets which had been rated as one property, wef 01/04/2017. Consequently, RV amended from 97,500 to 92,500 for the car park only and refund issued.	50,505	Check completed January 2024. Check disagreed and RV not changed but properties split.
*Victoria Avenue public conveniences					2,946	As part of the enquiry into the splitting of the hereditaments at Main Beach Car Park on Victoria Avenue, it was identified that the public conveniences at Herston had remained listed as a council property. Following the check process this was delisted and refunded from 2017-2020. The preceding 6 years following the council's disposal of the property could not be refunded (c. £5.8k)		
Car Park - North Beach	14,250	11,000	7,110	5,490	407	VOA informed Arts Club Hut demolished March 2023 -Refunded June '24 via rebate	5,115	Check complete.
Car Park – Rec/Mermond Place	20,250	24,250	11,105	11,620			12,101	
Car Park – Rempstone Back Road	5,100	5,700	2,545	2,670			2,844	
Slippery Ledge (Boat Park)	7,700	9,000	3,840	4,035			4,491	
Godlingston Cemetery	5,700	10,500	2,845	2,985			3,285	
Depot-Anvil centre	19,500	24,500	9,730	11,190			12,226	
Depot-Kings Road	21,500	23,000	10,730	11,475			11,477	
Tourist Information Centre	3,300	4,100	1,645	1,730			1,902	

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Agenda Item 3 d) – National Non-Domestic Rates Forecast

National Non-Domestic Rates, more commonly known as Business Rates, are determined by multiplying the Rateable Value (RV) of the property by the appropriate multiplier. The RV is determined by the Valuation Office Agency and a national revaluation was undertaken effective from 1 April 2023.

There are two multipliers:

- the standard non-domestic rating multiplier
- the small business non-domestic rating multiplier

For 2023/24 the standard multiplier is 51.20p in the pound and for small businesses the multiplier is 49.90p in the pound. The multiplier means that for every £1 of a commercial property's Rateable Value (RV) the business pays either 49.9p or 51.2p.

This September CPI inflationary figure is used to set the Uniform Business Rate (UBR) rate poundage for the next years' business rates. The September 2023 CPI is 6.7% meaning the multiplier would normally increase by 6.7% for 2024/25.

However, In the autumn statement the Chancellor announced that the small business multiplier would be frozen at 49.90p for 2024/25. The standard multiplier was not mentioned therefore the assumption is that this will increase by inflation.

The small business multiplier is used for all properties under a £51,000 rateable value.

Transitional relief

Following the revaluation, a transitional relief scheme was introduced limiting increases to a percentage, plus inflation, on properties where the RV has increased if applicable. The upward caps are:

	2023/24	2024/25	2025/26
Small (RV up to £20k)	5%	10% plus inflation	25% plus inflation
Medium (RV between £20k to £100k)	15%	25% plus inflation	40% plus inflation
Large (RV greater than £100k)	30%	40% plus inflation	55% plus inflation

The full chargeable amount will be applied from 2026/27 onwards.

In discussion with Dorset Council Officers, it is anticipated that the inflationary figure of 6.7% will be used for transitional relief calculations. However, this has not yet been confirmed. As such, the 2024/25 estimates can only be calculated on the basis of the information that we have at this point in time.

Swanage Town Council Business Rates

The Council has 15 properties that it pays business rates on. 13 of these properties are classed as small for the purposes of allocating a multiplier, with 2 properties attracting the standard multiplier rate.

11 properties are eligible for transitional relief following the revaluation and so the amount payable will increase significantly during the course of the next 3 financial years. Table 1 outlines the RV for each of the properties for 1 April 2023 onwards plus the prior RV for comparison.

Following notification of the revaluation it was noted that there were large increases in the rateable value on several of the council's properties, particularly beach huts, which resulted in contact being made with the valuation office in January 2023. It was stated that the valuation could only be challenged post 1 April 2023, unless there was a factual error.

During the course of the year several checks have been requested by the Council and the properties are identified in table 1. It can be a rather drawn-out process, with progress stalled at the check phase in 4 cases out of the 5 queries submitted. One challenge is underway for the private sites and again we are awaiting the results of the challenge. Work will continue during the next few months to assess whether a check is appropriate for any of the council's other properties.

The 2024/25 budget book will include the estimates for business rates as set out in table 1. These figures have been calculated given the RV that is currently allocated by the VOA to Council properties. Should the check and challenge process result in a decrease in the RV of a property, this will inevitably result in a variance to budget. However, until any of the cases are determined by the VOA, the known RV will be used. It should be noted that the RV can be increased as well as decreased upon check and challenge.

