

## LYME REGIS TOWN COUNCIL

### STRATEGY AND FINANCE COMMITTEE

#### MINUTES OF THE MEETING HELD ON WEDNESDAY 13 OCTOBER 2021

##### Present

**Chairman:** Cllr M. Ellis

**Councillors:** Cllr B. Bawden, Cllr J. Broom, Cllr R. Doney, Cllr B. Larcombe, Cllr D. Sarson, Cllr R. Smith, Cllr G. Turner

**Officers:** A. Mullins (support services manager), M. Russell (finance manager), J. Wright (town clerk)

##### **21/17/SF Public Forum**

There were no members of the public who wished to speak.

##### **21/18/SF Apologies for Absence**

Cllr C. Reynolds – hospital appointment

Cllr D. Ruffle – illness

Cllr R. Smith – personal commitments

Cllr G. Stammers - illness

Cllr T. Webb – work commitments

Cllr S. Williams – illness

##### **21/19/SF Minutes**

Proposed by Cllr R. Doney and seconded by Cllr D. Sarson, the minutes of the meeting held on 14 July 2021 were **ADOPTED**.

##### **21/20/SF Disclosable Pecuniary Interests**

Cllr J. Broom declared a pecuniary interest in agenda item 12, Review of Precept and Charges, specifically Monmouth Beach garages as he rented a garage from the council.

##### **21/21/SF Dispensations**

There were none.

##### **21/22/SF Matters arising from the minutes of the Strategy and Finance Committee meeting held on 14 July 2021**

Members noted the report.

## **21/23/SF Update Report**

### **Public toilets and business rates**

Cllr R. Doney said he understood the Non-Domestic Rating (Public Lavatories) Bill retrospectively applied from 1 April 2020 so the council may be able to make retrospective claims.

The finance manager said he would look into this.

### **Survey of accreted land**

Cllr M. Ellis asked if a new date had been set to meet with Dorset Council (DC) officers.

The town clerk said he had been given some dates in early-November when the DC officers were available and he would firm this up.

## **21/24/SF The Process for Approving the 2022-23 Budget<sup>1</sup> and Five-Year Financial Plan**

The town clerk detailed the process for approving the 2022-23 budget through two cycles of meetings.

Cllr R. Doney asked if members made decisions at this meeting which were then resolved by the Full Council, whether alternative decisions could be made in the next cycle of meetings once officers had modelled up the figures based on the decisions made.

The town clerk said he saw this as an iterative, two-stage process and at this point, members were only asking officers to model up the figures to allow them to approve the budget in the next round of meetings.

## **21/25/SF Statement of Internal Control, Risk Management Policy and Annual Risk Assessment**

The town clerk said his statement of internal control gave a holistic view of the organisation, beyond what the internal auditor did. He said the risk register was prepared by officers but it belonged to the council and members could make amendments if they wished.

Cllr B. Larcombe said he felt the ratings given in the risk register were reflective of where the organisation was.

Cllr R. Doney asked what the town clerk felt were the most significant differences between last year's and this year's register.

The town clerk said the main variances were issues surrounding Covid-19, the budget gap at DC, and member relationships.

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<sup>1</sup> The 2022-23 budget includes the precept.

Cllr B. Bawden said there was a need to identify financial and operational risks related to climate change. Although there was a category for environment, she felt it needed to be more explicit as there was legislation filtering down which meant organisations needed to quantify it better.

The town clerk said without the criteria to quantify the risk against, it was difficult to do this. He said when that guidance was available, it could be considered for next year's risk register.

Members noted the statement of internal control and the town clerk's observations.

Proposed by Cllr B. Larcombe and seconded by Cllr B. Bawden, members agreed to **RECOMMEND TO FULL COUNCIL** to approve the risk management policy and the 2021-22 annual risk assessment.

Proposed by Cllr R. Doney and seconded by Cllr G. Turner, members agreed to **RECOMMEND TO FULL COUNCIL** to approve the 2021-22 risk register.

## **21/26/SF Budget Performance, 1 April – 31 August 2021**

The town clerk said it had been a good year so far for the council, officers anticipated the year would continue in this way and the 2021-22 budget surplus would be exceeded. He said a prudent budget had been set based on 2019-20 income and expenditure, i.e. avoiding the impact of Covid-19.

