



DORCHESTER TOWN COUNCIL

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

Telephone: (01305) 266861

Adrian Stuart, Town Clerk

7 May 2014

Dear Sir or Madam,

A MEETING of the POLICY COMMITTEE will be held in the COUNCIL CHAMBER, MUNICIPAL BUILDINGS, DORCHESTER on TUESDAY 13th MAY 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.

A G E N D A

1. **APOLOGIES FOR ABSENCE**

2. **MINUTES**

To sign the minutes of the meeting of the Committee held on 18 March 2014 (included with the Agenda of, and adopted by, Council on 25 March 2014)

3. **END OF YEAR REPORTS**

To consider

- a) The Financial Statement for 2013-14, which is used to complete the statutory Annual Return that will be adopted by Council on 20 May 2014
- b) The Internal Auditor's report on a)
- c) The Management Team's Action Plan to 31 March 2014
- d) The Annual Report 2013-14

4. **LOCAL GOVERNMENT PENSION SCHEME: STATEMENTS OF POLICY ABOUT EXERCISE OF DISCRETIONARY FUNCTIONS**

To consider the report of the Deputy Town Clerk

5. **CONSULTATION ON THE CORPORATE PLAN**

To consider the report of the Town Clerk

DORCHESTER TOWN COUNCIL

FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

INTRODUCTION

1. The statutory financial statement for the Town Council is the **Annual Return**, which has to be published in accordance with the Accounts and Audit (England) Regulations 2011. The Statement requires the submission of no more than 10 lines of financial information, plus 8 statements of good governance and the Internal and External Audit opinions.
2. As well as forming the background to the statutory annual return this documents seeks to provide the reader, be they Councillor, Taxpayer or other interested party, with a more detailed explanation of how the Council has performed financially during the course of the year, and the environment within that performance was delivered.

ANNUAL RETURN 2013-2014

3. The figures contained in our Annual Return are included below: -

Year ending 31 Mar 2013 £		Year ending 31 Mar 2014 £
473,286	1. Balance brought forward	622,026
1,182,469	2. Annual Precept	1,110,439
222,539	3. Total of Other Receipts	462,213
558,637	4. Staff Costs	578,883
88,729	5. Loan Interest and Capital Repayments	86,653
608,902	6. All Other Payments	804,625
622,026	7. Balance Carried Forward	724,517
611,731	8. Total of Cash and Short Term Investments	749,985
6,440,680	9. Total Fixed Assets, plus other long term investments and assets	6,604,866
641,126	10. Total Borrowings	586,755

INCOME AND EXPENDITURE ACCOUNT

4. All but a very few of the Town Council's financial transactions are for the services provided by the Town Council, and therefore go through the Income and Expenditure (or Revenue) account.
5. Performance compared to the Council's Revenue budget, set in January 2013 is identified below, and the previous year's Actual expenditure is also shown.

Actual 2012/13 £	Service	Budget 2013/14 £	Actual 2013/14 £	Worse/ (Better) £
842	Allotments	131	2,235	2,104
460,115	Parks & Open Spaces	564,423	548,626	(15,797)
53,192	Cemeteries	58,732	28,236	(30,496)
86,906	Municipal Building	78,670	182,105	103,435
(13,384)	Cultural Activities & Twinning	42,862	34,924	(7,938)
433,721	Administration & Corporate Man.	393,533	395,653	(2,120)
28,699	Democratic Representation	34,625	30,341	(4,284)
1,050,191	Total Revenue	1,172,976	1,222,120	49,144
(1,182,469)	Precept	(1,110,439)	(1,110,439)	0
0	Council Tax Support Grant	(111,752)	(111,752)	0
(132,378)	Transfer to General Reserve	(49,215)	(71)	49,144

6. The Council reports to Government based on spend type rather than service. The table below provides similar comparisons to the previous year on this basis, which is then used to complete the Annual Return.

Actual 2012/13 £	Service	Budget 2013/14 £	Actual 2013/14 £	Worse/ (Better) £
558,637	Staff	618,818	578,884	(39,934)
88,729	Loan Interest and Capital Repaid	91,862	86,653	(5,209)
608,902	Premises, Transport and Supplies	612,694	701,317	88,623
(1,182,469)	Precept Income	(1,110,439)	(1,110,439)	0
(222,539)	Non-Precept Income	(375,463)	(367,866)	7,597
(148,740)	Net Revenue Surplus	(162,528)	(111,452)	51,076
(16,362)	Transfers to Earmarked Reserves	(113,313)	(111,381)	1,932
(132,378)	Transfers to General Reserve	(49,215)	(71)	49,144
(148,740)	Total transfers to Reserves	(162,528)	(111,452)	51,076

