

Minutes of the Meeting of the **POLICY, FINANCE AND PERFORMANCE MANAGEMENT COMMITTEE** held on the Zoom platform on **WEDNESDAY, 16th DECEMBER 2020** at 9.30 a.m.

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

Councillor C. Finch (from 10.05 a.m.)

Councillor A. Harris

Councillor C. Moreton

Councillor G. Suttle

Councillor C. Tomes

Councillor M. Whitwam

Also in attendance:-

Councillor T. Foster

Councillor D. Monkhouse

Dr M. Ayres – Town Clerk

Miss A. Spencer – Finance Manager

Mr C. Milmer – Visitor Services Manager &
Business Development Officer

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

1. **APOLOGIES**

Apologies for his inability to attend the meeting were received from Councillor 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.

Agenda Item No. 5 (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. 5 (a) – Councillor Suttle declared a non-pecuniary interest in the scale of charges under the Code of Conduct by reason of a business association with several taxi drivers.

Agenda Item No. 5 (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.

The dispensation granted to the eleven Councillors resident in Swanage to participate in setting the precept until May 2024 was also noted.

3. **INTERNAL AUDIT REPORT 2020/21 – VISIT 2 OF 5**

The second interim Internal Audit Report of the 2020/21 financial year prepared by Darkin-Miller – Chartered Accountants was submitted for information.

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

- Risk Management
- Payments
- Income generally, with a specific focus on:

- (a) Boat Park
- (b) Market
- (c) TIC Rent
- Petty Cash
- Payroll

It was noted that the audit for the area of risk management was work in progress, and that for payments was almost complete (pending confirmation of minuted approval), and any findings and recommendations would be reported in the third interim report.

Members noted that 3 high, 8 medium and 8 low priority recommendations had been made by the auditor. The management response and implementation dates were noted, and it was proposed by Councillor Suttle, seconded by Councillor Whitwam and AGREED UNANIMOUSLY:

That the second interim Internal Audit Report for the 2020/21 financial year be accepted.

4. **TO CONSIDER BUDGET FOR SUSTAINABLE SWANAGE OFFICER 2021/22**

Members considered a proposal put forward by Dorset Coast Forum ‘For provision of staff time and management of Sustainable Swanage – a community project which empowers the Swanage community to become more sustainable.’ It was noted that this would be a continuation of the support that the council had provided for the funding of a Sustainable Swanage Officer during the current financial year.

It was noted that the funding requirement was £16,950, an increase on the current year’s budget, but that the new proposal included a bigger support package from the unitary authority than the current agreement. It was reported that the Sustainable Swanage Officer post had been invaluable, and the support provided by Dorset Council was beneficial.

It was noted that budget provision for the Sustainable Swanage Officer post had been included in the draft Estimates for 2021/22 only, and that continuation of funding for future years would need to be discussed in the coming months.

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

To approve the incorporation of £16,950 in the draft Estimates for 2021/22 to fund the Sustainable Swanage Project Officer post.

5. (a) **DRAFT ESTIMATES 2021/22**

The Town Clerk and Responsible Financial Officer outlined the contents of the draft budget report, with the Council’s income, pages 2 to 4 of the report, being discussed first.

The Town Clerk reported that estimated income for 2021/22 was less than previous years, largely due to the Covid-19 pandemic. It was further reported that a freeze had been applied to fees and charges, as recommended at the last committee meeting held 3rd November 2020, and subsequent meetings of other Council committees. It was reported that car parking charges had been frozen for a number of years now and that a review could be undertaken in the forthcoming months.

In moving to approve the fees and charges for recommendation to full Council, it was noted that revisions to the boat park and market fees and charges had not been presented to the respective committee meetings and therefore needed to be considered at this meeting. The Visitor Services Manager (VSM) outlined proposed changes to the boat park charging periods (i.e. the introduction of an additional September to April permit) and the modification of row C to 19ft bays rather than 22ft bays, with an associated tariff.

Further to his declaration under Minute No. 2) above Councillor Bonfield remained in the meeting during discussion of the following item, but did not take part in any decision or vote.

