



# DORCHESTER TOWN COUNCIL

Council Offices, 19 North Square, Dorchester, Dorset. DT1 1JF  
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**Adrian Stuart, Town Clerk**

13<sup>th</sup> November, 2013

Dear Sir or Madam,

**A MEETING of the POLICY COMMITTEE will be held in the COUNCIL CHAMBER, MUNICIPAL BUILDINGS, DORCHESTER on TUESDAY 19th NOVEMBER 2013, commencing at 7.00pm.**

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

Yours faithfully,

Town Clerk

## **Public Rights to Speak**

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

## **Declaration of Interests**

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

## **AGENDA**

1. **APOLOGIES FOR ABSENCE**
2. **MINUTES & MINUTE UPDATE**
  - A) To sign the minutes of the meeting of the Committee held on 17 September 2013 (included with the Agenda of, and adopted by, Council on 24 September 2013)
  - B) Minute 13 – A successful Democracy Day was held on 16th October, and was followed by a training event at Thomas Hardy School on 7th November. A Youth Council event will on 26th November directly before the Council meeting
  - Minute 15 - A request for grant was approved by the Grants Panel on 12<sup>th</sup>

November. A meeting of the Community Justice Panel takes place at the Corn Exchange in late November

Minute 16 – The CCTV Scrutiny Group met all current partners on 11 November and are on target to produce a report to the January meeting of this Committee

3. **MANAGEMENT REPORT**

To consider the report of the Financial Services Provider regarding the management accounts for the period 1st April to 31<sup>st</sup> October 2013 (attached). Data on outstanding debts requested in Minute 12/13 will be circulated separately

4. **SHIRE HALL DORCHESTER – REQUEST FOR SUPPORT FROM WEST DORSET DISTRICT COUNCIL**

To consider a request from West Dorset District Council in a recent letter. The request is as follows: -

*“To help make the Shire Hall project a reality we need to illustrate the support of partner organisations. We are therefore seeking the support of the Town Council for the project both through written support and a financial contribution, which can be provided in stages up to the proposed opening date of summer 2016.”*

5. **MINUTES OF PANELS**

a) To receive the minutes of the Risk Management Panel of 29 October 2013, and recommend the adoption of the Risk Register to Council (Minutes attached. A copy of the revised Risk Register is held by the Deputy Town Clerk)

b) To receive the minutes of the Resources Panel of 6 November 2013 (attached)

6. **ANNUAL RETURN FOR YEAR ENDING 31 MARCH 2013: ISSUES ARISING REPORT OF THE EXTERNAL AUDITOR**

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

7. **REVIEW – NOTICE OF MEETINGS**

To consider a report from the Deputy Town Clerk (attached)

**DORCHESTER TOWN COUNCIL**

**POLICY COMMITTEE - 19 NOVEMBER 2013**

**FINANCIAL MANAGEMENT REPORT AT 31 OCTOBER 2013**

**1. ACCOUNTANCY SERVICES PROVIDER.**

- 1.1 This is the fourth financial report of the financial year 2013/14, and monitors spend to date against profiled position.
- 1.2 For the first time, statements are included that show the bank and cash position, and the position of general and earmarked reserves. It is intended to continue to provide these reports as standard.

**2. SUMMARY OF CURRENT POSITION 2013/14.**

- 2.1 The report shows net spend to date of £687k to the end of October, against the full year budget of £1.173m. The total of the profiled budget to the end of October is £638k, meaning the spend position is £49k higher than profiled. The figures have been reviewed, and a number of one-off issues have occurred which skew the profiling. These issues are brought to the attention of the Committee further below.
- 2.2 **Looking ahead to year end, the expectation is that the various profiled overspends and underspends will flatten out to an approximately neutral budget position.** As always, ongoing budget monitoring is essential to forecast the year end position more accurately.
- 2.2 Previous financial reports made reference to two specific items of expenditure, the Corn Exchange repair works and Borough Gardens Bowling Green Pavilion conversion, as these were not being funded by the current year revenue budget but by funding from reserves and planning gain respectively. This month's financial report has had the funding lines adjusted accordingly to reflect these funding sources.

**3. SPECIFIC ISSUES.**

- 3.3 Budget variances already reported include:
- £14k invoice for clearing The Walks in 2012/13 but was not accrued for in that year, and hence becomes a charge in 2013/14.
  - Living Wage implementation, estimated at approximately £10k in this year (£20k for a full year).
- 3.4 Budget variances that are new for this report:
- Seven months of electricity costs were not accrued for in the 2012/13 financial year, so the current year utility budgets are overspent. Premises costs in the Parks, Gardens and Open Spaces area will be overspent by £5,000, and Buildings and Cultural Activities by £7,000.

