

Minutes of the Meeting of the **FINANCE AND PERFORMANCE MANAGEMENT COMMITTEE** held at the Town Hall, Swanage on **WEDNESDAY, 12th DECEMBER 2012** at 9.30 a.m.

PRESENT:- Councillor W.S. Trite (Town Mayor) – Chairman.

Councillor I. Brown  
Councillor Mrs. A. Patrick (until 11.25 a.m.)  
Councillor S. Poultney  
Councillor M.W. Pratt  
Councillor G.M. Suttle (from 9.45 a.m.)  
Councillor M. Whitwam

Also in attendance: Councillor M. Bonfield

Mr. H. Lovegrove Internal Auditor

**Public Participation Time**

No members of the public were present at the meeting.

1. **APOLOGIES**

There were no apologies to report for inability to attend the Meeting.

2. **DECLARATIONS OF INTEREST**

Members were invited to declare their interest under the Code of Conduct as defined by regulations made under section 30 (3) of the Localism Act 2011.

There were no declarations to record on this occasion.

3. **INTERIM INTERNAL AUDIT REPORTS 2012/13**

Mr. Henry Lovegrove, the Council's Internal Auditor, presented internal reports on the following services undertaken to date in respect of the financial year 2012/2013.

- (a) Beach Gardens.
- (b) Boat Park.
- (c) Car Parks.
- (d) TIC Miscellaneous Cash Income.
- (e) TIC Rent Income.
- (f) Proper Bookkeeping.
- (g) Payroll.

Arising from the above, Members were pleased to note that although there were a number of matters to address in respect of the Boat Park, no significant control weaknesses had been identified, and that the audit objectives had been fully or substantially met.

In accepting the Reports, Members expressed their appreciation of the diligence and commitment of the Council's staff in achieving the high standard of audit objectives.

4. **DRAFT ESTIMATES 2013/14**

(a) **Draft Budget Report**

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

In considering the draft Estimates for 2013/14, consideration was given to the Council's current financial position and the probable out-turn for 2012/13. It was noted that repairs and maintenance costs for the current financial year had been swelled by a number of supplementary estimates required within the Parks and Operations Department, together with unforeseen items that had also been funded from the revenue budget i.e. bandstand removal and emergency repairs to the Spa Gardens wall. These works totalled £76,619 in addition to the original estimate for the year, and, despite a reduction in income from car parking (largely attributable to the inclement weather during most of the 2012 summer season), had been met as a result of prudence, and significant savings.

The draft budget report highlighted the following potential savings to be explored:-

- Operations Manager to risk assess cessation of cash collection and counting services for future winter seasons.
- Review of telephone contracts.
- Review of Peninsula employment advice service.
- Procurement exercise for computer services.

Consideration was given to a schedule of repairs and maintenance work compiled by the Operations Manager to be undertaken during the 2013/14 financial year. No objection was raised to the inclusion of these works in the revenue budgets.

In considering the Council's income streams, issues relating to the operation of the market were highlighted. Following discussion, it was proposed by Councillor Suttle and seconded by Councillor Mrs. Patrick:-

That Ensors, the market operators, be requested to provide appropriate documentation within a period of six months, failing which no refund of any over-payment of fees would be made.

Upon being put to the Meeting FIVE Members voted IN FAVOUR of the Proposition and NONE AGAINST, whereupon the Proposition was declared CARRIED.

(b) **Grants and Donations**

It was noted that the sum of £10,000 had been included within the draft 2013/14 budgets for grants and donations under Section 137 of the Local Government Act 1972, and it was RESOLVED:-

That the Town Council maintain its annual budget of £10,000 for grants and donations under Section 137 of the Local Government Act 1972, the funds to be allocated at the Estimates Meeting on 21<sup>st</sup> January 2013.

In response to a letter received from Dorset County Council, urgent consideration was given to the continuation of funding of the Mount Scar school crossing patrol from this source.

During the ensuing discussion, Members acknowledged the importance of the school crossing patrol, but expressed concerns regarding the funding of the service by the Town Council.

It was RESOLVED:-

That the Town Council continues to contribute to the wages costs of providing the Mount Scar school crossing patrol in 2013/14 at an estimated cost of £2,400.

