



# DORCHESTER TOWN COUNCIL

Council Offices, 19 North Square, Dorchester, Dorset. DT1 1JF

Telephone: (01305) 266861

Adrian Stuart, Town Clerk

12<sup>th</sup> March 2014

Dear Sir or Madam,

A MEETING of the **POLICY COMMITTEE** will be held in the **COUNCIL CHAMBER, MUNICIPAL BUILDINGS, DORCHESTER** on **TUESDAY 18<sup>th</sup> MARCH 2014**, commencing at 7.00pm.

I hope that it will be convenient for you to attend.

Yours faithfully,

Town Clerk

## **Public Rights to Speak**

If any member of the public wishes to speak at this meeting they may be allowed to do so at the discretion of the Chair. It would be helpful if anyone who wishes to address the Committee made their desire known to the Chair before the meeting starts: anyone allowed to speak will be expected to confine their comments to the matter in hand and to be as brief as is reasonably possible.

## **Declaration of Interests**

Members are reminded that the Code of Conduct requires Members to declare any interest which they have in any matter under discussion. If the interest is regarded as a Personal Interest the Member may remain and take part in the consideration of the item but if the interest is a Prejudicial Interest the Member must withdraw from the Chamber during the consideration of it.

## **AGENDA**

1. **APOLOGIES FOR ABSENCE**
2. **MINUTES**  
To sign the minutes of the meeting of the Committee held on 21 January 2014 (included with the Agenda of, and adopted by, Council on 28 January 2014)
3. **MANAGEMENT REPORTS**  
To consider the report of the Town Clerk, written with the assistance of the Financial Services Provider, regarding the management accounts for the period 1st April to 28<sup>th</sup> February 2014 (attached).

4. **DRAFT CORPORATE PLAN**

To consider the first draft of the Corporate Plan (separate document) and make a recommendation to Council.

5. **MINUTES OF PANELS**

To receive the minutes of the Resources Panel of 14 February 2014 (attached).

6. **ADOPTION OF THE TOWN WALKS**

To receive the report of the Town Clerk (attached).

7. **INTERNAL AUDIT REPORT**

To note progress on issues arising in the Internal Auditor's report (attached).

8. **ELECTORAL REVIEW OF WEST DORSET DISTRICT COUNCIL**

To note that the Local Government Boundary Commission is recommending a Council size of 42, of which 9 will represent Dorchester (3 x 2 member wards and 1 x 3 member ward (North)). Representations on the recommendations need to be made by 28 April 2014.

9. **PUBLIC BODIES (ADMISSION TO MEETINGS) ACT 1960**

To resolve "That in view of the fact that publicity would be prejudicial to the public interest by reason of the confidential nature of the following matters the public and representatives of the press be excluded from this meeting during their discussion".

10. **STAFFING ISSUE**

To receive a report of the Town Clerk (separate document)

## **DORCHESTER TOWN COUNCIL**

### **BUDGET MONITORING REPORT AT 28 FEBRUARY 2014**

#### **1. SUMMARY OF CURRENT POSITION 2013/14.**

- Currently predicting underspend of c. £45,000, but subject to end of year adjustments
- Year-end position likely to be closer to neutral
- Allows for c. £30,000 of items not accrued for in 2012/13 accounts for walks cleaning (£17k), Utilities (£10k) and Debt (£3k), all previously reported
- Assumes transfer of £66,000 from General Reserve for refurbishment of Municipal Buildings, with a further £4,000 likely in 2014/15

#### **2. CURRENT SPECIFIC ISSUES.**

- Incomes Predictions
  - Municipal Buildings £9k under budget of £75k
  - Other Rooms for Hire £5k over budget of £6k
  - Cemeteries £7k over budget of £29k
- Larger Expenditure Variations
  - Salaries £30k underspend due to vacancies (£12k), One-off pension budgets (£10k), and non-take up of pensions (£5k)
  - Cemeteries Grass cutting saving (£16k)

#### **3. CASH POSITION**

• Lloyds Bank (2 accounts)	£759,610
• National Savings	£76,726
• Other	£1,593
Total Cash	£837,929

#### **4. RESERVES AND BALANCES PREDICTIONS AT 31 MARCH 2014**

• General Reserve	£381,000
• Depot Loan reserve	£140,000
• Other Earmarked Reserves	£155,000
Total Reserves predicted	£676,000

