

3. Finance & Governance Committee Terms of Reference

Main Objective/Remit: To oversee the Council's governance arrangements and its management of public funds, ensuring that appropriate policies are in place and that adequate arrangements are made to manage risk.

Reports to: Full Council

Outside Representatives: None

Frequency of Meetings: Six scheduled meetings per year, otherwise as and when required.

Member Training requirements: Relevant in-house training will be offered to all councillors as part of their induction process.

Sub-Committees: Capital Projects Sub-Committee and Vexatious Correspondence and Complaints Policy Sub-Committee.

Working Parties/Panels: The following working parties/panels will report to the Committee (or to full Council), and can also be instructed to examine specific matters by the Committee:

- Property Panel
- Communications Strategy Working Party

Other Matters: The Committee will be comprised of the Mayor, Deputy Mayor and the Chair of each of the Council's Standing Committees (Community Services, Environment & Green Spaces, Personnel, Planning & Consultation and Tourism & Local Economy), together with any other Member(s) appointed by Council. The public shall be excluded from any matter that is confidential in nature.

Delegated Matters:

- 1.1 To receive quarterly budget monitoring and variance reports, and determine any response required to address urgent concerns.
- 1.2 To monitor and review Council investments, including receipt of quarterly reports on treasury activity.
- 1.3 To receive interim reports from the Council's internal auditor and approve or amend the actions proposed by officers to address the concerns raised.
- 1.4 To receive, at least annually, a report demonstrating reconciliation of the Council's bank accounts.
- 1.5 To monitor and review funding arrangements for the Council's capital works programme.
- 1.6 To consider, at least annually, a report on the Council's provision for bad debts, authorising the writing off of any such debt not exceeding £500 and agreeing actions in respect of larger sums (the write-off of which must be approved by Council).
- 1.7 To agree minor amendments and clarifications of existing Town Council policies in respect of finance and governance.
- 1.8 To appoint an appropriate person to act as the Council's internal auditor.
- 1.9 To appoint a Capital Projects Sub-Committee, agree its Terms of Reference, receive its minutes and consider any recommendations set out therein.

- 1.10 To approve any increase in budget (up to £5,000) further to a recommendation from the Capital Projects Sub-Committee.
- 1.11 To ensure appropriate arrangements are in place for carrying out rent reviews in respect of Council-owned property, and to consider any recommendations from the Property Panel.
- 1.12 To review from time to time the adequacy of the Council's insurance cover and receive at least once a year a report regarding claims settled and lodged since the last report.
- 1.13 To monitor and review the performance of the Council's external contracts where appropriate (e.g. public toilet cleaning).
- 1.14 To review, at least annually, a report of complaints received regarding the Council's services and consider any actions required to address the concerns raised.
- 1.15 To consider periodically reports regarding the Council's compliance with its regulatory requirements (e.g. health and safety, data protection and transparency).
- 1.16 To act in a scrutiny role in respect of Council decisions, as and when requested by full Council.
- 1.17 To appoint a Vexatious Correspondence and Complaints Policy Sub-Committee, agree its Terms of Reference, receive its minutes and consider any recommendations set out therein.

Other functions:

- 2.1 To consider the strategic direction of the Town Council and periodically review the Town Council's Corporate Plan and Governance Arrangements, making appropriate recommendations to the Council.
- 2.2 To review the Town Council's list of priorities twice yearly and monitor progress towards their achievement, making appropriate recommendations to the Council.
- 2.3 To review, at least annually, the adequacy of the Town Council's Risk Register, and recommend amendments to the Council.
- 2.4 To consider in detail recommendations made by the Council's external auditor and recommend any resulting action plan to full Council.
- 2.5 To consider draft versions of Council policy documents relevant to these Terms of Reference and make appropriate recommendations to the Council.
- 2.6 To consider the response to changes in legislation affecting the Town Council and recommend appropriate steps to the Council.
- 2.7 To consider the draft annual estimates each year (usually in December) and make a recommendation to the Council regarding their adoption, including the Council's parish precept for the forthcoming financial year.
- 2.8 To consider any proposed virement (transfer of expenditure from one budget heading to another) and make a recommendation to Council.
- 2.9 To consider any case for the Council entering into borrowing and make an appropriate recommendation to Council.

- 2.10 To consider the adoption or amendment of the Members' Allowance Scheme in light of the Independent Panel's Report, and make a recommendation to Council accordingly.
- 2.11 To consider any other matters relating to the Council's governance arrangements and financial management.

3.a. Capital Projects Sub-Committee Terms of Reference

Main Objective/Remit: To monitor the delivery of projects included in the Council's Capital Programme and the one-off list of revenue expenditure contained in the Annual Budget Report, providing support and guidance to officers as required.

Reports to: Finance & Governance Committee

Outside Representatives: None

Frequency of Meetings: As and when required.

Member Training requirements: None

Other Matters: The Committee will be comprised of three or four Members of the Finance & Governance Committee, usually including the Chairs of the Community Services and Environment & Green Spaces Committees.

Due to the routine discussion of contractual and procurement matters the meetings of the sub-committee will not be open to the public, although all meetings will be preceded by a period of public participation time.