The town clerk said car parking income was expected to be up 25% on budget, along with other areas of activity, particularly amenities. He said this would contribute to a prudent year-end reserve forecast of £1.2million.

The town clerk reminded members money had already been released for some projects and it was now intended to release more for projects including the Guildhall repairs and the seafront railings. He said although officers couldn't make guarantees, based on the money which had come in over the last two months, they believed the council could pay off the loan to DC in this financial year and increase the reserve to £1million.

The finance manager said the current budget position didn't include a payment of £16k from Warner Brothers related to filming in the town, and further income was expected from the sales of several chalets. He said al fresco seating was significantly down on budget due to the government cap of £100 on non-fixed outdoor seating due to Covid-19.

In terms of expenditure, the finance manager said office admin was overspent due to legal fees received this year but relating to 2020-21, and the marketing budget was overspent due to the building of the tourism microsite.

Cllr B. Larcombe said he was keen for the council to pay off the DC loan as soon as possible and there was general agreement with this.

Cllr R. Doney said the current financial performance put the council in a position to be able to make significant decisions. He said the council should make a decision now to fund the projects that had been held off due to Covid-19, pay off the DC loan and increase the reserve to £1million.

Cllr B. Larcombe said the council levied a precept on the townspeople as a tax for the essential needs of the council and if the reserve was grown too fast and too high, residents would ask why it was necessary to pay a precept. As such, he felt the council needed to be cautious about how much it grew its reserve.

Cllr B. Bawden asked if agreeing to increase the reserve to £1million would tie the council's hands in terms of future projects.

The town clerk said there were projects the council had already given consideration to and it would be worthwhile formally approving they go ahead. He said the issue of the reserve was a change in council policy and he advised the council to carry out the previously identified projects first and then to prioritise the paying off of the loan.

Several members felt it was more important to pay off the loan first.

The town clerk said the council was and would be contractually committed to some of the identified projects and because of the contractual risk, it was prudent to pay for those first and use the balance to pay off the loan.

The finance manager also clarified the £157k balance on the loan was the year-end figure; if the council was to pay off the loan now, it would cost £175k.

Cllr M. Ellis said she didn't see a problem with waiting until the end of the financial year to pay off the loan as this was the date the council had originally targeted.

The town clerk said it didn't necessarily have to be at the end of the financial year because there would be greater certainty about the council's finances before then.

Proposed by Cllr R. Doney and seconded by Cllr D. Sarson, members agreed to **RECOMMEND TO FULL COUNCIL** to formally approve the following projects to be carried out and to aim to pay off the loan from Dorset Council by the end of the financial year:

- Guildhall/office c.£100k
- Railings c.£86k (less DC contribution, c.£19k)
- Beach hut replacement c.£32k
- Chipper c.£15k
- EV points c.£14k (less grant contribution, c.£10k)
- Roof glass replacement c.£2.6k
- Other legal costs c.£5k
- CCTV c.£10k (assuming £40k grant towards this)
- Car park machines c.£30k

## **21/27/SF Budget and Precept 2022-23 and Five-Year Financial Plan 2022-27**

The town clerk said officers had put together a budget based on known changes, such as the increase in National Insurance contributions and the RPI increase on chalet, caravan and beach hut fees, but there were lots of other variables which couldn't be factored in and which members had discretion over in terms of what the council should charge.

The town clerk said the five-year financial plan gave members a sense of what was likely to happen over the next five years and how much the council could spend on things that were beyond the basic running of the council.

The finance manager highlighted the main variances in the 2022-23 budget compared with the current year and advised officers had used the current RPI figure of 4.8%, but the figures might change at the margins because the September RPI was not yet released. The main variances were as follows: advertising income reduced by £7k; National Insurance contributions increased to 15.5%; a 3% increase on staff salaries as discussions were ongoing between national employers and unions; costs, a £11k increase on democratic costs due to member IT; and an increase in utilities mainly due to increasing business rates and rising energy prices. Based on the current figures, the finance manager said a surplus of £330k was forecast each year.