- Items of play equipment totalling £5,000 and the new mower costing £13,000 will be funded from Specific Reserves at the year end
- The Corporate Management budget includes £60,000 income for the Dorchester Market trading surplus, which is paid in arrears, i.e. behind profile. More importantly the market income for 2012/13 has not yet been paid to the Town Council, as the District Council have not yet received accounts for that trading year, with £12,000 currently accrued but not received. This presents a risk of under-recovery of the share of market income in respect of last financial year, and may be hiding the risk of lower than budgeted income for 2013/14.

#### **4. OUTSTANDING DEBTS**

- 4.1 A statement of all debts valued at over £100 and outstanding for more than 30 days will be circulated to the Committee as a separate document. If Councillors wish to discuss any of the debts please contact the Town Clerk.

#### **5. CASH POSITION**

- 5.1 A statement of the bank account balances at 31<sup>st</sup> October 2013 is included.

#### **6. RESERVES AND BALANCES.**

- 6.1 A statement of the current and forecast positions for reserves and balances is included. At last year-end, total reserves and balances stood at £672k, of which the general fund was at £402k.
- 6.2 Taking into account the budgeted transfers to/from reserve, as well as adjustments for items such as the funding of the Corn Exchange building works (£60,000), total reserves and balances are forecast to be £726k at next year-end, of which the forecast for the general fund is £391k.

#### **7. ACCUMULATED STAFF HOURS**

- 7.1 One hidden debtor is the amount of accumulated hours of TOIL (Time off in Lieu) to be used by staff. At present there are over 350 hours of accumulated TOIL, representing nearly nine weeks of man time. Not only does this need to be managed down, we need to look at the reasons why it is building up.

#### **8. QUESTIONS.**

- 8.1 If there are questions, comments or observations as a result of this report, please feel free to contact me directly on the email address below.

Paul Ackrill FCCA  
Finance Manager  
Dorset County Council  
For Dorchester Town Council

Email: [p.ackrill@dorsetcc.gov.uk](mailto:p.ackrill@dorsetcc.gov.uk)

**Table 1 - Subjective Analysis - By spend / income type**

	<u>Current Budget for the year</u>	<u>Profile To 31- Oct</u>	<u>Actual To 31- Oct</u>	<u>Variance - favourable / (adverse)</u>
<b><i>Expenditure</i></b>				
Employees	618,818	360,978	356,656	4,322
Premises Related Expenses	216,696	153,823	182,480	(28,657)
Transport Related Expenses	27,231	15,360	15,585	(225)
Supplies and Services	421,574	204,841	238,704	(33,863)
Third Party Payments	46,496	21,795	12,990	8,805
Transfer to Specific Reserves	11,813	(60,000)	(60,000)	0
Capital Charges	0	0	152	(152)
Capital Financing Costs	91,862	70,819	70,819	0
<b><i>Income</i></b>				
Grants	0	0	0	0
Reimbursements & Contributions	67,923	54,419	49,470	4,949
Customer & Client Receipts	193,591	75,159	80,331	(5,172)
<b>Net budget</b>	<b>1,172,976</b>	<b>638,037</b>	<b>687,584</b>	<b>(49,547)</b>

**Table 2 - Analysis by departmental heading**

	<u>Current Budget for the year</u>	<u>Profile To 31- Oct (Original Estimates)</u>	<u>Actual To 31- Oct</u>	<u>Variance - favourable / (adverse)</u>
Allotments	131	74,982	1,759	2,404
Parks, Gardens & Open Spaces	581,541	316,883	346,797	(29,915)
Cemeteries	58,732	25,880	5,307	20,573
Buildings & Cultural Activities	106,863	55,652	74,833	(19,181)
Corporate Management	82,261	-19,108	57,567	(5,856)
Democratic Representation	38,750	21,451	20,830	621
Administration	294,713	170,492	185,257	(14,765)
Twinning	8,869	1,090	4,217	(3,127)
Planning & Environment	1,116	-9,285	-9,531	246
Heritage Committee	0	0	548	(548)
	<b>1,172,977</b>	<b>638,037</b>	<b>687,584</b>	<b>(49,547)</b>

**Statement of bank accounts and cash at 31 October 2013**

	£
<b>Bank accounts</b>	
Lloyds payment account	-92,378.57
Lloyds general account	1,089,022.08
National Savings account	76,725.88
Lloyds business call account	0.11
Unity Trust account	1,000.00
	<b>1,074,369.50</b>
Cash	499.49