Following a brief discussion it was proposed by Councillor Tomes, seconded by Councillor Moreton and **RESOLVED UNANIMOUSLY:-**

To approve the addition of a September to April permit and the amended charges for the reduced row C at the boat park in the draft Scale of Fees and Charges.

The Visitor Services Manager outlined his proposal for the market stall fees for the summer period 2021. It was noted that this would be a reduction in fees from the current financial year and discounts would be available for some users. It was proposed by Councillor Whitwam, seconded by Councillor Tomes and **RESOLVED UNANIMOUSLY:-**

To approve the addition of the market fees for summer 2021 in the draft Scale of Fees and Charges.

Further to councillors' declarations under Minute No. 2 above, the Scale of Fees and Charges for 2021/22 were taken as three separate items for approval. It was proposed by Councillor Whitwam, seconded by Councillor Suttle and **RESOLVED UNANIMOUSLY:-**

TO RECOMMEND that the draft Scale of Fees and Charges for 2021/22, excluding the Annual Taxi Permits in section 1 and Private Beach Hut Sites in section 4 be approved and adopted by Council at the Estimates meeting on 18th January 2021.

Further to their declarations under Minute No. 2) above Councillors Bonfield and Suttle remained in the meeting during discussion of the following item, but did not take part in any decision or vote.

It was proposed by Councillor Moreton, seconded by Councillor Harris and **RESOLVED UNANIMOUSLY:-**

TO RECOMMEND that the Scale of Fees and Charges for 2021/22 - Annual Taxi Permit fee in section 1 be approved and adopted by Council at the Estimates meeting on 18th January 2021.

Further to his declaration under Minute No. 2) above, Councillor Tomes remained in the meeting during discussion of the following item, but did not take part in any decision or vote.

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

TO RECOMMEND that the Scale of Fees and Charges for 2021/22, Private Sites, section 4 be approved and adopted by Council at the Estimates meeting on 18th January 2021.

The Town Clerk outlined the significant sections of the report relating to expenditure, pages 4 to 8. It was noted that the single largest item of expenditure was employment costs and that a 2.5% pay increase had been incorporated into the estimates and approved by the Personnel Committee held on 3rd November 2020. However, a subsequent announcement that

public sector pay, albeit that local government is negotiated separately, would be frozen may require this approach to be reviewed prior to adoption of the estimates.

Appendix B to the report was discussed, being the significant items of one-off revenue expenditure proposed for 2021/22. Members discussed item 11, the proposed repairs to the Peveril fortification at an estimated cost of £45,000, which would only last for 5-10 years, requiring additional long-term financing. It was noted that this was the largest item of expenditure listed. It was further noted that expenditure of £5,000 was required immediately to secure the area. The significant expenditure required was discussed and the possibility of external funding was noted. Following further discussion it was proposed by the Town Mayor, seconded by Councillor Tomes and **RESOLVED UNANIMOUSLY:-**

To approve the inclusion of a budget of £10,000 in the Estimates for 2021/22, with a view to securing external funding for any additional financing of works and approve expenditure of £5,000 in the current financial year to secure the site.

Funding for the Dorset Coast Forum (DCF) work on developing proposals for improved sea defences, section 4.22 of the report, was discussed. It was reported that funding of £10,200 in 2019/20 and £13,800 in 2020/21 had previously been approved. However, the funding in 2019/20 had not been drawn down and a request had now been received to fund £17,100 in the current financial year and provide a budget of £6,900 in 2021/22. It was noted that these amendments to the DCF funding were not included in the draft Estimates.

Councillor Finch joined the meeting at 10.05 a.m.

It was proposed by Councillor Suttle, seconded by Councillor Harris and **RESOLVED UNANIMOUSLY:-**

To include the DCF proposed budget of £6,900 in the Estimates for 2021/22 and £17,100 in the current financial year.

Additions to the base budget that had been included over the last year were highlighted. These were festive lights hire, the Sustainable Swanage project officer, environmental projects, and road sweeping and weeding which totalled £67,450 in the 2021/22 estimates. The need to plan for the addition of long-term revenue expenditure was stressed.

