

Dorchester Town Council

Policy Committee

18 March 2024

Present: Councillors R. Biggs (Chairman), S. Biles, T. Harries, J. Hewitt and S. Hosford.

In Attendance

Councillors S. Jones, D. Leaper, R. Potter and M. Rennie.

Apologies: The Mayor (Councillor A. Chisholm) and Councillors B. Armstrong-Marshall and F. Hogwood.

46. **Minutes**

The Minutes of the Meeting of the Committee held on 22 January 2024, adopted by Council on 29 January 2024, were taken as read and were confirmed and signed by the Chairman as a correct record.

47. **Declaration of Interests**

Councillor T. Harries declared a personal interest in respect of Minute No. 56 and did not speak or vote.

48. **Finance Update**

Members considered a report by the Finance Officer which updated them on the financial position of the Council as at end of February 2024, the level of debt over 30 days, which was now zero, and gave details of the payments list from 1 January 2024 to 29 February 2024.

The report also included details of the Council's second of three internal audits held in January 2024. The recommendations of the internal auditor and officers responses to them were noted.

Resolved

(1) That the payments list, totalling £395,595.23, be approved.

(2) That the report of the internal auditor and officer responses to them be noted.

49. **Treasury Strategy**

The Committee considered a report by the Responsible Finance Officer which reviewed the Council's existing Treasury Strategy for all loan and investment activity so as to ensure that it was in accordance with relevant regulations, proper practices

and guidance. The report also proposed that the strategy be reviewed in January each year and that the Council's Financial Regulation 7.1 be amended accordingly.

Recommended

(1) That the updated Treasury Strategy, as set out in Appendix 1 to these Minutes, be approved.

(2) That the Treasury Strategy be reviewed in January each year and that the Council's Financial Regulation 7.1 be amended accordingly.

50. Members Allowances

Members had before them a report by the Responsible Finance Officer reviewing the Members Allowances Scheme.

Recommended

That the updated Members Allowance Scheme, as set out in Appendix 2 to these Minutes, be adopted and reviewed again in 2028.

51. Town Centre Working Group

Members had before them a report of a meeting of the Town Centre Working Group held on 26 February 2024. It was noted that the meeting with Dorset Council's Service Manager for growth and Economic Regeneration was scheduled for the following day.

Resolved

That the report of the Town Centre Working Group be noted.

52. Fairfield Road improvements

The Committee considered a report by the Town Clerk on the proposal to create a public space at Fairfield Road as a part of the Fairfield Road improvements undertaken by Dorset Council.

It was noted that the Management Committee had considered this matter and had agreed the proposals and that the Town Council would manage the space once completed. The total cost of the works was estimate at £90,000 and Dorchester Joint Markets Panel had agreed to investigate whether it could fund a share of the cost, Dorset Council was also looking at ways to fund a share and the Town Council was also being asked if it would consider funding a share of the cost.

Resolved

That the Council contribute to the scheme up to a maximum of £30,000, funding to come from the Public Realm reserve.

53. **Management Committee Extract**

Members considered an item referred to it from the Management Committee requesting that the Committee release £70,000 funding from the Council's Vehicle and Equipment Replacement Reserve to fund the purchase of the electric vehicle.

Resolved

That £70,000 be released from the Council's Vehicle and Equipment Replacement Reserve to fund the purchase of the electric vehicle.

54. **Carbon Reduction at the Municipal Buildings**

The Committee considered a report by the Director of Dorchester Arts on the outcomes to date of the switch to biomass and the installation of solar panels at the Municipal Buildings.

Members were pleased to note that the new systems were working well and that significant carbon reductions had been achieved.

Resolved

That the report be noted.

55. **Public Bodies (Admission to Meetings) Act 1960**

Resolved:

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 press representatives be excluded from this meeting during their discussion.

56. **Dorchester Ballet and Dance**

The Committee considered a report by the Town Clerk.

Resolved

That the proposal set out in paragraph 14 of the Town Clerk's report be agreed.

Chairman.....