Cllr R. Doney said residents had put up with a lot during Covid-19 and when the town re-opened so he wanted the council to consider a payback or reward. He said he felt uncomfortable adding over £300k to the surplus every year unless the council had something sensible to spend it on. As a payback to residents, Cllr R. Doney suggested setting the precept to zero for the coming year, and perhaps the only year, issuing shoppers' parking permits to allow residents to park for free for two hours at any time of the year, or offering a 50% discount on council services to Gateway Card holders. He suggested adding 10p to parking charges to make visitors pay for it.

Proposed by Cllr B. Larcombe and seconded by Cllr G. Turner, members agreed to **RECOMMEND TO FULL COUNCIL** to approve the 2022-23 base budget and assumptions and to approve the base five-year financial plan and assumption.

## **21/28/SF Review of Precept and Charges**

### **Precept**

The town clerk said this council's precept was fairly low compared to neighbouring councils. He said the purpose of the precept was to produce a balanced budget. He said although the council made a surplus and didn't technically need to charge a precept, it was used to carry out projects and planned works of a larger nature. He added the council had kept the precept low to support residents and 'taxed' people who visited the town and used its facilities.

Cllr R. Doney said the council needed to work out what individual houses paid in the different bands because when new properties were taken into account the amount each property paid was going down each year.

Cllr M. Ellis said she liked the idea of not charging a precept for a year, as suggested earlier by Cllr R. Doney. She said it would have to be made very clear that it was for one year only and residents should not expect it in future.

Cllr B. Larcombe said the council needed to be mindful of it how it would be perceived by residents if the precept was increased because although putting it up by 10% would only generate an additional £13k, a 10% increase would make the headlines.

The town clerk advised members to be careful about reducing the precept as the government could introduce a precept cap.

Cllr R. Doney said if it was publicised in the right way, the council could make it clear the precept was zero for one year because of the impact of Covid-19 on residents. He said the council had to do something for the residents and this was something that would be visible and would benefit everyone.

Cllr J. Broom was concerned setting the precept to zero for a year would set expectations and suggested the council should instead give a cheque to every resident.

Proposed by Cllr B. Larcombe and seconded by Cllr J. Broom, members agreed to **RECOMMEND TO FULL COUNCIL** not to increase the precept in 2022/23.

### **Cart Road beach huts**

Cllr B. Larcombe said as the town was seeing an extension of the shoulder periods to the main holiday season, the rates for Easter and September should be increased.

Several members felt putting up the prices in the shoulder season would not be sensible as occupancy rates were lower and as prices were so low anyway, the extra income would be negligible.

Cllr R. Doney suggested a 50% discount on all prices for Lyme Regis residents.

Cllr M. Ellis felt all the prices were too low and there was scope to increase them across the board.

The town clerk said 2020 was a difficult year to model future income on because the council had to make a lot of refunds due to Covid-19 and as system had moved to a new charging structure of predominantly daily hire. He suggested a fundamental review next year when there would be more data available to make informed decisions.

Proposed by Cllr R. Doney and seconded by Cllr J. Broom, members agreed to **RECOMMEND TO FULL COUNCIL** to hold Cart Road beach hut charges for 2023 as follows but to increase the discount for Gateway Card holders to 50%:

	<b>Daily Rates 2023</b>	<b>Weekly Rates 2023</b>
January– Easter	£4	
Easter Holiday		£55
April– Spring Holiday	£10	
Spring Holiday		£60
June		£55
July (before summer hol)		£80
July (start of summer hol)- August		£140
September	£12	
October	£7	
November- December	£5	
Christmas & New Year		£80 (2-week booking)
Winter Season	£170	
Summer Season	£1,100	
Annual	£1,700	

It was clarified the 50% discount would apply to 2023 bookings as charges had already been set for 2022 and bookings had already been taken on the basis of a 10% discount.

### **Alfresco licences**

Members noted the council was tied into the government's flat rate of £100 for removable outside seating until September 2022 and agreed to review the charge for 2023-24.

