

Minutes of the **FINANCE AND GOVERNANCE COMMITTEE**
held at the Town Hall, Swanage on **MONDAY**
13th JANUARY 2025 at 2.15 p.m.

PRESENT:- Councillor T. Foster (Town Mayor) – Chair

Councillor M. Bonfield
Councillor D. Monkhouse
Councillor C. Moreton
Councillor C. Tomes
Councillor W. Trite

Also in attendance: -

Councillor C. Sutton

Dr M Ayres	Town Clerk and RFO
Mr C Milmer	Visitor Services and Business Development Manager (to 3.55 p.m.)
Ms G Percival	Assets & Compliance Manager (to 3.55 p.m.)
Miss A Spencer	Finance Manager

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.

Agenda Item No. 3 (a) – Councillor Bonfield declared a non-pecuniary interest in the scale of charges under the Code of Conduct by reason of being employed as a taxi driver and hiring a grid space in the boat park.

Agenda Item No. 3 (a) – Councillor Tomes declared a non-pecuniary interest in the scale of charges under the Code of Conduct by reason of close family members being private beach hut site licensees.

3. **Budget Setting 2025/26 -To Review:**

(a) **Draft Estimates 2025/26**

The Town Clerk and Responsible Financial Officer introduced the Preliminary Budget Report 2025/26, which was noted as being the culmination of extensive work over recent months through finance workshops and formal committee meetings. The context of the report was noted as preparing for the financial impact of the Green Seafront Scheme and macro-economic pressures and the challenges that these presented on a local scale.

The importance of maintaining the Council's general reserve (general fund balance) within a risk-assessed range was highlighted, as a cushion against any financial shocks. It was reported that appropriations to earmarked reserves also needed to be kept at a reasonable level in order to finance future expenditure on the council's assets in order to keep them well-maintained.

The tax base was noted as increasing significantly in 2025/26, due to Dorset Council introducing a second homes premium. However, it was reported that this

increase alone would not offset increased costs, the loss of investment income in future years and allow for additional transfers to reserves. Attention was also drawn to uncertainty over the tax base in future years, the level of which would be heavily influenced by the number of second homes. The need to continue to identify savings and maximise income opportunities during the coming year was highlighted.

i. Scale of Fees and Charges 2025/26

Consideration was given to a draft scale of fees and charges for the Council's services for the 2025/26 financial year. It was noted that the Council's beach hut fees had already been approved by Council and would be excluded from any voting requirement. It was further noted that the private beach hut sites licence fee charge would be excluded from consideration, pending a report to a future Council meeting.

Members considered the fees & charges, excluding the charges for Taxis and the Boat Park. It was proposed by Councillor Bonfield seconded by Councillor Tomes and **RESOLVED UNANIMOUSLY:**

TO RECOMMEND to the Estimates meeting on 20th January 2025:

That the Scale of Fees and Charges, Appendix G of the Preliminary Budget Report, be approved and adopted.

Further to his declarations of interest in sections of the scale of charges under item 2) above, Councillor Bonfield left the meeting.

It was proposed by the Town Mayor, seconded by Councillor Moreton and **RESOLVED UNANIMOUSLY:**

TO RECOMMEND to the Estimates meeting on 20th January 2025:

That the Scale of Fees and Charges for the Boat Park and Taxi fees, included in Appendix G of the Preliminary Budget Report, be approved and adopted.

Councillor Bonfield re-entered the meeting.

ii. Revenue Budgets 2025/26

Consideration was given to the draft Revenue Budget summarised in Appendix A of the Preliminary Budget Report, incorporating expenditure shown in Appendix B, as recommended by the Finance & Governance Committee in December.

Members gave consideration to the budgets for grants, donations and contributions to third parties, which had been included in the draft budget following consideration at the Finance & Governance Committee meeting held on 11th December 2024 (see Minute No. 3 (c)).

In light of the proposed £3,500 increase in fees to be charged by Dorset Council for the operation of the Swanage Primary School crossing patrol, it was agreed that further information should be sought from Dorset Council.

Further to Minute No. 104 of the Council Meeting held on 21st October 2024, consideration was given to the request from the CAB to increase the council's contribution to the advice service to enable it to operate one day a week from the Focus Centre. Following recent meetings between councillors, representatives of the CAB and Swanage & Purbeck Development Trust, it was proposed by Councillor Bonfield, seconded by Councillor Monkhouse and **RESOLVED UNANIMOUSLY:**

To include an increased annual grant to the CAB of £2,500 in the draft revenue budgets for consideration by Council on 20th January 2025.

iii. Capital Programme 2025/26

Members gave consideration to the draft capital programme, Appendix D to the Preliminary Budget Report. Requests for increased financial contributions to two community projects were considered in detail, following initial discussion at the Finance & Governance Committee meeting held on 11th December 2024 (see Minute No. 3 (b)). Attention was drawn to the benefits of the Phase 1 improvements to the skatepark which were being developed by Swanage Skatepark Community Project (SSCP), especially in terms of providing facilities for older children and young adults in the town, and consideration was given to additional information recently received from SSCP. During the discussion, the limited funds available from the Town Council for the longer-term project were highlighted, and it was noted that no further funding was currently available for 2025/26, or indeed the following two financial years. It was also noted that following discussion at the meeting on 11th December only £5,000 of the additional £20,000 requested had been included in the draft capital programme for 2025/26, making a total budget allocation of £20,000. Following further discussion, it was proposed by Councillor Tomes, seconded by Councillor Monkhouse and RESOLVED UNANIMOUSLY:

To include an increased budget of £35,000 for the skatepark project within the draft capital programme 2025/26, for consideration by Council on 20th January 2025, subject to SSCP being informed that no further sums would be available for the project during the 2025/26 financial year.