Adrian Stuart, Town Clerk assisted by  
Sandra Moseley, Dorset County Council

MANAGEMENT REPORT TO 28 FEBRUARY 2014

BY SPEND TYPE	Budget	Profile	Actual	Under/(Over) Spend
	£	£	£	£
<i>Expenditure</i>				
Employees	618,819	567,251	534,668	32,583
Premises Related Expenses *	213,923	206,544	212,621	(6,077)
Transport Related Expenses	27,231	25,229	24,592	636
Supplies and Services	411,465	347,641	296,328	51,313
Third Party Payments	46,496	26,285	56,649	(30,364)
Transfer to Specific Reserves	107,813	108,627	108,627	0
Capital Financing Costs	91,862	70,819	70,970	(152)
<i>Income</i>				
Reimbursements & Contributions	85,041	73,926	68,709	5,217
Customer & Client Receipts	193,591	156,818	159,058	(2,240)
<b>Net budget</b>	<b>1,238,977</b>	<b>1,121,651</b>	<b>1,076,688</b>	<b>44,963</b>

\* including £66,000 of General Reserves to be for Municipal Buildings Repairs

BY SERVICE	Budget	Profile	Actual	Under/(Over) Spend
	£	£	£	£
Allotments	131	406	1,799	(1,392)
Parks, Gardens & Open Spaces	564,423	505,806	438,525	67,281
Cemeteries	58,732	55,195	30,378	24,817
Buildings & Cultural Activities *	172,863	167,326	201,946	(34,620)
Corporate Management	99,379	77,780	84,782	(7,003)
Democratic Representation	38,750	35,996	27,747	8,249
Administration	294,713	269,926	286,201	(16,275)
Twinning	8,869	8,130	4,812	3,318
Planning & Environment	1,116	1,087	499	588
<b>Net budget</b>	<b>1,238,977</b>	<b>1,121,651</b>	<b>1,076,688</b>	<b>44,963</b>

\* including £66,000 of General Reserves to be for Municipal Buildings Repairs

	£
Original Revenue Budget	1,172,977
Additional Budget approved by Council	66,000
	1,238,977
Funded by:	
Precept	-1,110,439
Council Tax Support Grant	-111,752
General Reserve	-66,000
Budgeted net position 2013/14	-1,288,191
<b>Anticipated contribution to General Reserve</b>	<b>49,214</b>

**DORCHESTER TOWN COUNCIL**

**RESOURCES PANEL**

**14<sup>TH</sup> FEBRUARY 2014**

**PRESENT** Councillors R.M. Biggs, Trevor Jones (Chairman) and R.B. Potter.

In Attendance: Councillor M.E. Rennie.

**APOLOGIES** The Mayor (Cllr E.S. Jones) and Councillor S.C. Hosford

12. **INTERNAL AUDIT PROVISION**

The Panel received feedback from Cllr M.E. Rennie on behalf of those councillors taking part in the appointment process, regarding interviews conducted with 3 potential suppliers of internal audit services.

The Panel endorsed the recommendation of the two Councillors that Darkin Miller be appointed as the Council's internal auditor, and noted that the Town Clerk would now act on an authorisation given by the Policy Committee of 21 January 2014, to appoint Darkin Miller.

13. **FINANCIAL SERVICES PROVISION**

The Panel considered the Town Clerk's report providing feedback from Dorset County Council that they felt unable to provide a letter of comfort with regard to future Financial Services provision. The Panel recognised the County Council's concerns.

The Town Clerk highlighted discussions taking place with other Town Councils regarding reciprocal cover arrangements, and the Panel also noted the potential for some of the internal audit candidates to supply services. It was

**RECOMMENDED**

- a) That the requirement to obtain a letter of comfort from Dorset County Council prior to the appointment of a Financial Controller be removed, and the appointment process for a Financial Controller be expedited
- b) That cover arrangements for all Financial Services be clearly documented in the Council's Business Continuity Plan within six months

9. **TREASURY MANAGEMENT**

The Panel considered and noted the Town Clerk's intention to transfer up to £500,000 from the Council's Bank Account to its deposit account with the HM Treasury backed National Savings and Investments, in order to secure a higher rate of interest

consistent with the need to ensure the Council's monies are secure.