Delegated Matters:

- 1.1 To support officers in prioritising the capital and revenue projects agreed by Council as part of the Estimates process each year.
- 1.2 To consider matters raised by officers in respect of the management of capital projects and provide advice and guidance accordingly.
- 1.3 To monitor progress in the delivery of projects, and receive reports from officers, contractors and external advisors, as appropriate.
- 1.4 To consider any additional matters referred by another Committee or Council.
- 1.5 To approve the minutes of its meetings for accuracy.

Other functions:

- 2.1 To advise the Finance & Governance Committee on project budgets for the forthcoming financial year, as part of the Estimates setting process.
- 2.2 To consider any requirement for additional funds in respect of a specific project and make a recommendation to either the Finance & Governance Committee (up to £5,000), or Full Council, accordingly.
- 2.3 To consider any other matters relating to the management and delivery of Council projects.

3.b. Vexatious Correspondence and Complaints Sub-Committee Terms of Reference - Draft

Main Objective/Remit: To determine whether correspondence or complaints referred to the sub-committee by officers or councillors should be determined as vexatious, in accordance with the Town Council's adopted Vexatious Correspondence and Complaints Policy.

Reports to: Finance & Governance Committee

Outside Representatives: None

Frequency of Meetings: As and when required.

Member Training requirements: None

Other Matters: The Committee will be comprised of the Mayor and/or Deputy Mayor and two members of the Finance & Governance Committee.

An officer who has not been dealing with the correspondence in question should act as minute taker.

Delegated Matters:

- 1.1 To determine whether correspondence or complaints referred to the sub-committee by officers or councillors should be treated as vexatious, in accordance with the Town Council's adopted Vexatious Correspondence and Complaints Policy.
- 1.2 Where correspondence or a complaint is determined to be vexatious, to prepare a statement and otherwise act in accordance with paragraph 2.2 of the Town Council's adopted Vexatious Correspondence and Complaints Policy.
- 1.3 When requested, to carry out a six-monthly review of a decision to determine correspondence as vexatious, in accordance with paragraph 4.1 of the Town Council's adopted Vexatious Correspondence and Complaints Policy.
- 1.4 To approve the minutes of its meetings for accuracy.

Other functions:

- 2.1 To periodically review the Vexatious Correspondence and Complaints Policy and make recommendations about proposed amendments to the Finance & Governance Committee.
- 2.2 To consider any additional matters referred by another Committee or Council.

Budget Monitoring Report - Income & Expenditure Account

Quarter ending 30th June 2025

Summary

At the end of the 1st quarter the Council's revenue account is showing a positive variance of £52.9k against budget.

Service	Q1			Annual	
	Net Expenditure	Budgeted Net Expenditure	Variance Year to Date	Budgeted Net Expenditure	Forecast Out-turn
Car Parks	(263,262)	(230,332)	(32,930)	(584,525)	(617,453)
Co-op	(6,378)	(5,375)	(1,003)	(23,750)	(24,753)
Boat Park	(51,171)	(50,933)	(238)	(39,835)	(40,073)
Public Conveniences	52,024	42,778	9,246	159,135	173,637
Burl Chine Chalets	6	0	6	(155)	(149)
Cemeteries	(4,768)	(5,871)	1,103	(21,210)	(19,841)
Parks and Operations	168,025	180,914	(12,889)	756,595	733,706
King George's Field Management Acc	(3,232)	(3,235)	3	0	3
CCTV	2,610	1,650	960	6,700	7,660
Beach Gardens	(6,345)	(2,503)	(3,842)	13,470	3,780
Downs/Misc Grounds/PAG	(3,863)	(1,914)	(1,949)	(5,870)	(7,820)
Beaches/Foreshore	30,692	34,837	(4,145)	96,805	89,867
Beach Chalets/Bungalows	(152,639)	(160,844)	8,205	(136,460)	(118,154)
Publicity/Tourism	66,246	69,215	(2,969)	291,010	288,041
Allotments	(4,953)	(4,550)	(403)	(7,350)	(7,753)
General Buildings (inc. Caravan park)	(12,305)	(16,188)	3,883	(73,055)	(69,172)
Central services to the public:	159,115	158,874	241	569,485	569,727
DRM	14,886	16,825	(1,939)	72,700	70,761
Corp Management	10,160	7,888	2,272	60,475	62,747
Net Cost of Services	(5,152)	31,236	(36,388)	1,134,165	1,094,761
Non-Service Expenditure					
Community Infrastructure Levy	(13,040)	0	(13,040)	0	(13,040)
Grants/Donations - to EMR	0	0	0	(3,835)	(3,835)
Precept on Dorset Council	(542,500)	(542,500)	0	(1,085,000)	(1,085,000)
Interest payable and similar charges	499	1,244	(745)	5,025	4,280
Interest and investment income	(69,915)	(60,000)	(9,915)	(240,000)	(280,000)
Net Operating expenditure	(630,109)	(570,020)	(60,089)	(189,645)	(282,834)
Other Movements on the General Fund					
Appropriation to Reserves	13,040	0	13,040	154,670	167,710
Appropriation from Reserves	(6,502)	0	(6,502)	0	(6,502)
Financing Capital Expenditure	11,617	11,000	617	33,000	33,617
(Surplus)/Deficit for the Period	(611,954)	(559,020)	(52,933)	(1,975)	(88,009)

Car Parks

Car parking realised a net surplus of £263k for the period against a budgeted surplus of £230k, a positive variance of £32k.