KEY VARIANCES

7. The key variance against the budget relates to works on the Corn Exchange (budget £71,000 approved by Council in March 2013). Works are finished, actual spend was close to budget, and a report will be submitted to the Management Committee shortly.
8. As a result of the decision to fund the Corn Exchange works from Reserves there was a saving on the Loan Interest and Capital Financing budget of £5,000, as the budget had been prepared on the basis that a loan would be taken out to fund the works
9. In year a number of items were identified as not being accrued for in the 2012/13 accounts, producing overspends on budgets of £27,000 on Parks (Walks Cleaning £14,000, Electricity, £5,000) and Municipal Buildings (Electricity and Gas £8,000)
10. Income for the year was £6,000 below budget, but this is made up of a number of variations including: -
 - Markets Income (£15,000 down) including £9,000 over accrued in 2012/13
 - Building Hire (£6,000 down) with Municipal Buildings £10,000 down but other premises £4,000 higher than budgeted
 - Cemeteries income up by £11,000, mostly related to burials
11. Staff costs were £40,000 below estimate, with the key variances being
 - The non-appointment of the Head Gardener in the Borough Gardens, saving £10,000, and other savings on temporary vacancies saving £9,000
 - Over-budgeting for one off pension costs, creating a saving of £9,000, and National Insurance, saving £5,000
 - Budgeted staff pension costs where staff elected not to join the Pension Scheme, saving £12,000
 - Additional costs resulting from the introduction of the Living Wage in October 2013, costing around £9,000
12. The key variances on the Supplies budgets were
 - The decision by Council to re-introduce contributions to fund the Area Partnership's Development Officer cost £3,000
 - The letting of a tender for Grass Cutting covering the two closed cemeteries produced a saving of £15,000 in the Cemeteries budget
 - In addition to accruals for 2012/13 an additional £7,000 was spent above the budget for Electricity and Gas, which is being investigated
 - An underspend on the budget set aside for the 40th anniversary of twinning events with Lubbecke (£4,000)
13. Noting the above, plus a number of minor budget under and overspends, the Council added £71 to its Reserves in year, compared to a budgeted transfer of £49,215.

RECONCILIATION OF CASH AND RESERVES

31 Mar 2013 £	Monies Held in Banks and Cash	31 Mar 2014 £
	Bank Accounts	
568,368	Lloyds General & Business	698,520
100	Lloyds Payment	100
-34,821	Less Unpresented Cheques	-27,043
76,726	National Savings & Investments	77,301
1,000	Unity Trust including Alto Debit Card	1,007
358	Petty Cash & Uncleared Banking	100
611,731	Total Monies Held	749,985
	Plus Debtors	
31,680	Payments in Advance to Suppliers	25,975
19,997	HMRC – VAT	9,557
90,489	Debtors not yet invoiced	11,053
10,333	Debtor invoices raised but not yet paid	22,316
-4,077	Less provision for Bad Debts	-4,087
148,422	Total Debtors	64,814
	Less Creditors	
87,707	Creditors who have not yet invoiced	61,963
0	Receipts in Advance (including Room Deposits)	3,345
50,420	Sums deposited with the Council	24,974
138,127	Total Creditors	90,282
622,026	Monies Held adjusted for Creditors and Debtors	724,517
	Earmarked Reserves	
120,000	Depot Loan Repayment	140,000
13,000	Municipal Buildings (previously 2 Reserves)	26,000
3,000	Vehicles & Equipment Replacement	6,000
5,000	Parks Premises	12,500
15,500	Cemeteries (previously 4 Reserves)	31,000
27,000	Play Equipment Replacement (including Holmead Walk)	30,942
0	Walks Resurfacing & Upgrade	25,000
2,500	Christmas Lights	5,000
2,750	Dorchester Arts Festival	5,500
299	Town Crier Uniform	598
1,000	Council Office Repairs	0
0	Dorchester West Railway Access	10,000
15,077	Maumbury Rings S106	15,077
14,352	Maintaining Graves in Perpetuity	14,281
219,478	Total Earmarked Reserves	321,898
402,548	General Reserve	402,619
622,026	All Reserves	724,517

RESERVES

14. Both the General Reserve and Earmarked Reserves have increased broadly in line with the Medium Term Financial Strategy, adding £100,000 to overall levels. An opportunity was taken to update play equipment at a cost of £9,000 to the Play Equipment Reserve
15. The General Reserve, at £403,000, is substantially higher than the level needed to cover general opportunities, threats and emergencies (established at £200,000 in January 2014).
16. A number of Earmarked Reserves have been combined. New Reserves have been created for planned works to upgrade the historic walks and to improve access to Dorchester Railway Station.
17. A report will be provided during 2014/15 considering whether additional sums should be added to the Earmarked Reserves from the General Reserve, in particular looking at the Municipal Buildings, whether additional sums are required for infrastructure at the Cemeteries, and the cost of bringing the historic Walks up to adoptable Highway standards.

DEBTORS AND CREDITORS

18. The value of Debtors (Customers who have not yet been invoiced) at the year-end has fallen significantly year on year due to the conclusion of the Bowling Green Toilets project, which involved a s106 planning gain grant by West Dorset District Council.
19. Work carried out before the year end to ensure invoices are raised or paid in the correct financial year has reduced the value of Payments and Receipts in Advance, as well as Debtors. A lower limit of £1,000 has been introduced for transactions, which has also reduced the number of transactions being adjusted between financial years.