DORCHESTER TOWN COUNCIL

POLICY COMMITTEE – 18 MARCH 2024

TREASURY STRATEGY

1. The Treasury Strategy was last reviewed in 2019.
2. DTC Financial Regulation 7.1 states *'The RFO will produce a Treasury Strategy for all loan and investment activity which shall be in accordance with relevant regulations, proper practices and guidance and is to be reviewed and adopted by Council each May'*.
3. However, the Secretary of State, that the proper practices are based on states *'the strategy should be presented for approval prior to the start of the financial year'* (DLUHC, 2018, s15-16).
4. It is **RECOMMENDED** that the updated Treasury Strategy, attached to this report, is reviewed, and adopted.
5. It is **RECOMMENDED** that DTC Financial Regulation 7.1 is amended to *'The RFO will produce a Treasury Strategy for all loan and investment activity which shall be in accordance with relevant regulations, proper practices and guidance and is to be reviewed and adopted by the Policy Committee each **January**'*

Nigel Hayes
Responsible Finance Officer

DORCHESTER TOWN COUNCIL TREASURY STRATEGY 2024/25

1 Overview

1.1 CIPFA defines Treasury Management as: *'management of the Council's cash flows, banking, money market and capital market transactions; the effective control of risks associated with those activities'*.

1.2 A council has the power to:

- Invest surplus funds for: *'any purpose relevant to its functions or for the purpose of prudent financial management'*¹.
- Participate in schemes of collective investment². It is the council's role to *'review and adopt the TS each May'* (DTC, 2023, p9).

1.3 The Department for Levelling Up, Housing and Communities (DLUHC) states a Treasury Strategy should:

- *'Comment on the corporate governance arrangements that have been put in place to ensure accountability, responsibility and authority for decision making on investment activities within the context of the local authority's corporate values'* (DLUHC, 2018, s50).
- *'State the local authority's approach to assessing risk of loss before entering into and whilst holding an investment'* (DLUHC, 2018, s.41).
- *'Be publicly available on a local authority's website'* (DLUHC, 2018, s18).

2 Introduction

2.1 Dorchester Town Council will, for the foreseeable future, owe money on behalf of its taxpayers (debt) and will routinely hold monies on behalf of its taxpayers (investments). This strategy identifies how the council, and its officers will manage debt and investments to minimise financial risk and manage its investments to achieve a financial benefit commensurate with that risk.

3 Debt

3.1 The Council currently has one loan, with the Public Works Loan Board (PWLB), that will be repaid by 2027:

2024/25	PWLB	Maturity	Interest	01-Apr-24	30-Sep-24	31-Mar-25
	Ref		%	£	£	£
2	487126	09/2027	4.625	56,000	49,000	42,000

3.2 The Council may, under certain circumstances, take on new debt, but would only borrow from the PWLB, part of the DLUHC. Any decision to borrow would be taken by the Policy Committee, that would consider the benefits of borrowing against the use of the Council's investment cash. The Medium-Term Financial Strategy currently shows no plans to borrow.

¹ Local Government Act 2003, s.12

² Trustee Investments Act 1961, s.11.

4 Investments

4.1 The Council's investments are defined as any cash held in its bank accounts, held as deposits in other bodies or in managed funds with third parties, advanced as a loan, or used to purchase bonds.

4.2 On 1 April each year, after adjusting for short term (under 1 year) debtors and creditors, the Council's investments will equal its earmarked and general Reserves. During the year this figure is supplemented by sums resulting from cashflow on the revenue budget, peaking in April and September when the precept instalments are received. There are several reasons for holding investments at any point:

- Sums arising from routine cash flow in year – short term, available when the cash flow profile requires, no longer than six months.
- A sum in the general reserve, held for emergency purposes, calculated annually as part of the budget process (24/25 £100k) to be available at 3 months' notice.
- Sums held in earmarked reserves for spending on a planned project, typically in a 1-to-5-year period.
- Sums held in the corporate projects reserve, awaiting allocation to projects or transfer to the earmarked reserve – this might be invested for up to 5 years, depending on how quickly the council wishes to review and implement its plans.

4.3 Security of the sum is the highest priority when making a decision to invest. The council does not currently take advice from professional advisors.

4.4 Payments in respect of investments, including transfers between bank accounts held in the same bank, or branch, shall be made in accordance with the DTC Financial Regulations.

4.5 The requirement of the council to have funds available to meet its revenue responsibilities is also a priority when determining the period of investment. Investments must take account of the council's cash flow requirements.