	Q1			Annual	
	Actual	Budget	Variance	Budget	Forecast Outturn - Q1
	£	£	£	£	£
Employee Costs	11,334	15,630	(4,296)	62,520	58,224
Expenditure	50,470	49,851	619	171,880	172,501
Income	(325,066)	(295,813)	(29,253)	(818,925)	(848,178)
Net Expenditure	(263,262)	(230,332)	(32,930)	(584,525)	(617,453)

As shown in the summary above, income has exceeded budget during the 1st quarter by £29k, which includes £4.6k of income from the recharge of electricity.

Charges for the summer period shoulder months were increased wef 1 April 2025, raising the charges to those of the main peak summer period. This followed tariff structure changes in the long stay car parks to accommodate larger vehicles and overnight EV charging in 2024/25. Budgets were increased by £39k overall yoy, with a £77k increase applied in 24/25 following tariff increases, an uplift of £116k over the last two financial years.

Table 1: Long Stay Car Parks Net Revenue and Usage (data from ASLAN/Flowbird Web Office/JustPark)

	Main Beach		North Beach		Broad Road		Total	
2023/24								
April	6,303	£24,190	480	£1,574	7,173	£25,268	13,956	£51,032
May	8,427	£34,469	857	£3,116	7,876	£28,490	17,160	£66,075
June	9,149	£39,703	938	£3,534	8,650	£30,748	18,737	£73,984
Q1 Total	23,879	£98,362	2,275	£8,224	23,699	£84,505	49,853	£191,091
2024/23								
April	5,496	£22,005	227	£757	6,024	£22,305	11,747	£45,067
May	7,886	£41,430	752	£2,824	8,375	£34,543	17,013	£78,797
June	9,674	£43,441	881	£3,420	8,698	£35,520	19,253	£82,381
Q1 Total	23,056	£106,877	1,860	£7,001	23,097	£92,367	48,013	£206,245
2025/26								
April	7,737	£36,341	399	£1,486	7,419	£32,180	15,555	£70,007
May	9,398	£46,548	751	£2,816	8,396	£37,810	18,545	£87,173
June	9,172	£45,559	919	£3,483	7,798	£35,037	17,889	£84,078
Q1 Total	26,307	£128,448	2,069	£7,785	23,613	£105,026	51,989	£241,259

As can be seen in table 1 above, overall visitor numbers in the 1st quarter were higher, 7%, than in 2024/25. The significant increase in visitors in April (a 32% increase) is almost certainly due to the Easter holiday dates. However, revenue for the quarter is 17%/£35k higher, due to the increase in

charges over the shoulder months that was introduced in 25/26. June did, however, see a small dip in visitor numbers yoy. Variances relate to Main Beach and Mermond car parks, £24k and £3.3k above budget respectively. Other car parks are generally as per budget at the end of the quarter.

Expenditure is largely as per budget in the 1st quarter, with the only notable but not significant variance being electricity (EVCPs). Projecting forward to year-end, a surplus of £617k is anticipated against a budgeted surplus of £584k.

Boat Park & Fishers' Huts

	Q1			Annual	
	Actual	Budget	Variance	Budget	Forecast Outturn Q1
	£	£	£	£	£
Employee Costs	7,322	7,200	122	17,900	18,022
Expenditure	5,806	4,912	894	19,855	20,748
Income	(64,299)	(63,045)	(1,254)	(77,590)	(78,844)
Net Expenditure	(51,171)	(50,933)	(238)	(39,835)	(40,073)

Income and expenditure for the boat park have largely been as per budget for the 1st quarter.

The year-end forecast shows an outturn of a surplus of £40k against a budgeted surplus of £39.8k.

Public Conveniences

	Q1			Annual	
	Actual	Budget	Variance	Budget	Forecast Outturn - Q1
	£	£	£	£	£
Expenditure	53,681	45,703	7,979	171,810	185,044
Income	(1,658)	(2,925)	1,267	(12,675)	(11,408)
Net Expenditure	52,024	42,778	9,246	159,135	173,637

Expenditure is £7.9k over budget year to date and this mainly relates to demand driven utility costs.

Although water usage in the main Shore Road public convenience has increased from 24/25, probably due to an increase in visitors, charges have also increased across the council, with a c. 20% uplift in cost/m3. This is forecast to result in a significant variance by year end.

Cemeteries

	Q1			Annual	
	Actual	Budget	Variance	Budget	Forecast Outturn - Q1
	£	£	£	£	£
Expenditure	1,287	2,819	(1,532)	12,230	10,964
Income	(6,055)	(8,690)	2,635	(33,440)	(30,805)
Net Expenditure	(4,768)	(5,871)	1,103	(21,210)	(19,841)

Variances have been seen in income and expenditure but with no significant variances to report.

Parks & Operations

	Q1			Annual	
	Actual	Budget	Variance	Budget	Forecast Outturn - Q1
	£	£	£	£	£
Employee Costs	139,986	153,290	(13,304)	630,845	607,541
Expenditure	69,073	62,180	6,893	238,550	245,443
Income	(41,034)	(34,556)	(6,478)	(112,800)	(119,278)
Net Expenditure	168,025	180,914	(12,889)	756,595	733,706

At the end of the 1st quarter the Parks & Operations department Net expenditure is £12.8k under budget.