BANK ACCOUNTS

20. The Council has used the same bank accounts throughout the year. Interest on our balance in the Lloyds General Account was paid at only 0.3%, and a decision has been taken that in the new financial year a significant sum of around £500,000 will be transferred from the Lloyds General Account to the National Savings and Investments account, pending a review of alternative investment arrangements.

**OTHER INFORMATION TO SUPPORT THE FINANCIAL STATEMENT AND ANNUAL RETURN
FIXED ASSETS STATEMENT**

	Value @ 1 Apr 13 £000	Assets Added £000	Assets Disposed £000	Value @ 31 Mar 14 £000
Land & Buildings	5,009	128	0	5,137
Vehicles, Plant & Equipment	511	42	6	547
Community Assets	921	0	0	921
Total Fixed Assets	6,441	170	6	6,605

21. Asset changes during the year were:

- Borough Gardens Toilets, £60,000
- Municipal Buildings value increased due to stone work refurbishment, £68,000
- Great Field Play Equipment, £24,000 and Borough Gardens Table Tennis, £3,000
- A new Kubota tractor, £15,000, replacing an old one, £6,000 disposal

LONG TERM DEBT

	Maturity Date	Interest Rate %	Value @ 1 Apr 13 £000	Value @ 31 Mar 14 £000
PWLB 479825 1997 25yr Annuity	08/2022	7.125	190	170
PWLB 487126 2002 25yr Annuity	09/2027	4.625	210	196
PWLB 492777 2007 10yr Maturity	01/2017	5.050	200	200
PWLB 496360 2009 5yr Annuity	12/2014	1.880	41	21
Total Value of Long Term Debt			641	587

PENSIONS

22. The Town Council encourages its staff to become members of the Dorset County Pension Fund, which administers a defined benefit scheme as laid down in the Local Government Pension Scheme. Several staff joined the scheme during the year as a positive consequence of the introduction of the Living Wage.

23. Staff make contributions based on a rising scale linked to salary, of between 5.5% and 7.2%. In 2013/14 the Town Council contributed 16.5% of the employee's salary, plus an additional sum to ensure the Fund's assets equal 100% of its liabilities in the long term, in total £74,162 (2012/13 £69,501). Additionally £27,605 was paid to meet the costs of early retirement for two staff.

Adrian Stuart
Town Clerk

Accounts & Audit Services Ltd

Comforts Orchard * Corscombe* Dorchester * Dorset * DT2 ONX

Tel/fax 01935 891415

Mobile 07970 376640

Company registered in England no 4299395

Directors: H Lovegrove CPFA & R Lovegrove

2013/14 INTERNAL AUDIT FOR PARISH AND TOWN COUNCILS

AUDIT Dorchester TC

DATE 23 April 2014

PAGE 1 of 1

W/P REF	AUDITOR'S COMMENT	COUNCIL RESPONSE
10.1	The value of unpresented cheques should be deducted from the current account balance, not treated as creditors.	Accepted and changed, with a degree of reluctance – AS
	Assets should be listed, followed by liabilities in the balance sheet.	Accepted and changed – AS
10.2	The £466 discrepancy between the aged debtors total and the balance sheet total should be investigated and resolved.	Accepted – to be resolved in new Financial Year by new Financial Controller – AS
10.3	The £181 discrepancy between the reserve movements total and the figures leading to the annual return total should be investigated and resolved.	Accepted – to be resolved in new Financial Year by new Financial Controller
	The 2013/14 box 8 annual return figure should be reduced by the value of unpresented cheques to £749985.	Accepted and changed – AS
	Practitioner's guidance is that the level of unallocated reserves should be in the range of 25% – 100% of turnover, with larger Councils being closer to the lower end of that spectrum. If the Council wishes to increase certain earmarked reserves. it should therefore either switch money from other earmarked reserves, use annual surpluses, or increase the precept to achieve this	The guidance is noted, and will be considered when making a recommendation on future levels. However the guidance appears to be generalist in nature, does not take account of local circumstances or financial plans, runs contra to the expectations of central government with regard to holding the taxpayers money, depreciates because of poor investment returns, and could result in the Council holding reserves unnecessarily. Any transfer to an Earmarked Reserve can be reversed if circumstances require - AS

- END -

10 Operational Indicators that provide evidence that our standards remain high			
Area	Activity	Smart Target	Performance so far
Financial Management	Ensure appropriate budget management Prepare the 2014/15 budget for consideration by Council	That the Council spends no more than is budgeted in overall terms That a satisfactory explanation is provided for all budget variances of over £2,000 or 10%, whichever is higher Budget agreed by Council on 28 January 2014	Completed. Allowing for the use of General Fund for Municipal Buildings repairs the Council underspent its budget by £21,000. Explanations for all significant variations are included in the Financial Statement Completed
Staff Management	Undertake Personal Achievement and Development interviews	That all PAD's are written up and signed off appropriately by 31 Dec 2013	All completed except for those relating to Town Hall Keepers, which were completed in February 2014
Democratic Management	Maintain high standard of committee administration	That all deadlines for the production of minutes and agendas are met	Completed. All met during the Council year.
Civic Services	Deliver successful Remembrance Day commemorations	That the service is recognised, in general terms, as a positive reflection on the Town Council	Completed satisfactorily.
Municipal Buildings	Lettings	Agree the terms of a review of how we maximise the potential of the building, taking account of financial and community needs, by 31 March 2014	Preliminary report to Management Committee 6 May 2014

