

Minutes of the Meeting of the **POLICY, FINANCE AND PERFORMANCE MANAGEMENT COMMITTEE** held at the Town Hall, Swanage on **WEDNESDAY, 9th NOVEMBER 2016** at 4.30 p.m.

PRESENT:- Councillor S. Poultney (Mayor) – Chairman.

Councillor M. Bonfield
Councillor C. Finch
Councillor G. Green
Councillor A. Harris
Councillor M. Whitwam

Also in attendance:-

Councillor T. Morris

Anna Lee Purbeck District Council
Chris McDermott Purbeck District Council

Dr M. Ayres – Town Clerk
Mrs L. Burgess – Senior Administration & Finance Officer
Miss A. Spencer – Finance Officer

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

1. **APOLOGIES**

An apology for his inability to attend the Meeting was received from Councillor Bishop.

2. **DECLARATIONS OF INTEREST**

Members were invited to declare their interests and 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.

The dispensation granted to Councillor Green in respect of cemetery matters was noted.

3. **HOUSING NEEDS ASSESSMENT**

The Mayor welcomed Anna Lee and Chris McDermott (from Purbeck District Council) and invited them to present the Parish Housing Needs Survey Report for Swanage.

The Parish Housing Needs Survey had been sent to all households in Swanage in November 2015. The purpose of the survey was to give every household the opportunity to have their need assessed, and identify actual households in need in the locality. A secondary function was to give an indication of the level of community support for the provision of affordable homes to meet local need.

Consideration was given to the detailed Report, following which it was proposed by the Town Mayor, seconded by Councillor Bonfield, and RESOLVED:-

TO RECOMMEND:

That the Parish Housing Needs Survey be adopted by the Town Council.

During the discussion, it was noted that no charge would be levied on the Town Council for pre-planning application discussions with officers of Purbeck District Council regarding future proposals for 'affordable housing' on Town Council-owned land.

4. **INTERNAL AUDIT REPORT 2016/17**

The Clerk presented the first interim Internal Audit Report for the year 2016/17 prepared by Darkin-Miller – Chartered Accountants.

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

- Beach Gardens income.
- Proper Bookkeeping.
- Risk Management.
- Income, with a specific focus on:
 - (a) Cemeteries.
 - (b) Market.

Members noted that six recommendations had been made, and prioritised as one of high importance, one of medium importance and four of low importance.

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

That the first interim Internal Audit Report for the year 2016/17 be accepted.

5. **BUDGET REPORT – INCOME AND EXPENDITURE AND TREASURY REPORT 2016/17**

Consideration was given to a detailed report setting out the principal sources of the Town Council's income and expenditure.

The Council generated a surplus of £161.8k from its operations during the first half of the year against a budget of £17.7k. With the addition of the precept and Council Tax Support Grant, a surplus of £525,107 had resulted in the year to date. The significant variance of £144k was mainly attributable to employee costs of £34k and car parking revenue of £37k.

A further £17.8k from the General Fund had been used to finance the installation of CCTV, as per the Council's capital programme.

At the end of the 2nd quarter an annual net deficit on the general fund of £138k was being projected, against a budgeted deficit of £254k - a positive variance of £116k. A greater than anticipated general fund balance was also brought forward from 2015/16, £806k against an estimate of £621k. At the end of the 2nd quarter of the financial year, a projected GFB of £668k was projected for the end of the financial year.

Consideration was also given to the interest and investment income during the 2nd Quarter and it was noted that the projected out-turn from the Council's investments was expected to be marginally above budget. This forecast may change with the reduction in the Bank of England base rate to 0.25% in September, and a pending review of the Council's investment strategy and portfolio.

The Budget Report and Council's financial activity was noted.

6. **CAPITAL PROGRAMME MONITORING REPORT**

The 2nd Quarter Monitoring Report of the Capital Programme 2016/17 was submitted for information.

Arising from the Report, it was noted that the upgrade of the CCTV cameras and the relocation of the system to the Town Hall Annexe had been completed at a cost

of £17,818, against an estimate of £17k. This had been financed from the General Fund as per budget.

It was also noted that re-surfacing works to the Boat Park had been approved at the Council meeting held on 26th September 2016 at an estimated cost of £26,028, and that a contract had been awarded for the TIC renovation works in the sum of £138,678 plus Dorset Property Services administration fees (11.5%).

