

Minutes of the Meeting of the **POLICY, FINANCE AND PERFORMANCE MANAGEMENT COMMITTEE** held at the Town Hall, Swanage on **WEDNESDAY, 6th NOVEMBER 2019** at 9.30 a.m.

PRESENT:- Councillor M.P. Bonfield (Mayor) – Chairman.

Councillor A. Harris
Councillor M. Whitwam

Also in attendance:-

Councillor T. Foster
Dr M. Ayres – Town Clerk
Miss A. Spencer – Finance Manager

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

1. **APOLOGIES**

Apologies for their inability to attend the meeting were received from Councillors Finch and Trite.

2. **DECLARATIONS OF INTEREST**

Members were invited to declare their interests and consider any requests for Grants of Dispensations in accordance with paragraphs 9 – 13 of the Council's Code of Conduct and regulations made under chapter 7 of the Localism Act 2011.

There were no declarations to record on this occasion.

3. **INTERNAL AUDIT REPORT 2019/20 Visit 1 of 6**

The Finance Manager presented the first interim Internal Audit Report of the 2019/20 financial year prepared by Darkin-Miller – Chartered Accountants.

The following areas had been reviewed during the audit visit:-

- Proper Bookkeeping
- Risk Management
- Income, with specific focus on:
 - (a) Beach Gardens
- Follow up: Boat Park
- Residual testing 2018/19: Depot stocks and stores

Members noted that two high and three low priority recommendations had been made. The management response and implementation dates were noted.

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

That the first interim Internal Audit Report for the 2019/20 financial year be accepted.

4. **BUDGET REPORT – INCOME AND EXPENDITURE ACCOUNT AND TREASURY REPORT Q2 2019/20**

Consideration was given to a budget report detailing the Council's income & expenditure for the first half of the financial year, noting any significant variances.

The Finance Manager reported that service costs year to date were £89k under budget, being mainly attributable to higher than budgeted total income from car parking and beach hut hire. Employee costs also contributed £45k to this variance with some key

budgeted posts being vacant during the period. It was noted that costs for seaweed removal had exceeded budget, however, the nature of this expenditure was variable and demand driven.

The Finance Manager reported that expenditure of £3,975 had been incurred for the installation of an entry barrier at the Council's Depot. It was noted that this was a Health & Safety issue. It was anticipated that this expenditure would be met from existing budget lines, however, approval should be sought, pending the adoption of revised Financial Regulations, as this budget line was now expected to exceed the limit approved. It was also reported that the budget for tree works was anticipated to exceed budget and a virement would be requested if required.

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

To approve the purchase of barriers at the Depot
at a cost of £3,975.

It was highlighted in the report that the old depot site in Kings Road was still incurring significant costs and that the future of the depot site would need to be resolved in the near future. The Town Clerk questioned if a Depot Working Party should be reconvened in order to progress this matter. It was noted that this matter should be discussed at the next meeting of the Operations Committee.

The deferral of a DDA compliance report for the Town Hall, as noted in Appendix A to the report, was discussed. The importance of completing this survey was raised by Members following questions from parishioners on the subject.

Members considered a Treasury Out-Turn Report for the first half of the financial year. In reviewing the Council's strategic investments it was reported that an annualised capital gain of 0.11% and an income return of 4.27% had been seen from these investments. The Council's short term investments had realised an income return of 0.47%, with an income return of 2.97% from all investments. It was reported that new investments had been placed with the UK government, slowly moving away from unsecured deposits with banks, as per the Council's investment strategy. Income from investments was noted as £30k above budget at the end of the second quarter, with a cautious budget having been set.

The subject of ethical investments was briefly discussed and it was noted that this matter would be raised with Arlingclose, the Council's treasury advisors.

The financial reports and the Council's financial position were noted.

5. **CAPITAL PROGRAMME MONITORING REPORT**

A Capital Programme Monitoring Report for the 2nd quarter of 2019/20 was submitted for information.

It was noted that two projects had been completed, being the purchase of an electric vehicle and a four wheel drive vehicle. The further purchase of an electric pool car, primarily for the use of any incumbent Operations Manager was discussed. It was noted that this should come forward as a proposal to the Operations Committee for inclusion in the 2020/21 capital programme. The IT replacement project was noted as ongoing, with invitations of Expressions of Interest having been issued.

The Capital Programme Monitoring Report was received and noted.

6. **A REVIEW OF THE COUNCIL'S FINANCIAL REGULATIONS**

Members were supplied with a draft, revised version of the Council's Financial Regulations for consideration. It was noted that the current Regulations had been adopted in April 2015 and should be reviewed regularly. It was further noted that Standing Order

20: Financial Controls and procurement, would also be required to be updated so that it did not conflict with the revised document.