It was FURTHER RESOLVED:-

To suggest that Dorset County Council explores the potential to pursue business sponsorship for this service in future years.

(c) **Scale of Fees and Charges 2013/14**

Proposed by the Town Mayor, seconded by Councillor Mrs. Patrick, and RESOLVED UNANIMOUSLY:-

That the draft Scale of Fees and Charges for 2013/14 be approved for final consideration at the Estimates Meeting to be held on 21<sup>st</sup> January 2013, subject to it being amended to indicate that no burial service will be available in future years between Christmas and New Year.

Consideration was then given to a letter received from Swanage Bowling Club outlining the dwindling membership and associated financial issues which they felt was a contributory factor in the decline in active membership of the Club.

It was proposed by Councillor Poultney, seconded by Councillor Bonfield, and RESOLVED:-

That a meeting be arranged with representatives of Swanage Bowling Club and the Town Council (Councillors Bonfield and Poultney) to consider options for assisting and promoting membership of the Swanage Bowling Club.

Councillor Mrs. Patrick left the Meeting at 11.25 a.m.

(d) **Capital Programme**

Consideration was given to the revised draft Capital Programme 2013/14 - 2015/16.

It was noted that the total of outstanding works was estimated at £1.86 million over the next three financial years, with a further £418,500 in future years. This included £700,000 in 2013/14 for the Seafront and Downs stabilisation schemes, £225,000 in 2014/15 for new changing facilities at King George's Field (although it was anticipated that this would be part funded from external grants) and £715,000 in 2015/16 for the purchase/construction of a new Depot

(this figure was highly speculative and the Council was exploring alternative options).

The projected funding of the capital programme took into consideration the clear indication from Members that they wished to protect 85% of the capital receipt from the disposal of Swanage Bay View Holiday Park for investment purposes and were reluctant to fund schemes through borrowing. Given that, the draft capital programme highlighted the fact that, should the figure of £715,000 for a new Depot be realised, there would be a shortfall of £233,000 for capital spending during the 2015/16 financial year. That would be despite a sharp increase in revenue contributions to earmarked reserves and capital expenditure from £210,000 in 2013/14 to £329,000 in 2014/15 and £295,000 in 2015/16.

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

To recommend to the Estimates Meeting that the Town Council agrees the revised draft Capital Programme 2013/14 – 2015/16.

Having regard to the need to identify additional funds for capital expenditure, it was proposed by Councillor Poultney, seconded by Councillor Suttle, and **RESOLVED UNANIMOUSLY:-**

That consideration be given to the possible future disposal of Prospect Nursery.

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

That the de-minimis level for capital expenditure be increased from £5,000 to £10,000.

(e) **Reserves and Balances**

It was reported that with a surplus general fund balance of £390,100 brought forward from 2011/12 and an estimated surplus of £17,775 projected for the current financial year, the Town Council should enter 2013/14 in a healthy financial position. The anticipated out-turn for 2013/14 had been subjected to a detailed risk assessment.

During the ensuing discussion, Members acknowledged the benefit of having established earmarked reserves which would be realised in the lifetime of the revised capital programme as more schemes would be funded from this source.

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

To agree that a contribution of £163,500 be made to the earmarked reserves in the current financial year to bolster the Repairs and Renewals Fund to part finance the seafront stabilisation works over winter 2013/14.

It was **FURTHER RESOLVED:-**

To approve the transfer of £100,000 from the Insurance and Contingency reserve to the Repairs and Renewals Fund, in

light of the conclusion of the Caravan Park Commission Claims.

It was proposed by Councillor Whitwam, seconded by Councillor Poultney, and RESOLVED UNANIMOUSLY:-

That the draft Estimates 2013/14 incorporating a proposed increase in Council Tax precept of 2.5% be approved for final consideration by the full Council on 21<sup>st</sup> January 2013.

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

(a) **Investments**

Officers updated Members on the re-investment of funds following recent advice from the Council's advisors, Arlingclose.

(b) **Draft Treasury Management Strategy**

To be submitted for consideration at the next meeting of the Finance & Performance Management Committee.

6. **DATE OF NEXT MEETING**

It was agreed that the next meeting of the Finance and Performance Management Committee would be held on Monday, 14<sup>th</sup> January 2013 at 9.30 a.m.

The meeting concluded at 11.40 a.m.

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