Proposed by Cllr B. Larcombe and seconded by Cllr J. Broom, members agreed to **RECOMMEND TO FULL COUNCIL** to hold alfresco licence charges for 2022-23, as follows:

	<b>Price 2021/22</b>
Covers	£130
Single Chairs	£12

### **Website advertising**

Members noted introductory charges for the new microsite had already been set and charges for 2022-23 would be considered by the Tourism, Community and Publicity Committee in early-2022.

### **Bell Cliff advertising boards**

Proposed by Cllr R. Doney and seconded by Cllr J. Broom, members agreed to **RECOMMEND TO FULL COUNCIL** to hold Bell Cliff advertising charges for 2022-23 at £120 inclusive of VAT.

### **Marine Parade Shelters**

Cllr M. Ellis said the council needed to review the prices for commercial rental as they were too low and any charges for the area on top of the shelters should consider the size of the area and its uses.

The town clerk suggested charges for the area on top of the shelters could be reviewed as part of the roof management plan.

Cllr M. Ellis suggested increasing commercial hire of the performance area from £200 to £250 and for further discussion about controlling what should be allowed to trade from there.

Cllr J. Broom suggested an increase to £300 as a way of controlling what traded from there.

The town clerk advised members to be careful about increasing the charges too much because it currently produced a good income for the council and might price people out of the market.

Proposed by Cllr B. Larcombe and seconded by Cllr D. Sarson, members agreed to **RECOMMEND TO FULL COUNCIL** to hold charges for 2023-24 for the Marine Parade

Shelters for charities, schools and not-for-profit organisations, to hold charges for commercial or private hire of the Langmoor Room, to hold charges for the performance area for a performance, and to increase charges for private and commercial letting of the market and performance areas, as follows:

**Charities, Schools and Not-for-Profit Organisations – per area, per day**

<b>Categories</b>	<b>2023-24</b>
DT7 postcodes	£15
Within a 10-mile radius of the offices	£20
Outside a 10-mile radius of the offices	£25
National charities (per hour)	£20
Not-for-profit community events and festivals hiring the shelters	At the discretion of the town clerk

**Commercial or private hire**

<b>Area</b>		<b>2023-24</b>
Langmoor Room	Per room, per hour	£15
Market area	Per day	£250
Performance area/ top of shelters (Commercial)	Per day	£300
Hire of Performance Area for Performance	Per Half	£60
Hire of any section on top of the shelters	Per Day	To be set as part of roof management plan

**Amenities**

Cllr M. Ellis said as the income from the putting green was only £311, it was costing the council more in maintenance. She said the council needed to put this area to better use and suggested extending the mini golf as a future project.

The town clerk said the council had options for the land and he said members needed to think about what they wanted to do with it over the next year.

Proposed by Cllr J. Broom and seconded by Cllr G. Turner, members agreed to **RECOMMEND TO FULL COUNCIL** to hold amenities' charges for 2022-23 at: adult mini-golf, £4 and putting, £3; child mini-golf, £2 and putting, £1.50; table tennis, £2 per person, and to increase the discount for Gateway Card holders to 50%.

### **Weddings and civil marriages**

Proposed by Cllr B. Bawden and seconded by Cllr B. Larcombe, members agreed to **RECOMMEND TO FULL COUNCIL** to increase charges for weddings and civil marriages in 2023-24 to £400 for Mondays to Fridays and £500 for weekends.

### **Car parking permits**

Members discussed Cllr R. Doney's earlier suggestion of a shoppers' permit for residents to allow them to park in town council car parks for two hours a day at any time of year. He suggested it could be managed with a physical permit that had a clock so enforcement officers could check if someone had stayed for two hours.

Members agreed this was a good way of rewarding residents.

The support services manager said consideration would need to be given as to how this would be managed as the council had now moved away from physical permits and were operating a virtual permit system.

Cllr B. Bawden asked if the council could consider giving parking permits to people who volunteered in the town as organisations were losing volunteers. She said the organisation would pay for a permit and then issue it to their volunteers.

Members were concerned how this would be controlled and it was agreed the idea could be considered in more detail as part of next year's budget-setting process.