It was proposed by Councillor Harris, seconded by Councillor Tomes and **RESOLVED UNANIMOUSLY:-**

TO RECOMMEND to the Estimates meeting on 18th January 2021 that the revenue budget, incorporating amendments made at this meeting, be approved and adopted.

Members discussed the draft Capital Programme 2021/22-2023/24 and it was noted that the programme had been recommended by the General Operations Committee on 11th November 2020.

During discussion it was noted with reference to project 8b that a site meeting was required with residents of Cow Lane, as and when allowed/practicable. It was proposed by Councillor Moreton, seconded by Councillor Whitwam and **RESOLVED UNANIMOUSLY:-**

TO RECOMMEND to the Estimates meeting on 18th January 2021 that the Council approves and adopts

the draft Capital Programme 2021/22.

Consideration was given to the level of precept for 2021/22. It was noted that the tax base had been provided by Dorset Council, a decrease of 0.18%. Following a recommendation made by this Committee at the meeting held 3rd November 2020, two options had been provided in Appendix F to the report: a freeze in precept and a 2% increase. It was further noted that a 2% increase in the precept amounted to £14,650.

Although the financial difficulties that many residents had endured during 2020 was acknowledged, it was emphasised that a freeze in the precept would have a long-term cumulative effect, impacting future years' precept levels. During discussion it was acknowledged that the inclusion of additional expenditure lines, such as environmental projects, necessitated an additional funding requirement. The erosion of the general fund balance over the term of the draft budgets was highlighted and the need to address this was noted. It was proposed by Councillor Suttle, seconded by Councillor Moreton and

RESOLVED UNANIMOUSLY:-

TO RECOMMEND to the Estimates meeting on 18th January 2021 that the Council approves a precept of £747,040, an increase of 2%.

(b) **RESERVES AND BALANCES POLICY**

Consideration was given to the Council's Reserves and Balances Policy, last revised and adopted 21st January 2019. The Finance Manager reported that several revisions had been made to the policy document, namely:

- The inclusion of the JPAG recommended general reserve level definition.
- The inclusion of the adequacy of insurance cover in the financial risk assessment calculation.
- The removal of the Festive Lights and FJ Grace Will Trust earmarked reserves.
- The inclusion of an earmarked reserve used to hold committed revenue expenditure that has been deferred to the next financial year.

Further consideration was given to the adequacy of the Council's projected reserves. It was noted that due to the Council's considerable Capital Programme, particularly the Spa redevelopment, the Council's usable reserves were expected to fall to £2.5m by March 2024.

Of particular concern was the forecast decrease in the general reserve to £251k in March 2024, which would reduce this reserve below the recommended level by JPAG and any risk assessed level. During discussion, the need for careful consideration to be given when agreeing future expenditure was highlighted. It was also noted that officers would review budget lines during the forthcoming months in order to inform debate on how to address the reduction in the level of general reserves in future financial years.

It was proposed by Councillor Suttle, seconded by Councillor Whitwam, and

RESOLVED UNANIMOUSLY:-

TO RECOMMEND to the Estimates meeting on 18th January 2021 that the revised Reserves & Balances Policy is adopted and the suggested movement on reserves be accepted.

6. **ITEMS OF INFORMATION AND MATTERS FOR FORTHCOMING AGENDAS**
Matters for Forthcoming Agendas

a) **James Day Trust**

b) **Review of Grant Policy** - Grants to individuals and recurring applications

- c) **Corporate Plan 2020/21**
- d) **Ethical Investments** – Members were asked to complete and submit the ethical investment questionnaire that had been previously distributed. This would be re-sent to all Members.
- e) **Freedom of Information Act 2000** - Adoption of revised Publication Scheme
- f) **Update on Action Points from Internal Audit Report 2019/20**
- g) **Member & Officer Protocol** - the need to update this document was noted.

7. **DATE OF NEXT MEETING**

It was noted that the next meeting of the Policy, Finance and Performance Management Committee would be held at 9.30 a.m. on Wednesday, 10th February 2021.

The meeting concluded at 10.30 a.m.