7. **BUDGET SETTING 2017/18 – AGREEMENT OF BUDGET PRINCIPLES**

A document outlining the budget setting process for 2017/18 and projections for the two financial years beyond was submitted for information.

Members noted the timescale of Committee meetings at which the fees and charges appropriate to the Committee would be considered, as well as discussion around the revenue and capital budgets, prior to the submission of the draft budget to the Policy, Finance and Performance Management Committee on 14th December 2016.

It was AGREED:-

That the budget setting principles for 2017/18 be approved.

8. **BEACH HUT PRICES 2017/18**

Further to Minute No. 129 of the Council meeting held on 31st October 2016, consideration was given to the proposed Scale of Charges for beach hut hire in 2017/18.

During the ensuing discussion, it was felt that there should be no increase in the current prices for the beach huts, but that consideration should be given to additional promotion of the facilities with a view to increasing occupancy levels of the huts.

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

That the following scale of fees and charges for beach huts for 2017/18 be approved and adopted:-

BEACH BUNGALOWS
SCALE OF FEES: SHORE ROAD - 2017/18 SEASON

Sat 1st April- Friday 19th May

Lower Level Huts

Daily	15.00
Weekly	55.00
Whole period	330.00

Upper Level Huts

Daily	10.00
Weekly	37.00
Whole period	220.00

Sat 20th May - Fri 14th July

Lower Level Huts

Daily	20.00
Weekly	97.50
Whole period	700.00

Upper Level Huts

Daily	14.00
Weekly	65.00
Whole period	470.00

Sat 15th July - Fri 1st September

Lower Level Huts

Daily	30.00
Weekly	200.00

Upper Level Huts	Whole period	1400.00
	Daily	20.00
	Weekly	135.00
	Whole period	940.00
Sat 2nd September - Fri 15th September		
Lower Level Huts	Daily	20.00
	Weekly	97.50
	Whole period	175.00
Upper Level Huts	Daily	14.00
	Weekly	65.00
	Whole period	115.00
Sat 16th September - Fri 30th Mar	Daily	5.00
	Weekly	25.00
Winter whole period charges		
Sat 16th September - Fri 30th Mar - Lower Level		500.00
- Upper level		335.00
Sat 28th October - Fri 30th Mar - Lower Level		400.00
- Upper level		270.00
Sat 25th November - Fri 30th Mar - Lower Level		320.00
- Upper level		215.00
Sat 16th December - Fri 30th Mar - Lower Level		250.00
- Upper level		165.00
Sat 27th January - Fri 30th Mar - Lower Level		150.00
- Upper level		100.00
Premium Huts (50% uplift on standard hut prices)		
Sat 1st April- Friday 19th May		
Lower Level Huts	Daily	22.50
	Weekly	82.50
	Whole period	495.00
Upper Level Huts	Daily	15.00
	Weekly	55.25
	Whole period	330.00
Sat 20th May - Fri 14th July		
Lower Level Huts	Daily	30.00
	Weekly	146.25
	Whole period	1050.00
Upper Level Huts	Daily	20.00
	Weekly	98.00
	Whole period	700.00
Sat 15th July - Fri 1st September		

Lower Level Huts	Daily	45.00
	Weekly	300.00
	Whole period	2100.00
Upper Level Huts	Daily	30.00
	Weekly	200.00
	Whole period	1400.00
Sat 2nd September - Fri 15th September		
Lower Level Huts	Daily	30.00
	Weekly	146.25
	Whole period	262.50
Upper Level Huts	Daily	20.00
	Weekly	98.00
	Whole period	175.00
Sat 16th September - Fri 30th Mar	Daily	7.50
	Weekly	37.50

Winter whole period charges

Sat 16th September - Fri 30th Mar	- Lower Level	750.00
	- Upper level	500.00
Sat 28th October - Fri 30th Mar	- Lower Level	600.00
	- Upper level	400.00
Sat 25th November - Fri 30th Mar	- Lower Level	480.00
	- Upper level	320.00
Sat 16th December - Fri 30th Mar	- Lower Level	375.00
	- Upper level	250.00
Sat 27th January - Fri 30th Mar	- Lower Level	225.00
	- Upper level	150.00