Cemeteries	Grounds maintenance	Review of new grass cutting and general maintenance arrangements concluded by 31 March 2014	Grass cutting contract relet Jan 2014. Grass cutting arrangements satisfactory
Area	Activity	Smart Target	Performance so far
Parks, Open Spaces & Playgrounds	Implement Great Field play equipment	That new play equipment and a new MUGA are installed by 31 March 2014	Mainly implemented. Last pieces installed after 1 April due to weather.
Parks, Open Spaces & Playgrounds	Develop plan to improve surfacing of the Walks	That a plan is agreed at Committee level regarding improvements to the Walks surface, up to a standard consistent with highways adoption, by 31 March 2014	Agreement to commission DCC to survey Walks approved 18 Mar. DCC preparing a specification and quote for the works.
CCTV	Review Town Council's involvement in funding the provision of the service	That a decision is taken by Council by 28 January 2014 regarding the level of contribution to be made by the Council	Completed. Sum of £5,000 agreed with WPBC to cover costs associated with our exit from the Partnership.
Cultural Activities	Christmas celebration events August Bank Holiday Maumbury Rings events	That the Christmas Lights and Cracker event are recognised, in general terms, as a positive reflection on the Town Council By 31 December 2013 to review the nature of and the arrangements for implementing events in 2014	Completed Completed and reviewed by Arts Panel

Five Governance activities that we are focusing on			
Area	Activity	Smart Target	Performance so far
Democratic Representation	Panels and Outside Body representation	That a review of the Council's Panel structure and OB representation is undertaken by 25 March 2014	Completed 12 February 2014
Corporate Governance	Corporate Plan	Produce a new style Corporate Plan for the Council by 25 March 2014	Completed
Corporate Governance	New MTFS including a review of fees and charges structure	Produce strategy, including a preliminary plan for how the role of direct income will support the strategy, by 28 January 2014	Completed. First two incomes reviewed by Resources Panel 9 Jan 14. New charging policy for Cemeteries to Council in May 2014.
Democratic Representation	Better Informed Members	That 2 relevant developmental events are delivered for Councillors by 31 March 2014 That weekly update briefings are made available to members by e-mail	Finance strategy at Council 26 Nov 13 Development Control event Jan 14 Completed
	Annual Audit letter	That changes are implemented consistent with AAL recommendations by 31 March 2014	Completed 2012/13 Audit reports actioned Dec 13, Mar 14, and May 14 End of Year reports all actioned
Risk	Review the Council's corporate and operational risks	That full Council agree the Risk Registers by 25 March 2014	Completed Council 26 Nov 13



DORCHESTER TOWN COUNCIL

ANNUAL REPORT 2013/14

INTRODUCTION

Welcome to our Annual report.

The Town Council is the parish authority for Dorchester. We are the fourth tier of government after parliament, the county council and the district council. Our legal powers are granted and regulated by various government acts. With a population of over 19,000 we are the largest town in West Dorset. We supplement the provision of local government services in Dorchester and provide a range of social and recreational facilities, while promoting and representing the town with other national and statutory bodies. For example we provide virtually all the public open space and sports grounds in the town and provide the hanging baskets in the town centre; in short we do most of the things that make Dorchester the special place it is.

There are 20 Members on the Council who are elected for a four year term with the next elections being held in May 2015. The Mayor is elected by the Council every year in May and also acts as Chairman to the Council.

This Council operates a Committee structure with each Committee having specific functions. We have three Committees; Policy, Management and Planning and Environment and reports from the chairmen on the work of these Committees are set out in this report. The Council also appoints a number of Panels which meet as and when required to discuss particular issues and report back to the appropriate Committee. Agenda for the Council, Committees and Panels are all available to the public three clear days before the meeting at the Council offices. Meetings are usually held in the Council Chamber (upstairs in the Corn Exchange building) and you are welcome to attend and speak at any of these meetings.

It is important for us to receive your comments, queries and complaints on the services provided by the Town Council so that we can endeavour to serve you well. The Council has a feature in its regular newsletter asking for your help to highlight any problems around the town – whether the responsibility of this Council or not – let us know what the problem is and if it's our responsibility we will endeavour to sort it out and if it's not we will contact the appropriate authority on your behalf.

Thank you for your time in receiving and reading this report and we would accordingly welcome any response.

Stella Jones Town Mayor

REPORT BY THE CHAIRMAN OF THE MANAGEMENT COMMITTEE

Councillor Robin Potter

The Management Committee meets every other month to discuss the very many and varied activities undertaken by the Town Council, as well as receiving reports from a number of sub-committee panels, which is often where much of the real work is done!

We are committed to maintaining Dorchester as a pleasant and vibrant place to live in and to visit and are very grateful to our staff, who do so much so well to enhance the quality of life for those in our town.

The Corn Exchange Buildings are now free of scaffolding after repairs to the stonework and our clock continues to show and sound good time. These buildings continue to be an attractive venue for many hirers and we will be looking at ways to ensure maximum availability and use in the future.