Income is £6.4k over budget, of which £3.5k relates to utility recharges and £1k for rents relating to concessions on the hardstanding.

Overall expenditure is £6.8k over budget year to date. This is due to the addition of £6.5k for bandstand coping stone replacement, which will be financed from the Bandstand EMR, Appendix A, ref: AD1 refers. Expenditure on ground monitoring, Appendix A ref: EC1, is anticipated to be below budget with 9 months rather than 12 months being undertaken. This variance will meet some of the added expenditure relating to a planning performance agreement, Appendix A ref: AD2.

Employee costs are £13.3k under budget and relates to a vacant post.

Beach Gardens

	Q1			Annual	
	Actual	Budget	Variance	Budget	Forecast Outturn - Q1
	£	£	£	£	£
Employee Costs	12,244	11,195	1,049	32,330	33,379
Expenditure	13,029	18,282	(5,253)	50,940	45,687
Income	(31,618)	(31,980)	362	(69,800)	(75,286)
Net Expenditure	(6,345)	(2,503)	(3,842)	13,470	3,780

This department has realised a positive variance of £3.8k at the end of the 1st quarter. In total, income is generally as per budget, with the only notable variances being putting income, £2.1k above budget, and billing for the pavilion licence for the Bowls and Tennis Clubs outstanding, a £4.4k budget.

A budget of £3k was initially agreed for the installation of racking in the Kiosk. These works were carried out in-house, with a cost of £1k, resulting in an underspend of £2k, Appendix A, ref CS4 ii) refers. A further £5k variance has also been realised for water. This is due to a refund received dating back to February 2022.

A deficit of £3.8k is now forecast against a budgeted deficit of £13.4k.

The Downs

	Q1			Annual	
	Actual	Budget	Variance	Budget	Forecast Outturn - Q1
	£	£	£	£	£
Expenditure	132	2,214	(2,082)	6,570	4,488
Income	(3,995)	(4,128)	133	(12,440)	(12,307)
Net Expenditure	(3,863)	(1,914)	(1,949)	(5,870)	(7,820)

There has been little activity in this area year to date, with small variances over several budget headings being seen.

Beaches & Foreshore

	Q1			Annual	
	Actual	Budget	Variance	Budget	Forecast Outturn - Q1
	£	£	£	£	£
Employee Costs	14,070	16,960	(2,890)	53,695	50,805
Expenditure	43,589	48,230	(4,641)	76,525	69,092
Income	(26,967)	(30,353)	3,386	(33,415)	(30,030)
Net Expenditure	30,692	34,837	(4,145)	96,805	89,867

At the end of the 1st quarter a positive variance of £4.1k has been seen in this department.

Income year to date is £3.3k under budget.

Expenditure is under budget with a £4.6k variance. Business rates are under budget, with the settlement of a challenge post budget setting. A £2k variance has also been seen on the repairs & maintenance budget.

Employee costs are under budget due to the late recruitment to post of seasonal staff.

Overall, a revised year-end outturn of a net deficit of £89k against a budget of £96k is being projected at the end of the quarter.

Beach Huts

	Q1			Annual	
	Actual	Budget	Variance	Budget	Forecast Outturn - Q1
	£	£	£	£	£
Expenditure	22,315	17,956	4,359	59,890	74,349
Income	(174,954)	(178,800)	3,846	(196,350)	(192,504)
Net Expenditure	(152,639)	(160,844)	8,205	(136,460)	(118,154)

Beach hut income is £3.8k under budget at the end of the quarter. This relates to the Spa Retreats Beach Huts with other huts being on budget.

Expenditure is generally as per budget with only minor variances, with the exception of rates, which is £4k over budget. This is due to the transitional relief applied being lower than estimated. Overall year-end projections have been revised to a surplus of £118k against a budgeted surplus of £136k.

Publicity & Tourism

	Q1			Annual	
	Actual	Budget	Variance	Budget	Forecast Outturn - Q1
	£	£	£	£	£
Employee Costs	55,416	59,060	(3,644)	235,450	231,806
Expenditure	26,197	24,795	1,402	88,145	89,547
Income	(15,367)	(14,640)	(728)	(32,585)	(33,313)
Net Expenditure	66,246	69,215	(2,969)	291,010	288,041

At the end of the 1st quarter a positive variance of £2.9k has been realised. Income and expenditure are generally as per budget with only minor variances.

Employee costs are under budget, with less hours worked than allocated in the budget.

Allotments

	Q1			Annual	
	Actual	Budget	Variance	Budget	Forecast Outturn - Q1
	£	£	£	£	£
Expenditure	28	150	(122)	2,350	2,228
Income	(4,981)	(4,700)	(281)	(9,700)	(9,981)
Net Expenditure	(4,953)	(4,550)	(403)	(7,350)	(7,753)

To date allotments have performed largely as per budget, with very little activity to report.

General Buildings/Misc Areas (incl roads)

	Q1			Annual	
	Actual	Budget	Variance	Budget	Forecast Outturn - Q1
	£	£	£	£	£
Expenditure	5,384	1,250	4,134	5,000	9,134
Income	(17,689)	(17,438)	(251)	(78,055)	(78,306)
Net Expenditure	(12,305)	(16,188)	3,883	(73,055)	(69,172)

Year to date a £3.8k variance has been realised. The variance in expenditure is due to costs incurred for services relating to unscheduled repairs and maintenance.