Bookings for Christmas and New Year can only be taken as a 2 week block booking

SCALE OF FEES: SPA BUNGALOWS - 2017/18 SEASON

Sat 1st April- Friday 19th May	Daily	6.50
	Weekly	27.00
Sat 20th May - Fri 14th July	Daily	8.50
	Weekly	47.00
Sat 15th July - Fri 1st September	Daily	19.00
	Weekly	118.00
Sat 2nd September - Fri 15th September	Daily	8.50
	Weekly	47.00
Sat 16th September - Fri 27th October	Daily	5.00

Weekly 25.00

SEASON CHARGES - 2017 SEASON (For Existing holders only)

Private Sites 365.00

Spa Bungalows 12 to 18 whole period (01/04-27/10)- 40% discount 981.00

Authority has been delegated to the Visitor Services Manager to discount prices when appropriate to maximise occupancy

9. **TREASURY MANAGEMENT**

At a recent Investment Workshop held with Committee members, it was agreed that the Council's investment portfolio should be revised. In reaching this decision, the following factors had been taken into consideration:

- The settlement of the Indemnities claim, with less uncertainty more funds could be invested long term;
- The lower interest rate being given on the Lloyds account (new base rate + 0.20%, down from 1.1%);
- Following the introduction of bail-in legislation in 2015, there was a desire to move away from deposits held in banks due to the increased risk;
- A need to diversify the Council's portfolio.

Following discussion with Arlingclose, the Council's treasury advisers, several funds had been identified as being appropriate to the Council's investment strategy, and consideration was given to investing with the following funds:

Strategic Bond Fund:

- M&G Strategic Corporate Bond Fund - £500k

Multi-Asset Income Fund:

- Investec Diversified Income Fund - £1m

Further discussion ensued, following which, it was proposed by the Town Mayor, seconded by Councillor Bonfield, and **RESOLVED UNANIMOUSLY:-**

TO RECOMMEND:

That the Council's Treasury Management Strategy Statement and Investment Strategy 2016/17 to 2018/19 be revised to increase the limit on non-specified investments to £5m to allow for a greater sum to be invested long-term. This sum to be reviewed as part of the annual budget setting process.

It was **FURTHER RESOLVED:-**

Subject to Council approval of the above, to place £500k with the M&G Strategic Corporate Bond Fund and £1m with the Investec Diversified Income Fund.

10. **GRANTS AND DONATIONS 2016/17**

Further to Minute No. 130 of the Council meeting held on 31st October 2016, and receipt of further information regarding funds raised and pledged towards the project, consideration was given to the request received from the Swanage Pier Trust seeking capital funding support from the Town Council in the sum of £50,000 towards the Swanage Pier Regeneration project.

Discussion ensued, following which it was proposed by Councillor Bonfield and seconded by Councillor Green:-

That the sum of £25,000 be pledged towards the Swanage Pier Regeneration project.

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.

11. **HEALTH AND SAFETY POLICY**

A draft of the Council's updated General Health and Safety Policy was submitted for consideration.

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

TO RECOMMEND:

That the General Health and Safety Policy be approved and adopted.

12. **ITEMS OF INFORMATION AND MATTERS FOR FORTHCOMING AGENDAS**

There were no items of information or matters for forthcoming Agendas to record at the present time.

EXCLUSION OF PRESS AND PUBLIC

Proposed by the Town Mayor, seconded by Councillor Bonfield, 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 nos. 13 and 14 (regarding legal and financial matters).

13. **INSURANCE CLAIMS**

Further to Minute No. 11 (b) of the Policy, Finance and Performance Management Committee meeting held on 4th November 2015, it was reported that one public liability claim against the Council had been re-submitted, and one claim on the vehicle policy was outstanding.

14. **REVIEW OF COUNCIL PRIORITIES AND PROJECTS**

Further to Minute No. 11 of the Policy, Finance and Performance Management Committee meeting held on 3rd August 2016, an updated schedule of Council Priorities and Projects was submitted, for information.

In presenting the Report, the Town Clerk updated Members on outstanding issues, and also gave a brief summary of matters that had now been concluded.

12. **DATE OF NEXT MEETING**

It was noted that the next meeting of the Policy, Finance and Performance Management Committee would be held on Wednesday, 14th December 2016.

The meeting concluded at 6.35 p.m.