Proposed by Cllr B. Larcombe and seconded by Cllr G. Turner, members agreed to **RECOMMEND TO FULL COUNCIL** to hold car parking permit charges for 2022-23 as follows:

	<b>2022/23</b>
<b>Residents</b>	£175
<b>Non-residents</b>	£400
<b>Holiday accommodation</b>	£700

### **Car parking**

Members agreed there was scope to increase car parking charges and Cllr M. Ellis suggested increasing the hourly charge at Monmouth and Cabanya from £1.40 to £1.50 to cut down on the number of coins in the machines.

Cllr B. Larcombe suggested increasing the hourly charge at Woodmead from £1 to £1.20.

Proposed by Cllr M. Ellis and seconded by Cllr R. Doney, members agreed to **RECOMMEND TO FULL COUNCIL** to increase car parking charges for 2022-23 as follows:

	2022/23
<b>Cabanya</b>	1.50 per hour
<b>Monmouth Beach</b>	1.50 per hour
<b>Woodmead</b>	1.10 per hour
<b>Woodmead three-day ticket</b>	£30
<b>Woodmead weekly ticket</b>	£60

### Penalty charge

Proposed by Cllr J. Broom and seconded by Cllr M. Ellis, members agreed to **RECOMMEND TO FULL COUNCIL** to hold the car parking penalty charge for 2022-23 at £60, with a reduced fee of £40 if paid within seven working days.

### Cemetery

Proposed by Cllr B. Larcombe and seconded by Cllr G. Turner, members agreed to **RECOMMEND TO FULL COUNCIL** to hold the cemetery charges for 2022-23, as follows, with double fees applying to non-parishioners:

Inter still born child or under 2 years	Inter child under 16 years	Inter over 16 years	Inter cremated remains	Exclusive right of burial in earthen grave	Exclusive right of burial of cremated remains	Installation of headstone/footstone/tablet
No Charge	No Charge	£225.00	£50.00	£455.00	£276.00	£90.00

Installation of vase	Additional inscription on memorial	Scattering ashes on existing graves	Scattering ashes beneath turf of existing graves	Genealogy searches	Certified copy of entry in burial books	Double interment fee
£45/£60	£30.00	£20.00	£20.00	£25.00	Not Offered	No Extra Charge

### Memorial benches

Proposed by Cllr M. Ellis and seconded by Cllr B. Larcombe, members agreed to **RECOMMEND TO FULL COUNCIL** that the charge for memorial benches for 2022-23 is based on the procurement cost at the time.

### Monmouth Beach garages

*Cllr J. Broom left the meeting at 9.34pm in line with his declaration of pecuniary interests.*

*Cllr B. Larcombe left the meeting at 9.34pm.*

It was noted the garages were in high demand and the charge had remained the same for four years.

Cllr M. Ellis suggested increasing the charge from £1,040 to £1,100.

Proposed by Cllr R. Doney and seconded by Cllr D. Sarson, members agreed to **RECOMMEND TO FULL COUNCIL** to increase the charge for Monmouth Beach garages for 2022-23 to £1,250.

*Cllrs J. Broom and B. Larcombe returned to the meeting at 9.36pm.*

*The meeting was adjourned for a break at 9.36pm.*

*The meeting resumed at 9.41pm.*

## **21/29/SF Objectives**

Cllr B. Larcombe asked if the replacement of the cadet hut would be necessary once the Monmouth Beach store was returned to the council.

Cllr J. Broom said it would still have to be replaced, and sooner rather than later. Cllr D. Sarson said the impression he got from the gardeners while doing a staff meet and greet was they were reluctant to go into the cadet hut due to subsidence and asbestos.

The town clerk said it was also planned to replace the amenities' hut, which would include rest facilities for the outside staff, in which case, the cadet hut could just be used for storage for a few years.

The town clerk said members had some scope to identify objectives as income was expected to significantly exceed what had been budgeted for over the next five years.

Cllr R. Doney said the only identified objective which directly impacted residents was an enhanced town bus service and he felt the council needed to think of things to invest in the town for the benefit of residents and visitors.

Cllr M. Ellis agreed and said it was essential the council consulted with residents on what projects they wanted the council to pursue.