Central Services

	Q1			Annual	
	Actual	Budget	Variance	Budget	Forecast Outturn - Q1
	£	£	£	£	£
Employee Costs	93,507	104,653	(11,146)	418,610	407,465
Expenditure	68,980	57,571	11,409	168,425	179,835
Income	(3,372)	(3,350)	(22)	(17,550)	(17,572)
Net Expenditure	159,115	158,874	241	569,485	569,727

At the end of Q1 net expenditure is on budget, although variances underlie this outcome.

Although professional fees are over budget ytd (Appendix A ref: AD3 refers), this has largely been offset by lower employee costs.

Corporate Management & Democratic Services

	Q1			Annual	
	Actual	Budget	Variance	Budget	Forecast Outturn - Q1
	£	£	£	£	£
Expenditure	25,046	24,713	333	133,175	133,508
Income	0	0	0	0	0
Net Expenditure	25,046	24,713	333	133,175	133,508

Expenditure is largely on budget at the end of Q1. Additional costs will be incurred due to two by-elections, which may lead to a variance.

King George's Management Account

	Q1			Annual	
	Actual	Budget	Variance	Budget	Projected Outturn Q1
	£	£	£	£	£
Employee Costs	145	0	145	0	145
Expenditure	2,718	1,765	953	16,100	17,053
Income	(6,095)	(5,000)	(1,095)	(16,100)	(17,195)
Net Expenditure	(3,232)	(3,235)	3	0	3

Income from overflow car parking is £1k above budget year to date. Employee costs have been recharged from Parks & Operations.

Any surplus at year end will be appropriated to the earmarked reserve.

Employee Costs

	Q1			Annual	
	Actual	Budget	Variance	Budget	Forecast Outturn - Q1
	£	£	£	£	£
Car Parks	9,431	14,012	(4,582)	56,050	51,468
Market-CSA	1,904	1,618	286	6,470	6,756
Boat Park Attendant/CSA	7,322	7,200	122	17,900	18,022
Parks & Operations (inc KG)	140,131	153,290	(13,159)	630,845	607,541
Beach Gardens	12,244	11,195	1,049	32,330	33,379
Beaches - Cleaner	13,851	13,770	81	38,375	38,456
Beaches – Seafront Advisor	219	3,190	(2,971)	15,320	12,349
Tourism	55,416	59,060	(3,644)	235,450	231,806
Central Services	93,507	104,653	(11,145)	418,610	407,465
Total	334,026	367,988	(33,961)	1,451,350	1,407,244

At the end of the 1st quarter a positive variance of £34k was realised. In respect of the 2025/26 local government pay award, provision has been made based upon the employers' full and final offer of 3.2%. This offer was rejected by the Unions, so it is unlikely that this will be resolved until Q3 at the earliest.

The variance in the Parks & Operations department is due to an ongoing vacancy. It is unlikely that this post will be recruited to during Q2, and will be reviewed by the Personnel Committee in October. A requested reduction in hours for permanent employees at the TIC and Central Services has also led to a variances in these departments during Q1.

Difficulties in recruiting to some posts were encountered and account for the variance in car parks and seasonal posts. Recruitment to the Project Development Officer post was delayed and has resulted in a variance in Central Services. All these posts are now filled.

Interest & Investment Income

	Q1			Annual	
	Actual	Budget	Variance	Budget	Forecast Outturn - Q1
	£	£	£	£	£
Net Expenditure	(69,915)	(60,000)	(9,915)	(240,000)	(280,000)

The Council's investment portfolio at 30 June 2025:

Investment Portfolio	31.03.25 Balance £	Net Movement £	30.06.25 Balance £	30.06.25 Income Return %
Banks and building societies (unsecured)	73,888	4,963	78,851	
Money Market Funds	750,000	500,000	1,250,000	
UK Govt/DMADF	1,650,000	(100,000)	1,550,000	
Total Internal Investments	2,473,888	404,963	2,878,851	4.10%
Investments in Pooled Funds (Fair value):				
Property	2,372,612	3,690	2,376,302	
Multi-Asset	425,097	7,710	432,807	
Bonds	863,791	10,913	874,704	
Total External Funds	3,661,500	22,313	3,683,813	4.82%
TOTAL INVESTMENTS	6,135,388	427,276	6,562,664	4.51%

Short-Term Investments

In total the Council's short-term investment portfolio increased by £405k during the course of Q1, with the first tranche of the precept being received in April. £0.5m of these funds were placed in the CCLA Public Sector Deposit Fund MMF, bringing the total held in this fund to £0.75m and £1.25m overall for money market funds. The TMISS 2025/26 has a limit of £0.5m per counterparty and a sector limit of £1m for MMF, and therefore the limit for the sector and individual counterparty has been exceeded by £0.25m. Redemption of the excess funds in this counterparty will be called upon in the first instance when required.

An average yield of 4.10% was seen in short-term investments at the end of the period, 1% lower than that in Q1 24/25.

Strategic Investments

The Council has continued to hold the units held in CCLA Property Fund, Ninety-One Diversified Income Fund and M&G Strategic Corporate Bond Fund. Income has remained high, averaging 4.82% for these funds. Although two of the council's strategic investments continue to show an unrealised loss, this has reduced by £18.6k during the quarter. This unrealised loss of £192k is covered by the Treasury Risk Management Reserve which holds £214k. A breakdown of the investments is shown in Appendix B.