The Borough Gardens continue to be Dorchester's jewel, again being given a Green Flag Award. The gardens now include a table tennis table near the kiosk and for this year we are trialling some grass short-tennis courts on the bowling green area. We are also intending to introduce improved ways of booking the courts by introducing a fob purchasable annually. The PA system in the bandstand has been overhauled and we look forward to a number of events in this area, as well as to Dorchester Festival and August Bank Holiday events in Maumbury Rings.

The gardens did fall victim to some anti-social behaviour during the last year, but our staff, with the support of Dorchester Police, have introduced measures which are aimed at minimising its impact on the enjoyment of the gardens.

We continue to monitor and improve our cemeteries, sports grounds and play areas, with new play equipment recently installed at The Great Field and our next major project intended to be the installation of Free Running equipment at Sandringham.

To sum up, our staff and councillors work hard to ensure that Dorchester is a nice town to be in, whether for work, rest or play and I reiterate my thanks to all who contribute in this way.

REPORT BY THE VICE-CHAIRMAN OF THE PLANNING AND ENVIRONMENT COMMITTEE

Councillor Susie Hosford

It has been a year of change for the Planning and Environment Committee – at our June meeting we wished our long-serving clerk Sue Cheeseman a happy retirement and welcomed Louise Dowell into the position of clerk to the Committee. Louise brings with her a wealth of experience and has already impressed us all with her quiet competence and knowledge of her subject. At our January meeting Councillor Kent-Ledger stood down after 9 years as Chairman of the Committee and I take this opportunity to reiterate our thanks to her for all her hard work and for her calm, inclusive and even-handed Chairmanship of our meetings since 2005.

There are currently a surprising number of major issues facing the town of Dorchester which fall within the remit of the Planning and Environment Committee. The developments at Poundbury and Brewery Square continue to expand and plans for Charles Street and the Stratton House site are evolving. We also have the question of what the future could hold for the site of Dorchester Prison since its unexpectedly abrupt closure just before Christmas. Both the Stratton House and the Prison sites will present particular challenges due to their location in the heart of the town centre conservation area with limited vehicle access and adjacent residential amenity to consider.

The 'new' Poundbury development celebrated its 20th birthday last Summer with Phase 2 almost complete and Phase 3 under way, with the promise of 500 more homes over the next five years. Agreement has finally been reached for the relocation of Damers First School to a site adjacent to the Great Field and optimists are hoping for completion of the new 600 pupil facility by September 2015. New small businesses continue to open, but sadly some have also closed. We have considered many applications for 'change of use' of premises from retail to office or residential use and there is always the danger that these will undermine the vision of the original masterplan for the development.

Progress is steady at Brewery Square with Dorchester residents and visitors enjoying the varied facilities on offer, including the fountains in the Summer and the skating rink over the Christmas period! The accommodation on the development so far includes affordable housing and assisted living as well as a variety of owner occupier properties. We remain committed to prioritising good pedestrian links which will encourage footfall between the Brewery site and the rest of the Town Centre.

These developments present enormous opportunities for our Town with the potential for economic development and growth together with much needed housing, leisure facilities, expanded retail options and improvements to infrastructure. Whilst these are all welcome possibilities, the Committee is mindful of the need to carefully balance their impact on Dorchester's established businesses, its heritage and the amenity of existing residents. It is crucial to take a strategic view of all the potential changes and for all concerned to work together in partnership to achieve the best possible outcome for the Town as a whole, rather than looking at the issues in a piecemeal way.

This need for a strategic approach is well illustrated by the ever increasing problems of traffic and parking throughout the town. Public consultation on proposals for a revised Dorchester Traffic and Environment Plan resulted in an overwhelming public rejection of the amended proposals and the County Council team are currently looking at all the alternative suggestions put forward before coming up with a revised plan. Continued development throughout the Town is resulting in fewer long stay parking spaces which in turn causes problems in residential areas where streets are taken over by workers seeking all-day parking. The piecemeal creation of Residents Parking Zones simply moves the problem to another part of the Town resulting in further requests for Residents Parking.

Meetings of the Planning and Environment Committee are generally held on the first Monday of each month, starting at 7 pm. The Committee comments on Planning Applications received and the remainder of the meeting is taken up with consideration of a variety of wider issues. Meeting dates and Agendas are posted on the Dorchester Town Council website and interested members of the public are most welcome to attend.

REPORT BY THE CHAIRMAN OF THE POLICY COMMITTEE

Councillor Trevor Jones

So far as Policy Committee is concerned the most significant event in the last year has been the retirement of our previous Town Clerk, Dennis Holmes, and the arrival of his successor, Adrian Stuart.

Dennis concentrated on doing what he enjoyed most, as we all like to do, and delivered a string of tangible projects for the public good right across the town. Unlike what is famously said about Sir Christopher Wren "If you seek his monument just look around you" (it was St Paul's Cathedral) to see Dennis's monuments you need to travel the length and breadth of Dorchester; they are here there and everywhere.