The Town Clerk highlighted the need to consider the need for a longer term strategy, consistent with the higher levels of deposits now being held by the Town Council. It was

**RECOMMENDED**

That the Town Clerk proposes an updated Treasury Management Strategy to the Policy Committee within nine months

10. **DORSET COUNTY PENSION FUND CONTRIBUTIONS**

The Council considered an offer to make a one off payment to the Pension Fund of £51,100, representing a reduction of £3,900 against the next 3 year's catch up contributions paid annually. Taking account of the security of the Fund, the financial gain to the Council compared to its other investment options, and the Council's ability to cover payment from its Reserves over the period of the contribution, it was

**RECOMMENDED**

That the Council makes a one off payment to the Dorset County Pension Fund of £51,100

**POLICY COMMITTEE****18 MARCH 2014****ADOPTION OF TOWN WALKS BY DORSET COUNTY COUNCIL****Background**

1. From Salisbury Fields in the east, heading in a clockwise direction, there are nine pieces of footpath, punctured by roads, round to the north of the town at Hangman's Cottage, known as the town walks.
2. The town walks, based on the Roman footprint for the town, are currently in the ownership of the Town Council, who, for some time have been in discussion with Dorset County Council about the right approach to have them formally adopted as public highway.
3. To achieve this aim the Town Council has put £25,000 into a Walks Reserve in 2013/14, and the Medium Term Financial Strategy assumes further contributions of this size for the foreseeable future. As yet no financial assessment has been made of the actual cost of bringing the walks up to standard for adoption.
4. Adoption would generally cover a number of issues including: -
  - a. Lighting - DCC have already accepted responsibility for lighting the walks, and they are included in their long term contract with SSE
  - b. Surfacing, Steps and Drainage – these need to be brought up to a standard for adoption, but on adoption responsibility for the costs of maintenance will be accepted by DCC
  - c. Trees and Verges – these would both be needed to be brought up to a standard, and a commuted sum would then need to be agreed to cover the cost of long term maintenance. Our own maintenance budgets would reduce as a consequence, and we would have the option of topping up DCC's maintenance regime
5. The best assessment of works required to reach adoption was undertaken by DCC as part of a failed bid for funding for cycleways two years ago, and this calculated the cost of hard infrastructure works at £145,000. No assessment was carried out at that time of the condition of verges and trees.
6. As a landowner with unadopted highways, and with a civic pride and an interest in the visual appearance of the walks to the public user, the Town Council currently spends £19,000 a year cleaning the walks. Once adopted this responsibility would pass to West Dorset District Council. The Town Council would still have an option of topping up the cleaning regime that the District Council would adopt at that stage.
7. The options open to the Council are: -
  - a. Resolve not to seek adoption – this would leave the Town Council maintaining and cleaning the walks in the long term, and the Town Council would then create a programme of repairs to the walks to its own standards
  - b. Seek adoption of all of the walks in one transfer – this would require a full assessment of the works needed to bring the walks up to adoption standard, then

the works would need to be carried out prior to adoption and a commuted sum paid to DCC

- c. Seek adoption of the walks in a series of transfers – still requiring a full assessment of the works needed to bring the walks up to adoption standard, but then individual parts of the walks could be brought up to standard and transferred on a piecemeal basis when funding permits – this would have the advantage of transferring responsibility for some parts of the walks sooner, and would not require all of the funding to be in place before work commences, but might create more legal work
8. If the Council wishes to pursue the idea of adoption of the walks, which in the long term remains the most financially prudent, it makes sense to do three pieces of work before making a decision between options b. and c.: -
- a. Undertake a full assessment of the cost of works – this could be delivered by commissioning DCC’s Highways Improvement Team to do the work, funded from our Walks Reserve. There may be other procurement options.
  - b. Investigate funding options – the Council could wait until it has funding in place, could allocate some of its General Reserve, or could borrow to carry out the scheme as capital works. Borrowing might be an attractive option at present but this may change as pressure on interest rates to rise begins to grow
  - c. Understand the legal agreements necessary to achieve adoption – DCC have agreed to undertake this work if we wish to pursue adoption
9. The Committee’s instruction is sought.

Adrian Stuart  
Town Clerk



**Accounts & Audit Services Ltd**

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**2013/14 INTERNAL AUDIT FOR PARISH AND TOWN COUNCILS**

AUDIT Dorchester TC

DATE 27 Feb 2014

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W/P REF	AUDITOR'S COMMENT	COUNCIL RESPONSE
6.1	<p>The procedure for accounting for office petty cash is over complicated and causes delays in posting costs to service accounts.</p> <p>Instead of sending the claim to the FSP for detailed coding the codes should be entered directly onto the Payment Form at the time of the claim.</p> <p>This makes obsolete the Cash and Petty Cash creditors on the purchase ledger, and the holding code would always indicate the level of petty cash held less any unclaimed receipts.</p>	Agreed - GW

- END -