Given a planned start date to the Green Seafront Scheme of September 2026, it was anticipated that further redemptions of units held in the CCLA would be transacted during the next few months. However, this timescale is now being reviewed. If a later start date is agreed, then it is unlikely that any significant expenditure relating to the Green Seafront Scheme will be incurred within the next year. The redemption of units will continue to be reviewed by the Finance Committee.

Revenue Account - General Overview

At the end of the 1st quarter of the council's financial year, net expenditure is £52.9k under budget.

The main contributors to this variance are summarised as being; £30k received from car parking income, £33.9k underspend on employee costs and £8k utilities in the public conveniences.

A schedule of significant expenditure is provided in Appendix A. £133k was approved for this financial year. A further £25.8k of expenditure has been identified as being required during the 1st quarter of the financial year and has been approved providing a supplementary budget.

Presently, a surplus on the general fund of £88k is forecast at year-end, against a budgeted surplus of £1.9k, a variance of £86k. Any surplus above budget may be transferred to earmarked reserves at year-end, to finance future projects.

Reserves and Balances held 30th June 2025

A summary of the reserves and balances held at 30th June 2025 is given below:

	Balance 31/03/2025 £	Movement in Year £	Balance 30/06/2025 £
General Fund	845,675	611,954	1,457,629
Earmarked Reserves	3,067,744	6,538	3,074,282
Capital Receipts Reserve	1,903,556	0	1,903,556
Total	5,816,975	618,492	6,435,467

Detailed movements on the General Fund are shown on page 1 of the Q1 Budget Report.

Earmarked Reserves

The Council holds the following earmarked reserves:

	Balance 31/03/2025 £	Transfer to/(from) reserve £	Balance 30/06/2025 £
Beach Huts Reserve	95,000	0	95,000
Environmental Projects Reserve	67,000	0	67,000
Community Infrastructure Levy	352,252	13,040	365,292
De Moulham Back Roads	26,951	0	26,951
Treasury Risk Management Reserve	214,132	0	214,132
Car Park Machines	4,811	0	4,811
Play Equipment-General Areas	41,406	0	41,406
Vehicle & Plant Replacement	40,000	0	40,000
Tennis Courts Refurbishment	29,418	0	29,418
King Georges Play Area & Skate Park	72,097	0	72,097
Public Conveniences	145,000	0	145,000
IT Equipment Reserves	22,664	0	22,664
Green Seafront Scheme	1,456,011	0	1,456,011
Community Sea Defence Project	450,000	0	450,000
King George's Field Management Account	14,612	0	14,612
Bandstand	16,390	(6,502)	9,888
Asset Management Plan Reserve	10,000	0	10,000
Boat Park/Fishers Huts Reserve	10,000		10,000
Total	3,067,744	6,538	3,074,282

Appendix A

Significant One Off Revenue Expenditure/Minor Works - 2025/26

PID Ref	Item/location	Description of Works	Budget £	Actual Expenditure to date	Works programmed	Update
CS1	CCTV	Signage in all relevant locations	2,000	-	Q3	
CS2	Public conveniences	Burlington Chine - internal refurbishment	8,000	8,680	Q1	Completed
CS3	Beach Gardens	Heaters, vents and racking	7,000	1,072	Q1/Q3	Underspend on kiosk
CS4	King Georges-Skatepark	Lights and new signage	4,000	-	Q3	
CS5	Town Hall	Chamber/Lobby flooring, WC repairs	9,000	-	Q3	
CS6	Public conveniences	Heritage - Repairs	5,000	-	Q4	
CS7	Town Hall stone façade	Programmatic survey	8,500	-	Q3	Further quotes needed
CS8	Depot	New chairs for meeting room at Depot	1,500	-	Q2	
CS9	Beach Gardens	Panini machine and freezer	4,000	4,035	Q1	Completed
TLE 1	Boat Park	Payment terminal	5,000	-	Q4	
TLE 2	Tourism	Pedestrian Signage	2,000	-	Q4	
TLE 3	Beach Huts	Booking system upgrade	3,000	-	Q4	
TLE 4	Tourism	Town Maps	2,500	-	Q4	
TLE 5	Forres bridge	Repairs	5,000	-	Q4	Project to be reviewed
TLE 6	Santa Fe railings upgrade	Maintenance	5,000	-	Q4	
TLE 7	TIC	Garden improvements	6,000	7,716	Q1	Completed
TLE 8	TIC	Event management software	6,000	-	Q4	
EC1	Spa	Ground monitoring	17,000	2,942	M1-9	Reduced to 9 monthly reports, not 12.
EC2	Spa	Risk Assessment	5,000	-	Q1 & Q3	One completed, next in October
EC3	Recreation Ground	Resurfacing and kerbing	6,000	-	Q3	Quote received and works scheduled
EC4	Environmental Projects	Project support-Action Plans	15,000	-	V	Work ongoing
EC5	Environmental Projects	Support Sustainable Swanage	5,000	-	V	Work ongoing
EC6	Environmental Projects	Water quality noticeboard	1,500	-	Q3	