As things stands at present no further such projects are in view. And in any case the new Town Clerk has different fish to fry, in particular helping the Council to:-

- Establish a clear vision for the town which can be progressed, if they are willing, not just by us but by all the public bodies working together. Preliminary work is virtually complete and the first draft of the Corporate Plan has been before Council tonight
- Face up to the likelihood of being asked to take on additional duties by the principal councils, who are having to shed them, or at least cut them back for lack of cash

It's a good job that we have largely completed the job of rebuilding our finances since the shock of three years ago, when much of our reserves disappeared in a puff of smoke. We are now satisfactorily placed with General reserves of £380,000 and Earmarked reserves of £155,000. What's more, adequate sums are being set aside in order to redeem, in 2017, our £200,000 loan taken out to fund the depot on St Georges Road. When that is done it will free up money to be spent on other things.

Around 20 years ago we made an arrangement with the Bowls Club at Sandringham to provide financial support and underwrite the loan they need to build their new facility. The loan is now repaid, and discussions proceed to reach a new agreement under which they will financially support us.

All of the above is good news, as is the fact that last autumn we introduced the Living Wage for those of our staff who were previously paid below it; the first Council in Dorset to do so and still, I believe, the only one.

It is customary of course, when setting out good news, to spot a cloud on the horizon so I will do so. While not certain, it increasingly seems likely that central government will introduce capping of Council Tax increases of at least larger local Councils, such as us, starting next year. If they do it will cramp our style as well as being a sledgehammer to crack a nut. There is no evidence that the people of Dorchester resent what they pay us each year, and plenty of evidence that they welcome the facilities and services that we provide.

Let us hope that the Government leave us alone.

DORCHESTER TOWN COUNCIL BUDGET

The cost of the Town Council's Services can be summarised as follows:

Actual 2012-13 £	Service	Budget 2013-14 £	Actual 2013-14 £	Worse / Better £
842	Allotments	131	2,235	2,104
460,115	Parks & Open Spaces	564,423	548,626	(15,797)
53,192	Cemeteries	58,732	28,236	(30,496)
86,906	Municipal Building	78,670	182,105	103,435
(13,384)	Cultural Activities & Twinning	42,862	34,924	(7,938)
433,721	Administration & Corporate Man.	393,533	395,653	(2,120)
28,699	Democratic Representation	34,625	30,341	(4,284)
1,050,191	Total Revenue	1,172,976	1,222,120	49,144
(1,182,469)	Precept	(1,110,439)	(1,110,439)	0
0	Council Tax Support Grant	(111,752)	(111,752)	0
(132,378)	Transfer to General Reserve	(49,215)	(71)	49,144

The Council's full Financial Statement 2013-14 is available under the 'What's New' tab on www.dorchester-tc.gov.uk

DORCHESTER TOWN COUNCILLORS

East Ward

Tim Harries
8 Dunnabridge Street DT1 3GL 07970 653796

Stella Jones
Syward Cottage, Syward Road DT1 2AJ 264335

Fiona Kent-Ledger
28 Olga Road DT1 2LX 250253

Tamara Loakes
3A Holloway Road DT1 1LG 757526

Tony Lyall
13 St. George's Road DT1 1PA 266254

South Ward

Carolyn Biggs
20 Bridport Road DT1 1RS 260156

Tess James
70 Monmouth Road DT1 2DG 262359

Gareth Jones
30 Culliford Road South DT1 2AT 262478

Robin Potter
22 D'Urberville Close DT1 2JT 264416

Molly Rennie
13 Alington Road DT1 1NS 268572

North Ward

Vivienne Allan
28 Somerleigh Road DT1 1TJ 250023

Richard Biggs
20 Bridport Road DT1 1RS 260156

Andy Canning,
11 Alfred Road DT1 2DW 261592

Susie Hosford,
1 Meadow Cottages, Martinstown DT2 9LJ 880102

David Taylor
4 Normandy Way DT1 2PP 263382

West Ward

Karen Armitage
58 Windsor Road DT1 2JB 251447

David Barrett
41 Holmead Walk DT1 3GE 259269

Trevor Jones OBE
Syward Cottage, Syward Road DT1 2AJ 264335

Peter Mann
13 Beech Court DT1 1DX 266796

David Roberts
14 Swanbridge Park DT1 1ND 269394

*Adrian Stuart – Town Clerk
19 North Square, Dorchester DT1 1JF*

POLICY COMMITTEE

12 MAY 2014

STATEMENTS OF POLICY ABOUT EXERCISE OF DISCRETIONARY FUNCTIONS

1. In accordance with Regulation 60 of the above Regulations the Town Council as a Scheme employer must prepare a written statement of its policy in relation to the exercise of its functions under regulations:

- 16(2)(e) and 16(4)(d) (funding of additional pension);
- 30(6) (flexible retirement);
- 30(8) (waiving of actuarial reduction); and
- 31 (award of additional pension).

2. In addition and in accordance with Paragraphs 2(2) of Schedule 2 to the Local Government Pension Scheme (Transitional Provisions, Savings & Amendment) Regulations 2014 a Scheme employer must also prepare a written statement on whether, in respect of benefits relating to pre 1 April 2014 membership, to 'switch on' the 85 year rule for a member who voluntarily retires (leaves employment) and elects to draw their benefits on or after the age of 55 and before the age of 60 thereby agreeing to waive in full or part any actuarial reduction applied to the member's benefits.