4.6 Movements between internal accounts shall be reported retrospectively to the Policy Committee.

4.7 Achieving a return on any investments is the third priority. Any investment return must be consistent with the need to preserve the security of the principle sum and meet payments owed by the council.

5 Policy

5.1 This Strategy is to be reviewed every January by the Policy Committee as part of the budget setting process.

Nigel Hayes
Responsible Finance Officer
18 March 2024

DORCHESTER TOWN COUNCIL

POLICY COMMITTEE – 18 MARCH 2024

Member Allowance Scheme

Under the Local Authorities (Members' Allowances) (England) Regulations 2003, Dorchester Town Council has the power to issue allowances to its members.

1. The Members Allowance Scheme was last reviewed in 2019, where Council agreed to continue with the 2011 Members Allowance Scheme.
2. In 2019 Dorset Council established the Dorset Parish Independent Remuneration Panel (DPIRP) to make recommendations to introduce a consistent approach to the payment of allowances across the county.
3. On the 21 March 2022, Policy Committee considered the findings of the DPIRP and agreed that having taken into consideration the scale of the councils revenue budget, and the complexity of operations delivered by the council, as well as the role that the council is required to play to facilitate and support infrastructure required for the future growth of the town, the basic allowance be set at £1,069 for 2022/23. In line with subsequent pay awards, the rate for the 2023/24 financial year is £1,174.80.
4. As set out by the DRIRP, the basic allowances to be annually indexed, in line with pay inflation.
5. An updated Members Allowance Scheme is attached.

It is **RECOMMENDED TO COUNCIL** that the updated Members Allowance Scheme it adopted, to be reviewed in 2028.

Nigel Hayes
Responsible Financial Officer

MEMBER ALLOWANCE SCHEME

Dorchester Town Council, in exercise of the powers contained in the Local Authorities (Members' Allowances) (England) Regulations 2003 makes the following scheme:

1. Parish Basic Allowance

- Elected members of Dorchester Town Council receive a basic allowance to recognise the time devoted to carrying out their work as councillors, including attendance at meetings, and civic activities. It is also intended to cover incidental costs such as in-area subsistence, use of members' homes, private telephones, and any IT consumables.
- In 2019 Dorset Council established the Dorset Parish Independent Remuneration Panel (DPIRP) to make recommendations to introduce a consistent approach to the payment of allowances across the county.
- On the 21 March 2022, Policy Committee considered the findings of the DPIRP and agreed that having taken into consideration the scale of the councils revenue budget, and the complexity of operations delivered by the council, as well as the role that the council is required to play to facilitate and support infrastructure required for the future growth of the town, the basic allowance be set at £1,069 for 2022/23.
- As set out by the DRIRP, the basic allowances will be annually indexed, in line with pay inflation.

2. Parish Travelling and Subsistence Allowance

- The Parish Travelling and Subsistence Allowance shall only be payable for attendance at approved duties outside the town boundary.
- The council will only pay allowances in connection with the performance of an ongoing or specific role approved by the council.
- The allowance paid will be consistent with the approved scheme for officers of the Town Council at the time that the allowances was claimable.

3. Claims and Payments

- The basic allowance shall be paid monthly through payroll, subject to PAYE and National Insurance regulations in place at that time.
- Claims for payments of Parish Travelling and Subsistence Allowance shall be paid through the payroll system.

4. Records of Allowances

- Records of Allowances made will be available for inspection by any local government elector for Dorchester, with a copy of such records provided on request.
- The council will publish a notice on its website stating the sums paid annually to each councillor in respect of the Basic Allowance.

5. Non-Payment of Allowances

- Members may, if they wish, forgo all their entitlement to the basic allowance by giving notice in writing to the Responsible Financial Officer.
- Where a member is suspended, or partially suspended from their duties as a Dorchester Town councillor, in accordance with Part 3 of the Local Government Act 2000, or regulations made under that part, the parts of the allowances payable to them in that period shall be withheld.

6. Other Allowances

- The council pays no specific Chairman's Allowance. Separate to this scheme of allowances, the council does retain a c. £12,000 budget to enable the Mayor to fulfil their duties. Part of this is paid direct to the Mayor, through payroll, and subject to PAYE and NI deductions

Last Reviewed: 25 March 2024

Next Review Due: March 2028