The Town Clerk highlighted the main areas that had been revised, these being;

- Regulation 4: Budgetary Control and Authority to Spend;
- Regulation 5: Banking arrangements and Authorisation of Payments; and
- Regulation 11: Contracts.

During further discussions, it was agreed that a briefing note, summarising the changes made to the approved document be included when the matter is brought to full Council for approval. The need to set authorisation of monetary limits for Officers was also noted. The Town Clerk reported that the revised document would be reviewed by the Council's internal auditor prior to the Council meeting.

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

To propose that the draft Financial Regulations, with a summary of changes made to the current document, and a revised Standing Order 20 be submitted for approval by full Council at its meeting to be held on 25th November 2019.

7. **BUDGET SETTING 2020/21 – AGREEMENT OF BUDGET PRINCIPLES**

The Finance Manager outlined draft budget setting principles for the 2020/21 financial year and the subsequent two years. It was noted that these would be used to prepare the draft 2020/21 estimates for consideration at the Policy, Finance and Performance Management Committee meeting to be held on 11th December. It was further noted that the employee costs would be revised prior to being submitted to this meeting following confirmation of the employer's pension contribution rate.

The uncertainty surrounding the economy was noted and the proposed inclusion of a 2% increase on the precept was discussed.

Following this discussion it was proposed by the Town Mayor seconded by Councillor Whitwam, and **RESOLVED UNANIMOUSLY:-**

That the budget setting principles for 2020/21 be approved, with the option of a Precept increase of 1% being submitted for consideration to the next Committee meeting on 11th December 2019.

The Town Clerk reported that he and other members of the DAPTC were currently in discussion with Dorset Council with regards to the calculation of the Tax Base and the distribution of any surplus that may arise on this account. Members would be updated should any progress be made on this matter.

8. **FOOTBALL – CHARGES FOR USE OF PLAYING FIELDS & PERMITS FOR CAR PARKING**

It was noted that the charges for the use of the playing fields for football had not been set for the current financial year during the budget setting process. The setting of the charges was delayed pending a review of charging arrangements. As this matter had not progressed it was stated that the charges were required to be set.

It was reported that the charging process had improved since this matter was last discussed with the centralisation of booking and payment. The desire to move towards an annual licence was noted.

Following a brief discussion it was proposed by the Town Mayor seconded by Councillor Harris, and **RESOLVED UNANIMOUSLY:-**

That the fees for the hire of a football pitch remain at the charges agreed for 2018/19.

The need to regularise the supply of car parking permits for the football clubs was discussed. Members were supplied a copy of the terms and condition of issue of car parking permits for the football clubs which were in force in 2004, which allowed registered clubs 14 permits for use in the Main Beach car park on match days and designated training nights only. It was noted that the issuing of car parking permits, with terms and conditions attached would provide clarity to the Council's Enforcement Officers.

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

That registered junior football clubs be supplied with 14 car parking permits for the current season, under the same terms and conditions of issue as applied in 2004.

9. **ITEMS OF INFORMATION AND MATTERS FOR FORTHCOMING AGENDAS**
Matters for Forthcoming Agendas
a) James Day Trust

EXCLUSION OF PRESS AND PUBLIC

Proposed by the Town Mayor, seconded by Councillor Harris, and **RESOLVED UNANIMOUSLY:-**

That, under Standing Order No. 1 c), in the public interest, the press and public be excluded from the Meeting in view of the confidential nature of the business to be transacted under agenda items 10 and 11 (in relation to legal and financial matters).

10. **REVIEW OF COUNCIL PRIORITIES**

An updated schedule of Council Priorities and Projects was submitted for information. It was reported that the Bandstand and Fishermen's Slipway projects had been completed. The Town Clerk stated that the report would be revised for future meetings, as the capital projects were reported separately and as such should be removed from this report. Accordingly, this report would contain legal/lease & licence matters only.

The Town Clerk reported that six legal agreements had been finalised. The most pressing issue was noted as the agreement with the MCA regarding the building in the North Beach car park, with the acquisition of St. Marks School Playing Field also being noted as important.

11. **SCHEDULE OF DEBTORS**

An aged debtors report as at 31st October 2019 was submitted for information. Further to Minute 9 of the Policy, Finance and Performance Management Committee meeting held on 24th July it was reported that legal advice had been received regarding arrears on one customer account. It was further reported that payment of the debt should be made by 20th December 2019. It was noted that should the outstanding sums owing

not be paid, the Committee had previously delegated authority to officers to act in this matter.

12. **DATE OF NEXT MEETING**

It was noted that the next meeting of the Policy, Finance and Performance Management Committee was scheduled to be held at 9.30 a.m. on Wednesday 11th December 2019.

The meeting concluded at 10.55 a.m.