Where the VOA has been informed of a factual error, the RV will be adjusted for budgetary purposes. This affects the Spa site only as present. It is currently anticipated that any overpayment will be refunded up to a maximum of the previous 4 financial years.

Alison Spencer
Finance Manager
December 2023

Table 1: Swanage Town Council - Business Rates Forecast

STC Property	Ratable Value £		Multiplier	Chargeable Amount £					VOA Status
	2022/23	2023/24		Actual 2022/23	Actual 2023/24	Estimate 2024/25	Estimate 2025/26	Estimate 2026/207	
Beach Gardens	11,000	10,000	49.90	5,490	4,990	4,990	5,190	5,340	
Car Park - North Beach	14,250	11,000	49.90	7,110	5,490	5,490	5,710	5,875	Check-caseworker assigned
Depot-Kings Road	21,500	23,000	49.90	10,730	11,475	11,475	11,935	12,280	
Car Park – Broad Road	51,000	56,000	51.20	26,110	28,670	30,575	31,810	32,760	
Properties subject to transitional relief									
Small -RV up to 20k									
Cap					5%	10% plus inflation	25% plus inflation		
Car Park – Rempstone Back Road	5,100	5,700	49.90	2,545	2,670	2,845	2,960	3,045	
Slippery Ledge (Boat Park)	7,700	9,000	49.90	3,840	4,035	4,490	4,670	4,805	
Godlingston Cemetery	5,700	10,500	49.90	2,845	2,985	3,485	4,495	5,605	
Tourist Information Centre	3,300	4,100	49.90	2,735	1,730	2,020	2,130	2,190	
Medium -RV between 20k to £100k									
Cap					15%	25% plus inflation	40% plus inflation		
Car Park – Vic.Avenue	69,000	97,500	51.20	35,330	40,865	53,235	55,380	57,040	Check-caseworker assigned
Car Park – Rec/Mermond Place	20,250	24,250	49.90	11,105	11,620	12,100	12,585	12,950	
Town Hall	20,000	25,500	49.90	9,980	11,475	12,725	13,235	13,615	
Depot-Anvil centre	19,500	24,500	49.90	9,730	11,190	12,225	12,715	13,085	
Beach Huts – Private Sites	14,500	23,750	49.90	7,235	8,320	10,955	12,325	12,685	Challenge-caseworker assigned
Large - RV greater than £100k									
Cap					30%	40% plus inflation	55% plus inflation		
Beach Bungs.Shore Road	33,500	106,000	51.20	16,715	23,110	33,900	53,900	62,010	Check-caseworker assigned
Spa adjusted for factual error		13,300	49.90	8,235	9,470	6,635	removed due to works		Check-caseworker assigned
Total Annual Rates Charge				159,735	178,095	207,145	229,040	243,285	
Inflationary increases						6.70%	4%	3%	
Multiplier									
Small						49.90	51.90	53.40	
Standard						54.60	56.80	58.50	

Procurement of Pay & Display Machines

In the Autumn of 2017, the council procured 16 new pay & display machines which were installed in January/February 2018. Since this time the machines have performed well below expectations, with a very high downtime in some car parks and intermittent usage leading to high levels of customer dissatisfaction and a disproportionate amount of officer time dealing with machine repairs and customer complaints.

As a result of the performance issues seen with these machines, council procured an additional 4 solar powered machines from another supplier in December 2022, installed in March 2023. Since the installation of these machines there have been few, if any, problems. It was envisaged that the old machines would be replaced over the forthcoming years, with an expectation that the machines should be in good working order for 10 years. However, the council continues to have operational and maintenance issues with the older machines, with a very low level of customer satisfaction, a slow response time and a continued high level of down time with the machines becoming increasingly problematic.

As such it is suggested that the replacement of a number of these machines is brought forward to the current financial year. The Council currently holds £44,248 in an earmarked reserve for p&d machine replacement. It is therefore requested that approval be given to obtain costings for the purchase and installation of a number of new machines, up to a value of £44,000. It is anticipated that these machines would be procured via the ESPO Framework 509_23.

Decision required:

To recommend to council that the procurement of new Pay & Display machines, up to a value of £44,000, be added to the 2024/25 capital programme to be funded from the EMR.

Alison Spencer
Finance Manager
June 2024