3. The Council must send a copy of its statement to the pension administering authority (Dorset County Council) and must publish its statement.

4. The Council must keep its statement of policy under review and make such revisions as are appropriate following a change of its policy.

5. Where a revision to the statement of policy is made, the Council must send a copy of its revised statement to the administering authority before the expiry of one month beginning with the date that any such revision is made. The Council must also publish its revised statement.

6. In preparing, or reviewing and making revisions to its statement, the Council must have regard to the extent to which the exercise of its discretionary functions could lead to a serious loss of confidence in the public service.

7. Whilst it is compulsory for the Council to prepare a statement in respect of the regulations detailed above, there are a number of other discretions available to a Scheme employer throughout the Scheme Regulations which do not require such a statement of policy to be made. It is recommended for administrative purposes that such additional statements are made and included at Part B of the statement of policy.

8. Each Regulation is set out in detail below together with the Council's statement of policy.

Steve Newman
Deputy Town Clerk

Regulation 16 – Additional Pension Contributions

The Scheme employer may resolve to fund in whole or in part any arrangement entered into by an active scheme member to pay additional pension contributions by way of regular contributions in accordance with **Regulation 16(2)(e)**, or by way of a lump sum in accordance with **Regulation 16(4)(d)**.

The Scheme employer may enter into an APC contract with a Scheme member who is contributing to the Scheme in order to purchase additional pension of not more than the additional pension limit (£6,500 from 1st April 2014 subject to annual increase in line with the Pensions (Increase) Act 1971).

The amount of additional contribution to be paid is determined by reference to actuarial guidance issued by the Secretary of State.

Consideration needs to be given to the circumstances under which the Scheme employer may wish to use their discretion to fund in whole or in part an employee's Additional Pension Contributions.

Dorchester Town Council's policy concerning the whole or part funding of an active member's additional pension contributions

The Council will not normally exercise this discretion. This does not however preclude the Council from funding an employee's Additional Pension Contributions in exceptional circumstances or where there is a financial or practical reason for doing so.

Regulation 30(6) – Flexible Retirement

An active member who has attained the age of 55 or over and who with the agreement of their employer reduces their working hours or grade of employment may, with the further consent of their employer, elect to receive immediate payment of all or part of the retirement pension to which they would be entitled in respect of that employment as if that member were no longer an employee in local government service on the date of the reduction in hours or grade (*adjusted by the amount shown as appropriate in actuarial guidance issued by the Secretary of State*)

As part of the policy making decision the Scheme employer must consider whether, in addition to the benefits the member may have accrued prior to 1 April 2008 (which the member must draw), to permit the member to choose to draw all, part or none of the pension benefits they built up after 31 March 2008 and before 1 April 2014 and all, part or none of the pension benefits they built up after 1 April 2014.

Due consideration must be given to the financial implications of allowing an employee to draw all or part of their pension benefits earlier than their normal retirement age.

Dorchester Town Council's policy concerning flexible retirement

There is no blanket consent for staff to flexibly retire and draw immediate payment of any pension benefits. Each flexible retirement request will be considered on its merits and will only be agreed if it is in the Council's interests to do so.

Regulation 30(8) – Waiving of Actuarial Reduction

Where a Scheme employer's policy under regulation 30(6) (flexible retirement) is to consent to the immediate release of benefits in respect of an active member who is aged 55 or over, those benefits must be adjusted by an amount shown as appropriate in actuarial guidance issued by the Secretary of State (commonly referred to as actuarial reduction or early payment reduction).

A Scheme employer (or former employer as the case may be) may agree to waive in whole or in part and at their own cost, any actuarial reduction that may be required by the Scheme Regulations.

Due consideration must be given to the financial implications of agreeing to waive in whole or in part any actuarial reduction.

Dorchester Town Council's policy concerning the waiving of actuarial reduction

The Council will not normally exercise this discretion. This does not however preclude the Council from waiving the actuarial reduction in exceptional circumstances should it so decide.

Regulation 31 – Award of Additional Pension

A Scheme employer may resolve to award

(a) an active member, or

(b) a member who was an active member but dismissed by reason of redundancy, or business efficiency, or whose employment was terminated by mutual consent on grounds of business efficiency,

additional annual pension of, in total (including any additional pension purchased by the Scheme employer under Regulation 16), not more than the additional pension limit (£6,500 from 1st April 2014 subject to annual increase in line with the Pensions (Increase) Act 1971).

Any additional pension awarded is payable from the same date as any pension payable under other provisions of the Scheme Regulations from the account to which the additional pension is attached.

In the case of a member falling within sub-paragraph (b) above, the resolution to award additional pension must be made within 6 months of the date that the member's employment ended.

Dorchester Town Council's policy concerning the award of additional pension

This option will only be exercised in circumstances of redundancy, or termination of service on the grounds of the efficiency of the service. In all such cases any award will relate to age and length of service and will be determined by the Council on recommendation of the Policy Committee.