133,000 24,444

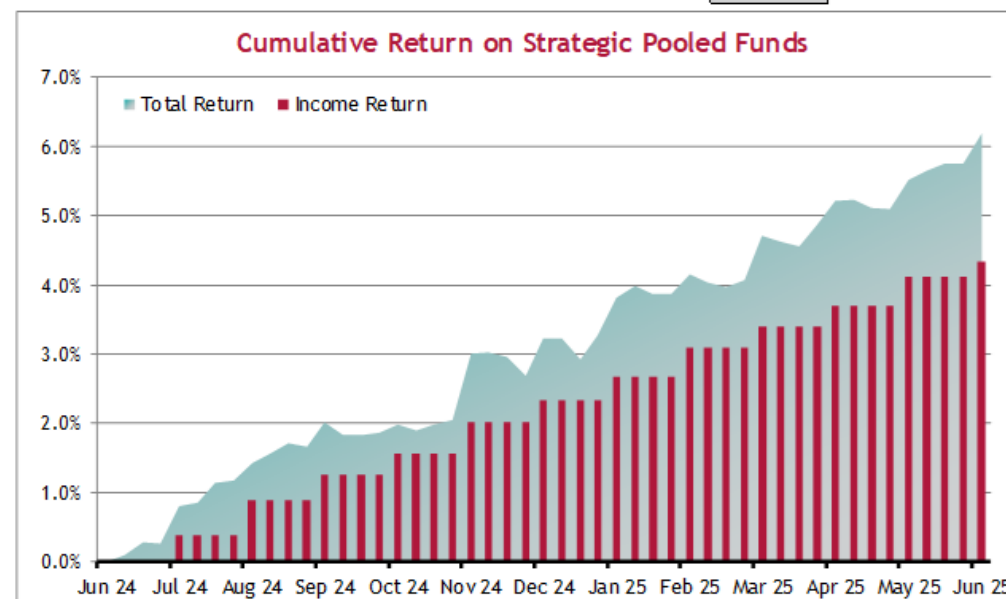
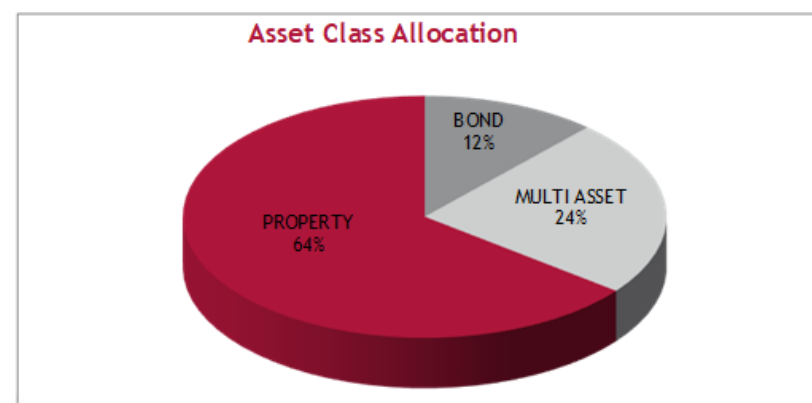
Additions -25/26

AD1	Bandstand	Repair/replace coping stones	6,502	6,502	Q1	Approved Minute 176 (b) Meeting 27 January 2025 -Completed
AD2	Spa	Planning Performance Agreement	5,940	2,675	Q1 & Q2	Approved Minute 215 (b) Meeting 24 March 2025
AD3	Central Services	Planning Consultancy/Appraisals	13,400	5,942	Q1 & Q3	Approved Minute 194 (a) Meeting 24 February 2025

25,842 15,119

Strategic Pooled Fund Portfolio – 30/06/2025

STRATEGIC POOLED FUND PORTFOLIO				SWANAGE			From:	30/06/2024	To:	30/06/2025
FUND NAME	ASSET CLASS	No of Units Held in Period	Current Value £	Capital Growth £	Dividends Earned £	Holding Period (yrs)	Capital Return	Income Return	Total Return	Volatility
CCLA - LAMIT PROPERTY FUND	PROPERTY	1,053,526	2,376,302	60,757	120,112	0.9	2.13%	4.20%	6.33%	2.0%
M&G STRATEGIC CORPORATE BOND FUND	BOND	494,241	432,807	-1,532	21,192	1.0	-0.35%	4.88%	4.53%	5.4%
NINETY ONE (INVESTEC) DIVERSIFIED INCOME FUND	MULTI ASSET	955,126	874,704	17,436	38,668	1.0	2.03%	4.51%	6.54%	2.2%
GRAND TOTAL			3,683,813	76,660	179,973	0.9	1.85%	4.34%	6.18%	1.7%
Unrealised capital gain since purchase:				153,409	Annualised income return:			4.82%		
					Average Bank Rate:			4.86%		



Capital Programme – Monitoring Report 2025/26

Project Ref:	Project	2025/26 Estimate	Forecast Outturn for the year	Actual Expenditure Year to Date	Status
		£	£	£	
Approved Projects-2025/26 Estimates					
1	Play Areas/Skate Park King Georges Skate Park	35,000	75,000	0	Ongoing
2	Downs Peveril Point Stabilisation Scheme	200,000	200,000	0	Ongoing
3	Green Seafront Scheme Stabilisation & Regeneration	500,000	100,000	0	Ongoing
4	Capital Grants Day's Park Community Sports facility	100,500	0	0	Ongoing
5	Car Parks Main Beach- Phase 3 & EVCP Installation (for information only)	0	0	0	Ongoing
b	Pay & Display Machine Replacement	5,000	5,617	5,617	Complete
6	Beach Gardens Installation of Astroturf on Courts 4 & 5	15,000	15,000	0	Ongoing
7	IT-All departments Desktop	22,000	22,000	0	Ongoing
8	Public Conveniences Installation of Composter PC at Godlingston Cemetery	13,000	13,000	0	Ongoing
9	Capital grants Greengage Community Garden	15,000	15,000	6,000	Ongoing
	Total Capital Expenditure	905,500	445,617	11,617	

