

Council Offices, Commercial Road, Weymouth, Dorset, DT4 8NG

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Councillors nominated to the Finance & Governance Committee are hereby summoned to attend the following meeting. Please inform the Clerk if you are unable to attend.

**NOTICE OF MEETING**

**MEETING:** Finance and Governance Committee Meeting

**DATE & TIME**: Wednesday 13 May 2020 at 7.00pm

**PLACE:** Council Offices, Commercial Road, Weymouth, DT4 8NG

This is a meeting in public, not a public meeting.

Due to the current restrictions in place the Council is unable to meet in person and so will be meeting virtually. Members of the public can view the meeting live on the Council’s Facebook page [www.facebook.com/WeymouthWTC](http://www.facebook.com/WeymouthWTC)

Anyone wishing to ask a public question should do so by email to [office@weymouthtowncouncil.gov.uk](mailto:office@weymouthtowncouncil.gov.uk) by 9am on the day prior to the meeting.

Agenda and papers are available at [www.weymouthtowncouncil.gov.uk](http://www.weymouthtowncouncil.gov.uk)

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Description automatically generated

J L Biscombe, FSLCC, CiLCA

Town Clerk 6 May 2020 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

# Agenda

1. Welcome by the Chair
2. Apologies for Absence and Substitutions
3. Declarations of Interest
4. Minutes of the last meeting
5. Councillor questions
6. Public questions
7. Financial Update
8. Grant Applications
9. Information items

* Actions from the last meeting
* Forward Plan
  + - 1. **Welcome by the Chair**
      2. **Apologies for Absence and Substitutions**

To approve any apologies received.

* + - 1. **Declarations of Interest**

To receive Councillor Declarations of Interest in matters on the agenda.

* + - 1. **Minutes of the last meeting**

To agree the minutes of the previous meeting held on 18th March 2020.

Recommendation:

That Councillors agree the minutes as a true and accurate record and agree they be signed as such on a future date.

* + - 1. **Councillor’s Question Time**

Prior notice preferred where possible.

* + - 1. **Public Question Time**

Questions referring to the work of Dorset Council or other partner agencies will not be taken at this meeting.

No questions have been received to be included with the agenda despatch. Members of the public are able to ask a public question up until 9am on the day before the meeting date.

The length of time available for public questions will be determined by the Chairman.

* + - 1. **Financial Update**

**Purpose of the Report**

The purpose of this report is to consider the draft financial outturn position for Weymouth Town Council for the 2019/20 financial year and the balance of reserves for the year ending 31 March 2020.

Members are also asked to consider recommendations to Full Council on the allocations to earmarked reserves and the impact that the current situation has on the 2020/21 budget, particularly the potential impact on the income budgets.

**Background**

Weymouth Town Council is required to present its Annual Governance Statement and the Annual Accounting Statements to Full Council, for the financial year 2019/20, in the form of the Annual Governance and Accountability Return (AGAR).

The draft net actual income and expenditure for the year is presented in Appendix A and will form the basis of Section 2 of the AGAR, which relates to the Accounting Statements for 2019/20.

**2019/20 Draft Outturn Position**

Appendix A shows the annual budget for each service area and the actual net expenditure recorded against these budgets. The variance column shows the (overspend) or underspend when comparing the budgets against the actual outturn expenditure.

For the year ending 31 March 2020, the draft underspend for the year is showing as £640,515. This amount is subject to change if additional material invoices are received, as officers conduct a final review of the utility expenditure.

The projected underspend at the end of Quarter 3 was estimated to be £352,253. The increase in the underspend in part is due to projects and tasks being postponed due to the current situation, and officers will need to review the impact of this on future service delivery. Part of the underspend may need to be allocated to complete any delayed projects which could not commence during the final quarter and would have been funded from 2019/20 budgets.

**Reserves**

Appendix B shows the draft reserve balances as at 31 March 2020.

***Transfers to Reserves***

£906,152 was received from Dorset Council during the year and transferred to earmarked reserves and represented amounts relating to commuted sums, community infrastructure levy receipts, section 106 receipts and other reserves that related specifically to the town of Weymouth and previously held by Weymouth and Portland Borough Council.

£300,000 has been set aside as part of the Councils commitment to build up an appropriate minimum level of prudent general reserves of £900,000 over 3 years. The draft underspend of £640,515 is currently showing as a general unallocated reserve and members should consider recommendations as to how this amount can be earmarked for future specific projects and priorities. Allocations from reserves that have already been agreed and actioned are shown below.