Members then considered a request from the Greengage Community Gardening Project for a contribution towards improving facilities at Prospect Nursery. It was noted that the £15,000 grant requested was a maximum, with a view to finding alternative funding. At the Finance & Governance Committee meeting held on 11th December 2024 it had been agreed to include a sum of £10,000 in the draft capital programme. It was proposed by Councillor Bonfield, seconded by Councillor Monkhouse and RESOLVED UNANIMOUSLY:

To include an increased maximum budget of £15,000 for the Greengage project within the draft capital programme 2025/26 for consideration by Council on 20th January 2025, subject to alternative funding sources being sought.

iv. Precept 2025/26

Referring to section 6 of the Preliminary Budget Report, the Town Clerk reported that the tax base had increased by 15.81%, in the main part due to the second homes premium. Further to Minute No. 3 (d) of the Finance & Governance Committee Meeting held on 11th December 2024, the report contained information regarding potential 3.5% and 5% increases to the precept, over and above the increase in the tax base. In light of further discussion at a recent budget workshop, a 5% uplift in a Band D charge, a 21.6% increase in the total precept, had been incorporated into the draft budget for 2025/26, together with further 5% per annum increases in the following two financial years. It was noted that the budget report highlighted that the estimated balance on the general reserve in

March 2028 would be below the current risk assessed level and, consequently, if no other changes were made to planned income or expenditure, a higher increase in the precept in 2025/26 would be required in order to present a budget with a general reserve within the required parameters.

Members discussed the options in detail. Attention was drawn to the potential for savings to be made and for additional ways of generating income to be identified. The financial challenges facing the council were noted, including significantly increased employer National Insurance contributions and rising business rates. The impact of the Green Seafront Scheme on the Council's financial and general resources was also highlighted, alongside the importance of contributing to earmarked reserves to meet future expenditure. The potential ramifications for public services of the financial challenges facing Dorset Council were discussed, and it was stated that the Town Council would not be in a position to absorb any costs that may be incurred from the further devolution of services if action was not taken in 2025/26 to strengthen the council's financial position.

Following a lengthy debate, it was proposed by Councillor Bonfield and seconded by the Town Mayor:

TO RECOMMEND to the Estimates meeting on 20th January 2025:

That the Town Council approves a precept of £1,085,000 for the 2025/26 financial year, equivalent to a Band D bill of £188.86, an increase of 6.61%/£11.72 on the current year's charge.

Upon being put to the Meeting, FIVE Members voted IN FAVOUR of the Proposition and there was ONE ABSTENTION, whereupon the Proposition was declared CARRIED.

Having given consideration to the revenue and capital budgets, items ii and iii, it was proposed by the Town Mayor, seconded by Councillor Bonfield and RESOLVED UNANIMOUSLY:

TO RECOMMEND to the Estimates meeting on 20th January 2025:

That the draft revenue budget 2025/26 (Appendix A & B of the Preliminary Budget Report) and the draft Capital Programme 2025/26 (Appendix D), incorporating the changes agreed by the Finance & Governance Committee, be approved and adopted.

(b) Reserves Policy

Consideration was given to the Council's Reserves Policy, last revised and adopted 15th January 2024. The introduction of three new earmarked reserves was noted, being Bandstand (to hold the balance of funds raised by the Friends Group prior to its closure), Asset Management Plan and Boat Park/Fishers' Huts. It was reported that the Insurance and Contingency reserve and the Football Club Facilities reserve would be closed at year-end.

It was proposed by the Town Mayor, seconded by Councillor Tomes and RESOLVED UNANIMOUSLY:

TO RECOMMEND to the Estimates meeting on 20th January 2025:

That the revised Reserves Policy be approved and adopted.

(c) **Treasury Management and Investment Strategy Statement 2025/26**

The Finance Manager presented the draft Treasury Management and Investment Strategy Statement 2025/26 (TMISS).

It was noted that no changes to investment counterparties and limits, the criteria within which officers operated treasury activity, had been made from the 2024/25 financial year. The decrease in the level of reserves that was estimated to be available for investment purposes was noted as significantly reducing in 2026/27 due to the funding of the capital programme over the period of the strategy. The expansion of the section on borrowing and the need to review the borrowing criteria assumption was also noted.

It was proposed by Councillor Moreton, seconded by Councillor Trite and RESOLVED UNANIMOUSLY:

TO RECOMMEND to the Estimates meeting on 20th January 2025:

That the Treasury Management and Investment Strategy Statement 2025/26 be approved and adopted.

4. **Items of information and matters for forthcoming agendas**

- (a) **Review of Corporate Plan and Committee Structure** – It was reported that the review of the Corporate Plan was a priority for the next 6 months and it was noted that this would provide an opportunity for extensive public engagement regarding the Council’s future operation, including how this would be financed.
- (b) **Internal Audit report 2024/25** – Visits 2 & 3 of 5 - Members were informed that an Internal Audit report for visits 2 & 3 had been received, with 3 low level recommendations to be addressed by officers.
- (c) **Update on Action Points from Internal Audit Report 2023/24**

5. **Date of next meeting**

The date of the next scheduled meeting was noted as 26th February 2025.

The meeting concluded at 4.10 p.m.