Project Updates:

1: Play Areas/Skate Park: King Georges Equipment Replacement

Following a tender process, a contract was awarded to King Ramps Ltd at the Special Meeting held 28 May 2025, for the design and supply of new skatepark equipment to the value of £75,000. The council has committed £35,000 to the project, with the balance of £40,000 being contributed by the Swanage Skatepark and Community project (SSCP). It is anticipated that the installation will take place in the Autumn 2025. The full costs are shown in the forecast expenditure due to the council undertaking the procurement exercise.

Ongoing. Financing- Earmarked reserves (EMR)/Third Party Funding

2: Downs-Peveril Point Stabilisation Scheme

This project was initially programmed in 2023/24, with a £50k budget for that year. This was deferred to 2024/25 with an uplift in budget to £200k and subsequently 25/26. Dorset Council reviewed the scheme in 2024/25, and due to estimated costs, it was agreed that a 'Do Minimum Option' should be explored by Dorset Council Highways (F&G 26 February 2025, Minute 8). This review is ongoing.

Ongoing. Financing -UCRR/CIL

3. Spa & Seafront- Green Seafront Scheme

An initial public engagement on two schemes, an essential and an enhanced scheme, took place in 2023. Following much consideration by Council, a further public engagement took place in May/June 2025 where a 3rd option was put forward for consideration. This was, in essence, a revised enhanced option which was put forward due to the unaffordability of the initial enhanced scheme. The results of this consultation are due to be provided by Dorset Coast Forum (DCF). A business plan and financial strategy continue to be developed in the meantime.

The budget profiling for this project had assumed a start date of September 2026. It is now likely that this will be deferred to 2027. Until such a time that the scheme has moved from the appraisal stage and a scheme has been confirmed, costs will continue to be charged to revenue.

Ongoing. Financing -EMR/UCRR

4: Capital Grants – Swanage & Herston Football Club or CIO

The scope of the Community Sports Facility/Football Club project has widened with the installation of a 3G pitch now being planned as phase 1 of the community sports facility development at Day's Park. This is due to the possibility of significant funding from the Football Foundation, and all avenues to facilitate the pitch installation are being explored. At its meeting on 28 April 2025, Minute 230, Council approved the allocation of £100,000 of the Community Sports Facility budget towards the installation of the 3G pitch, subject to a robust business plan and lease agreement.

It is unlikely that the council's allocated funds will be called upon in the current financial year, with a lead time beyond March 2026 for the Football Foundation's process. It may also be a requirement that the lead body on this project is the Council rather than the CIO or Football Club. The position will be firmed up in the autumn.

Ongoing – Financing – UCRR/Third Party Funding

5a: Car Parks – Electric Vehicle Charging Point Installation

Lengthy consideration has been given to this project over a number of financial years, and at the Extraordinary Meeting of the council held on 29 June 2024 Minute 228 (a) it was resolved to enter into a contract with Joju charging for the installation of six EVCP chargers in the Main & North Beach car parks, subject to funding from a 'Charging Ahead' grant from Dorset Council. It was further resolved to approve the installation of three rapid chargers in Mermond car park, subject to the satisfactory review of the legal agreement with Joju charging.

Due to ongoing consideration of the legal agreements and the siting and number of chargers in Main Beach and Mermond car parks, the project is still to be signed off. However, it is anticipated that Council will consider final sign-off of the project in September 2025.

Ongoing: – Financing - Third Party Contributions

5 b: Car Parks – Pay & Display Machines

An order was placed with Flowbird for one payment terminal for the Main Beach car park. The machine was installed in May 2025.

Completed. Financing – General Fund

6: Beach Gardens – Installation of Astroturf on Courts 4 & 5

A tender for the installation of astroturf on courts 4 & 5 has been undertaken and the contract is likely to be awarded at the Council meeting, 21 July 2025. Only the council's contribution is included in this report, as project costs and the contribution required from the Tennis Club are not yet known.

Ongoing. Financing -EMR/Third Party Funding

7: IT – All Departments

Discussions are ongoing with the Council's IT contractor with a view to upgrading older desktop PCs and a remote server.

Ongoing: Financing – EMR

8: Public Conveniences – Installation of Composter Toilets at Godlingston Cemetery

Quotes are currently being sought.

Ongoing: Financing – General fund

9: Capital Grants-Greengage Community Gardens

Council approved a grant of £15,000, Minute 231, Council Meeting 28 April 2025. It was agreed that the grant would be paid in two instalments: £6k in May 2025 and £9k in August 2025.

Ongoing: Financing – General Fund

Alison Spencer - Finance Manager

Martin Ayres-Town Clerk

Gail Percival-Assets and Compliance Manager

July 2025

**Briefing Note for Agenda
Item 5) – Corporate Plan
to follow**