***Transfers from Reserves***

During the year, the following amounts were transferred from reserves to fund specific expenditure.

|  |  |  |
| --- | --- | --- |
| **Amount** | **Reserve** | **Purpose** |
| £55,571 | Council Set Up Reserve | Funding of specific set up costs |
| £13,499 | Vehicle Replacement Reserve | Purchase of an electric vehicle |

**Reserve Allocations**

Appendix C lists the amounts that have already been agreed by Full Council to be funded from the 2019/20 underspend and other reserves.

Appendix D lists the amounts that the Budget Working Group and Officers have identified as potential priorities that could be funded from the 2019/20 underspend and other reserves. Members are asked to review this list and make recommendations of additions and amendments that can be taken to Full Council for their consideration.

**2020/21 Income Targets**

The income for 2020/21 could potentially be greatly affected by the current situation and it has been determined that a worse case scenario could see income targets be underachieved by £525,000. However, it is also recognised that income receipts will remain highly dependant on the length of time current social distancing measures are kept in place and the lifting of restrictions on the gathering of people.

Appendix E shows the sensitivity of income budgets if a percentage of income is not received. Members are asked to consider what contingency plans can be made should budgeted income not be received during the 2020/21 financial year. This needs to be done whilst where possible also considering expenditure that will not be incurred such as seasonal agency staff and expenditure that would have been needed to host events. Initial estimates on this type of expenditure is assumed to be in the region of £144,000. However, a full understanding of total costs are difficult to know at this stage and will be reported within future budget monitoring reports throughout the year.

**Impact Assessment:**

Equalities – None directly from this report

Environmental - None directly from this report

Crime and Disorder - None directly from this report

Financial – As set out in the report

Resources – As set out in the report.

Economic - None directly from this report

Risk Management – The Council will need to manage the risk associated with the loss of income during 2020/21. There are risks to Council assets should Members decide not to earmark some of the earmarked reserves for the maintenance and necessary enhancements of capital assets. The Council is building up a reserve to be set aside to cover any unforeseen circumstances.

**Recommendation**

That Councillors:

1. Note the current draft outturn position for 2019/20 of £640,515 whilst noting that this may be subject to change following the review of utilities and the internal audit review.
2. Note the allocations that have been agreed by Full Council from the 2019/20 underspend and consider recommendations to Full Council of further allocations to earmarked reserves.
3. Consider what contingency plans can be made should budgeted income not be received during the 2020/21 financial year.
   * + 1. **Grant Applications 20/21**

The following applications have been received and are attached to this agenda:

* Weymouth Concert Brass Band have applied for £1,000 towards producing jackets and fleeces for each Band member embroidered with the Weymouth and Portland Coat of Arms. The band have been advised by Assessment Officer that the Weymouth and Portland Coat of Arms is now historical and although the Mayor of Weymouth & Portland Borough Council granted permission for its use in 2010, Weymouth Town Council does not have this ability. The total cost of the project is £1,200 with 60% of residents benefiting being from Weymouth. The project does not require any support from Dorset Council. It is expected that this project will go ahead in readiness for performances in the future. Recommended to allocate £600.
* Weymouth Neighbourhood Policing Team have applied for £2,000 for setting up football camps. The aim is to engage with youths who are known or suspected of involvement in criminality and anti-social behaviour, providing a positive focus for them, rewarding positive achievement and good behaviour, building their confidence in contact with the police and in fostering a sense of social responsibility. All recipients will be Weymouth residents, but officers recommend that this is confirmed prior to any payments being made as the program outline includes Portland. The project will go ahead as soon as it is able to. Recommendation to allocate £2,000.
* Citizens Advice Central Dorset have applied for £1,775 for a laser printer, replacement toner cartridges for year 1, printer stand and two desktop PC’s. In addition, the application includes publicity materials to expand work with the Veterans Hub and the Littlemoor Outreach project. The project does not involve direct work with vulnerable children or adults so Dorset Council have not been involved. They expect normal service to resume in Weymouth library later in the year. Recommendation to allocate £1,775.
* The Bus Shelter Dorset have applied for £1,340 for an oven, fridge and freezer. These will be used within a refurbished second-hand static caravan that they acquired in January 2020 to provide a dining/kitchen area and food store. It is hoped that this will be ready by August and they will need to replace the existing LPG oven (deemed unsafe) and fridge as these are in poor condition. They have not had a freezer before but given the new space in the static caravan they will be able to bulk buy and freeze food thus creating savings, and in particular freeze donated food which to date has often gone to waste. The project currently support homeless men and hopes to expand to develop a new project to support homeless women. The project hopes to have the static caravan operational by August and do not anticipate a delay due to current circumstances. Recommendation to allocate £1,340.

**Recommendation**

That Councillors discuss the grants detailed above and decide on allocations to be made.

