

Minutes of the **FINANCE AND GOVERNANCE COMMITTEE**
held at the Town Hall, Swanage on **WEDNESDAY**
1st NOVEMBER 2023 at 9.30 a.m.

PRESENT:- Councillor T Foster (Town Mayor) – Chair

Councillor M Bonfield
Councillor A Harris
Councillor C Moreton
Councillor WS Trite
Councillor M Whitwam

Also in attendance: -

Dr M Ayres	Town Clerk
Ms G Percival	Assets & Compliance Manager
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 Bishop and Tomes.

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. **FINANCIAL REPORTS**

(a) **Income and Expenditure Account Q2 2023/24**

Consideration was given to a report setting out the Council's financial position at the end of the first half of the financial year and forecast year-end position.

It was noted that at the end of Q2 the Council had a surplus on the general fund of £362k, being £25k above budget. The reasons for any significant variance were outlined. It was noted that the Council generally received the majority of its budgeted revenue during the first half of the financial year, with expenditure predominating in the second half of the year.

The smaller projects being undertaken by the Council were detailed in Appendix A to the report. Members noted the position with regards to the general fund and reserves.

In reviewing the Council's reserves, Members noted funds of £4.4k held in the Football Club Facilities Reserve. A discussion ensued regarding a request from Swanage & Herston Football Club to fund essential remedial works that had been identified in a recent survey of the Club's buildings at Day's Park. It was proposed by Councillor Bonfield, seconded by Councillor Moreton and

RESOLVED UNANIMOUSLY:

To fund the Council's contribution towards remedial works required at the Football Club from the Football Club Facilities Reserve reserve, and to request copies of the papers including accounts circulated at the AGM.

(b) **Treasury Management Outturn Report H1 2023/24**

Members considered a Treasury Outturn Report for the first half of the financial year and noted the content. It was reported that the council held treasury investments of £6.7m at 30th September 2023 and had received an overall yield of 4.23% on those investments. However, the report illustrated that the market value of the strategic investments was £4.2m, a decrease of £78k during the financial year.

Investment income of £133k was noted as being £35k above budget, resulting from higher than estimated balances being held by the Council combined with higher interest rates available on short-term investments than those budgeted. In light of a decline in capital values of the Council's strategic investments, and following advice from Arlingclose, the Council's treasury advisors, it was agreed that consideration should be given to the establishment of a Treasury Risk Management Reserve which would hold funds received from investments above the level budgeted. It was anticipated that this would be £80k at year-end. It was Proposed by the Town Mayor, seconded by Councillor Moreton and **RESOLVED UNANIMOUSLY:**

To establish a Treasury Risk Management Reserve to hold income received above the level budgeted in order to mitigate against any potential losses that may be incurred when redeeming strategic investments.

(c) **Capital Programme Monitoring Report**

A Capital Programme Monitoring Report for the first half of 2023/24 was submitted for information and the contents noted.

4. **MATTERS ARISING FROM NOTES OF INFORMAL MEETING OF THE CAPITAL PROJECTS SUB-COMMITTEE HELD 4TH OCTOBER 2023.**

Station Approach

It was noted that a representative of Dorset Council had been present to provide an overview of a revised scheme, incorporating a range of infrastructure improvements at Station Approach. This proposal had subsequently been presented to the Council Meeting on Monday 30th October and approved, subject to minor amendments to be agreed by the Community Services Committee.

Town Hall & Annexe external redecoration

It was reported that it was now anticipated that the costs for this project would be received by Council in December.

Peveril Point Road

It was noted that this item was due to be discussed at Agenda Item 5.

5. **PEVERIL POINT ROAD – CONSIDERATION OF FUNDING OPTIONS**

Members considered a briefing note outlining the revised costs and funding options for these works. It was proposed by Councillor Bonfield, seconded by Councillor Moreton and **RESOLVED UNANIMOUSLY:**

TO RECOMMEND:

That Council approves a budget of £200,000 for the Peveril Point Road highway and infrastructure improvement works, with £105,000 to be funded from the CIL reserve, in order to proceed to tender via Contracts Finder.

Further to the above, it was also agreed to allocate a revenue budget in 2024/25 to allow for the adequate monitoring of walls on Peveril Point Road.

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

The following matters were listed as matters for forthcoming agendas.

a) Civility and Respect Pledge

b) Vexatious Correspondence Policy

In order to take this matter forward it was proposed by Councillor Trite, seconded by Councillor Whitwam and RESOLVED UNANIMOUSLY:

To form a Working Party to develop a Vexatious Correspondence Policy, with Members to consist of Councillors Moreton (lead member), Bonfield, and Harris.

c) Medium Term Financial Plan 2024/25 to 2026/27

d) Update on Action Points from Internal Audit Report 2022/23

EXCLUSION OF PRESS AND PUBLIC

Proposed by the Councillor Harris, seconded by Councillor Trite and AGREED:-

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 item 7 (on grounds of commercial confidentiality).

7. **TO CONSIDER THE ESG AND RESPONSIBLE INVESTMENT IN LOCAL AUTHORITY TREASURY MANAGEMENT REPORT**

Members considered an ESG and Responsible Investment in Local Authority Treasury Management Report that had been prepared by the Council's treasury advisors, Arlingclose, which was a lengthy document containing considerable detail. The contents of the report were noted.

It was reported that the Council's current TMSS included some provision for ESG criteria when considering new counterparties and that all new investments placed in 2023/24 had complied with this criteria.

Consideration was given by Members as to the next steps that needed to be taken in order to develop an ESG Policy, with a view to approving the 2024/25 Treasury Management & Investment Strategy. It was proposed by Councillor Bonfield, seconded by Councillor Moreton and AGREED UNANIMOUSLY:

That a workshop be held in January 2024 to consider and develop an ESG Policy.

8. **DATE OF NEXT MEETING**

The date of the next scheduled meeting was noted as 13th December 2023.

The meeting concluded at 10.45 a.m.