Cllr B. Larcombe agreed with public consultation but felt the council needed to give a steer on the kinds of projects it was looking at so it wouldn't become a wish list.

The town clerk said members needed to think about how to sensibly invest the council's money and do something that made a difference and provided more facilities for people who lived in Lyme Regis all year round. He suggested the members spent quality time before the budget-setting process next year considering how they wanted to invest in community assets and projects.

Cllr J. Broom said the council needed to start seriously considering what it could do with Strawberry Field.

Cllr M. Ellis was concerned about the replacement of council vehicles with electric vehicles; she said she understood the council had a policy to do this but buying non-electric vehicles would cost half the price.

Cllr B. Larcombe asked why the council didn't consider leasing vehicles. He said if there were questions over electric vehicles, leasing would buy the council some time.

The town clerk said the council had leased in the past and the current position was to purchase vehicles. He suggested the council should keep its vehicles until they were too expensive to maintain and rely on the operations manager and operations supervisor's judgement as to when this was.

The town clerk suggested the council should stick to objectives identified for this year, carry out some light public consultation on those objectives, and formulate a detailed investment plan which would be subject to comprehensive public engagement ahead of next year's budget-setting process.

Cllr B. Larcombe asked for clarification about the suggestion to employ a part-time officer to undertake community engagement work; he asked if this would be for a one-off engagement exercise on objectives or a full-time post. He said he couldn't sign up to the growth in commitment of a new post.

The town clerk said the council needed to better understand what the community wanted and he got the impression LymeForward was moving away from community engagement to concentrate on project delivery. He said if the council wanted to plug the gap in community engagement at a strategic level, he would suggest a permanent post starting from 1 April 2022.

The town clerk said if members decided at a later date not to introduce this post, it was better to have it included in the budget and take it out, rather than to not include it in the budget and have to find the funding later on.

Proposed by Cllr B. Larcombe and seconded by Cllr J. Broom, members agreed to **RECOMMEND TO FULL COUNCIL** that:

- the council's objectives for 2022-23 should focus on asset maintenance and should include: lighting columns renewal, asset management review, replacement cadet hut, replacement amenities' hut, chapel roof repairs, and an enhanced town bus service
- light public consultation is carried out on these objectives before the next Strategy and Finance Committee meeting on 1 December 2021
- it may be necessary to replace a council vehicle in 2022-23 but the approach is to run vehicles into the ground until the market for electric vehicles is more favourable
- a budget of £50,000 is approved to undertake repairs to address water ingress at the Jubilee Pavilion
- a budget of £10,000 is approved to employ a part-time officer to undertake community engagement work
- an additional budget of £12,000 is approved to fund the Queen's Platinum Jubilee celebrations in June 2022, i.e. a total of £20,000
- an investment plan is formulated during 2022 and is subject to comprehensive public engagement before the 2023-24 budget-setting process.

## **21/30/SF Investments and Cash Holdings**

Members noted the report.

**21/31/SF List of Payments**

Proposed by Cllr J. Broom and seconded by Cllr B. Larcombe, members agreed to **RECOMMEND TO FULL COUNCIL** to approve the schedule of payments for August and September 2021 for the sums of £184,821.95 and £141,759.96, respectively.

**21/32/SF Debtors' Report**

Proposed by Cllr M. Ellis and seconded by Cllr B. Bawden, members **RESOLVED** that under Section 1, Paragraph 2 of The Public Bodies (Admission to Meetings) Act 1960, the press and public be excluded from the meeting for this item of business as it included confidential matters relating to relating to the financial or business affairs of any particular person within the meaning of paragraphs 1 and 8 of schedule 12A to the Local Government Act 1972 (see Section 1 and Part 1 of Schedule 1 to the Local Government (Access to Information) Act 1985), as amended by the Local Government (Access to Information) (Variation) Order 2006.

**21/33/SF Exempt Business**

**a) Debtors' Report**

The finance manager said chalet, caravan and beach hut invoices were issued the previous day and had gone out on time.

The finance manager said all commercial tenants were sticking to their payment plans.

Members agreed a firm approach was needed with all debtors.

*The meeting closed at 10.20pm.*