Summary of grant allocations in 20/21:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Applicant | Project | Total project cost | Allocation | Date agreed |
| Weymouth Concert Brass Band | Purchase of branded fleeces | 1,200.00 | 600.00 |  |
| Weymouth Neighbourhood Policing Team | Commencing football camps | 2,000.00 | 2,000.00 |  |
| Citizens Advice Central Dorset | Upgrading IT. Publicity materials. | 1,775.00 | 1,775.00 |  |
| The Bus Shelter Dorset | Purchase of oven, fridge and freezer. | 1,340.00 | 1,340.00 |  |
|  |  |  |  |  |
|  | **Total AGREED prior to this meeting** |  |  |  |
|  | **Total listed above** |  | 5,715 |  |
|  | Remaining Budget | **50,000** | 44,285 |  |

* + - 1. **Information Items**

**Actions from the last meeting**

|  |  |  |  |
| --- | --- | --- | --- |
| Date | Who | Action | Status |
| 18/03/20 | JB | Funding limit in Grants Policy and Form to remain at £2000. Applicants to be asked for a general project outline and if they have support from DC if working with vulnerable children or adults. | Completed |
| 05/02/20 | JB | Events, consultations and grant opportunities detailed on the Forward Plan to be publicised on WTC website. | Completed and ongoing |
| 05/02/20 | MR | Smaller lettable unit at the new Beach Office building to be referred to the TEAF Working Group with the views of the group being brought to a future meeting of the F&G Committee. | Report prepared and circulated to TEAF working group |
| 18/12/19 | MR | Carry out tendering exercise and award contract for garages and parking spaces, as specified in the report, for a period of 12 months. | Garages tendered –  leases have been completed. Parking spaces to be tendered. |
| 18/12/19 | MR | Monitor progress with regards to completion of Climate Mitigation Report, in conjunction with Green and Clean Working Group. Updates to be brought to Full Council as a standing item. | The draft Carbon Footprint report and Mitigation Measures report circulated to all Councillors for comment. |
| 06/11/19 | IM | Outturn figures to be circulated to Members when available. | In progress |
| 06/11/19 | IM | Financial reports to be circulated to Members on a monthly basis. | A review of budget monitoring is currently being undertaken. |
| 06/11/19 | JB | Policy to be produced regarding how CIL monies are dispersed. | In progress |

**Finance and Governance Forward Plan**

Whilst it is not possible at the present time to follow the previously presented forward plan, there are some key legal decisions that the Council must take.

In response to the Coronavirus pandemic the Ministry for Housing, Communities and Local Government (MHCLG) has issued new legislation covering the Council’s audit procedure and governance statements in [SI 2020/404 The Accounts and Audit (Coronavirus) (Amendment) Regulations 2020](https://s.factsline.com/redir.php?trans=5e636471-8478-11ea-8bee-068e03beb944@emailer.factsline.co.uk&loc=http://www.legislation.gov.uk/uksi/2020/404/contents/made)

This amends the deadline by which the Annual Governance Statement and Statement of Accounts of the Annual Governance and Accountability Return (AGAR) together with any certificate or opinion issued by the local auditor must be published from 30 September 2020 to 30 November 2020. Both statements must be formally approved by Full Council prior to this.

Previously there was a requirement for all smaller authorities to have a common period for the exercise of public rights, being the first 10 working days of July. Under the new regulations there is no requirement for a common period for the exercise of public rights. Councils are still required to set a period for this purpose, but the only requirement is that the 30-working day period for the exercise of public rights should start on or before the first working day of September, i.e. on or before 1 September 2020.

This gives the Council increased timescales in which to finalise the accounts for 19/20 and have the internal audit completed. We are working with our internal auditors to complete that area of work as soon as possible. Officers will bring the Annual Governance Statement and Statement of Accounts of the Annual Governance and Accountability Return (AGAR) to a Full Council meeting as soon as possible but it is not currently possible to determine an appropriate date.

There may also be some grant applications come forward in future months.

The previous forward plan is as below:

|  |  |
| --- | --- |
| Date | Items for consideration |
| 29/04/20 | Grant applications  End of year Financial report  Climate Emergency impact and mitigation report  Community Artwork Project – Gable end of 101 the Esplanade |
| 10/06/20 | Grant applications  Approve Governance Statement  Financial outturn 19/20  Updated Standing Orders  Updated Financial Regulations |
| 22/07/20 | Investment Policy  Grant applications |
| 30/09/20 | Grant applications  Policy Review  Mid-year review of capital expenditure 20/21 |
| 11/11/20 | Grant applications  Appointment of Internal Auditors for 20/21 |
| 16/12/20 | Grant applications  Draft Budget and Precept |

**Recommendation:**

That Members note the information items.