Local Government Pension Scheme (Transitional Provisions and Savings) Regulations 2014

Schedule 2 – paragraphs 2 and 3

Where a scheme member retires or leaves employment and elects to draw their benefits at or after the age of 55 and before the age of 60 those benefits will be actuarially reduced unless their Scheme employer agrees to meet the full or part cost of those reductions as a result of the member otherwise being protected under the 85 year rule as set out in previous Regulations.

So as to avoid the member suffering the full reduction to their benefits the Scheme employer can ‘switch on’ the 85 year rule protections thereby allowing the member to receive fully or partly unreduced benefits but subject to the Scheme employer paying a strain (capital) cost to the Pension Fund

Scheme Employer’s policy concerning the ‘switching on of the 85 year rule

The Council will not normally exercise this discretion. This does not however preclude the Council from exercising this discretion in exceptional circumstances should it so decide following receipt of information in respect of the financial implications to the Council.

PART B – Formulation of RECOMMENDED policy in accordance with the Local Government Pension Scheme Regulations 2013

Regulation 9(1) & (3) – Contributions

Where an active member changes employment or there is a material change which affects the member’s pensionable pay during the course of a financial year, the Scheme employer may determine that a contribution rate from a different band (as set out in Regulation 9(2)) should be applied.

Where the Scheme employer makes such a determination it shall inform the member of the revised contribution rate and the date from which it is to be applied.

Dorchester Town Council’s policy concerning the re-determination of active members’ contribution bandings at any date other than 1st April

The Council will allocate employees to the appropriate contribution band according to their salary on the 1st April annually and amend it throughout the year from the effective date of any change in employment or material change to the rate of pensionable pay received.

Regulation 22 – Merging of Deferred Member Pension Accounts with Active Member Pension Accounts

A deferred member’s pension account is automatically aggregated with their active member’s pension account unless the member elects within the first 12 months of the new active member’s pension account being opened to retain their deferred member’s pension account.

A Scheme employer can, at their discretion, extend the 12 month election period.

Dorchester Town Council’s policy concerning merging of Deferred Member Pension Accounts with Active Member Pension Accounts

The Council will allow an active member to elect not to aggregate a deferred member's pension account to an active member's pension account beyond the 12 month deadline only where there is no financial implications to the Council and it is of benefit to the member.

Regulation 100(6) – Inward Transfers of Pension Rights

A request from an active member to transfer former pension rights from a previous arrangement into the Local Government Pension Scheme as a result of their employment with a Scheme employer must be made in writing to the administering authority and the Scheme employer before the expiry of the period of 12 months beginning with the date on which the employee first became an active member in an employment (or such longer period as the Scheme employer and administering authority may allow).

Dorchester Town Council's policy concerning the extension of the 12 month transfer application period

The Council will accept inward transfer of pension rights beyond the 12 month deadline only where there is no financial implications to the Council and subject to the agreement of the Administering Authority.

Policy Statements

1. The Council will consider any other non-compulsory discretions on an individual basis; the merits of each being fully investigated.
2. The Council, in exercising the discretionary powers available under the above Regulations has acted with due prudence and propriety and considered the financial aspect of applying the discretions.
3. The above Policies may be subject to review from time to time. Any subsequent change in this Policy Statement will be notified to affected employees.
4. This Policy will be effective from 1 June 2014.

Dorchester Town Council
19 North Square
Dorchester
DT1 1JF

Tel: 01305 266861

POLICY COMMITTEE

12 MAY 2014

CONSULTATION ON THE CORPORATE PLAN

1. A date still has to be arranged for a review of the Corporate Plan wording by those members not previously engaged in the process of putting it together.
2. Once this exercise has been concluded the Council needs to validate its Plan with residents. It is proposed that this is carried out in 4 ways: -
 - a. The spring 2014 newsletter will inform residents of the headline content of the newsletter
 - b. The newsletter identifies that from June onwards there will be a link on our website to a simple questionnaire that allows residents to offer their views on the Corporate Plan
 - c. The newsletter also identifies that the Town Clerk and Councillors would like to meet with representatives of Groups within the town to discuss the Plan
 - d. One, possibly two, Wednesday mornings in South Street, where town councillors and Council staff can meet with residents and businesses
3. Separate to the above processes it would be advantageous to set up an Economic Forum to consider the town's Economic needs, to include the BID and the Chamber, other tiers of local government, and possibly other key employers. There is currently no equivalent forum in the town. The Forum could consider, and develop a plan to help address, a range of issues including: -
 - The Town's Physical infrastructure – roads and parking, broadband and communications, availability of workspace
 - The Town's workforces – skills gaps, advertising and recruitment, school leavers and apprenticeships, green travel
 - Promoting the Town to the outside world – what happens here, what is available, why relocate to or set up in Dorchester
4. Another forum that would be useful is one focused on Heritage and how to exploit it. The Heritage Committee, of which the Town Council is a partner, focuses on safeguarding and improving our heritage, but there is insufficient input from those in the Tourism community who are seeking to exploit it. This Committee may wish to review the role of the Heritage Committee, with a view to expanding its role to recognise the value that heritage might offer to the local economy and the local community.

Adrian Stuart
Town Clerk