## Statement of current and forecast position for Reserves

	Opening Balance at 01/04/2013 £		Post 2012/13 adjustments £	Budgeted Transfers To/From Reserves £	Forecast position at 31/03/2014 £
<i>GENERAL FUND</i>	402,547	-	60,000	49,214	391,761
<i>Specific Reserves</i>					
TARMAC RESURFACING RESERVE	1,000			1,000	2,000
MAJOR REPAIRS RESERVE	5,000			5,000	10,000
REPAIRS & RENEWALS FUND	1,000			22,250	23,250
BUILDINGS REPAIRS RESERVE	8,500			8,500	17,000
GRAVES IN PERPETUITY RESERVE	14,352			14	14,366
ARTS RESERVE	2,750		-	2,750	-
TOWN CRIER UNIFORM RESERVE	299			299	598
CONTRIBUTIONS DEFERRED ACCOUNT	15,077				15,077
LOAN REPAYMENT RESERVE	120,000			20,000	140,000
MUN BUILDINGS REP & RENEWALS	10,000			13,000	23,000
REPAIR & RENEWAL PARK EQUIPMNT	3,000			1,000	4,000
PLAY EQUIPMENT RESERVE	12,000				12,000
DEPOT REPAIR RESERVE	5,000				5,000
MB BOILER REPLACEMENT RESERVE	3,000				3,000
CHRISTMAS LIGHTING RESERVE	2,500			2,500	5,000
COUNCIL OFFICES REPAIRS RESERVE	1,000			1,000	2,000
HOLMEAD WALK PLAY AREA MAINTENANCE	15,000				15,000
<i>Other funds</i>					
PUB WATCH DEPOSITS	4,207				4,207
HERITAGE COMMITTEE	12,037		3,000		15,037
MILLSTREAM CONTRIBUTIONS	34,165	-	10,000		24,165
<i>Total balances</i>	672,434	-	67,000	121,027	726,461

**DORCHESTER TOWN COUNCIL**

**RISK MANAGEMENT PANEL**

**29th OCTOBER, 2013**

At a Meeting of the Risk Management Panel held on Tuesday, 29th October, 2013:

**PRESENT** Councillors K.E. Armitage, S.C. Hosford, G.M. Jones (Chairman), Trevor Jones, F.E. Kent-Ledger and R.B. Potter.

**APOLOGY** for absence were received from The Mayor (Councillor E.S. Jones).

1. **STRATEGIC AND OPERATIONAL RISK REGISTERS**

(a) **Review of the Strategic Risk Register**

The Panel reviewed the strategic and operational risk registers which identified the risks faced by the Council as follows:-

SO1 - Failure to have clear priorities / conflicts with national or local needs - It was noted that a more targeted and concise Corporate Plan, to include SMART targets and Council vision was being prepared for initial consideration by Resources Panel in November 2013.

SO4 - Members not fully engaged with Committee/Panel process - It was noted that there would be a review of Panels over the next year so as to ensure that all Members were fully engaged.

SO6 - Adequacy of financial resources to meet identified needs / Council priorities - It was agreed to increase the probability of this risk to '2' due to the uncertainties surrounding the impact of localising council tax support.

SO10 - Over reliance and / or too demanding of key officers, taking on too many responsibilities - Members considered reducing this risk but felt that it should remain as it was for another year by which time the new Town Clerk and Deputy job roles would have bedded in and that of the other new and existing staff who had new responsibilities. Control wording to be amended to reflect the new staffing and monitoring arrangements.

SO30 - Significant increase in pension fund deficit - The Panel felt that there was a possibility that the contributions to the pension fund would not increase significantly considering that average salary pensions had now been agreed and that the stock market had recovered significantly, however it was felt that the risk should remain as it was until the Actuary had reported.

SO36 - Significant fire in Council owned buildings - It was noted that an independent reinstatement valuation had been completed on all property and the Council's insurance policy amended accordingly with the exception of Weymouth Avenue Chapels. The original valuation on the Chapels was £370,000 and the revised valuation was £1.5 million which would increase the insurance premiums by

approximately £1,500 per year. Members felt that the risk should remain as it was on the register but that the Management Committee consider how best to proceed with the Chapel insurance.

SO37 - Pressure to fund 'top-ups' - Members agreed that the pressure to fund 'top ups' would only increase and it was agreed to increase the probability of this happening to '4'.

SO46 - Lack of financial oversight/scrutiny - It was noted that the Town Clerk was reviewing budget presentation and would be offering financial training to Members.

SO47 - No formal job evaluation process undertaken - It was agreed to remove this risk from the register now that all jobs had been reviewed following the retirement of two senior members of staff and the process undertaken to work towards implementing the Living Wage.

In respect of 'Special Projects' it was agreed that projects related to the conversion of the Borough Gardens Bowls Pavilion to public toilets and Maumbury Rings could be removed as these projects had been satisfactorily completed.

(b) Review of the Operational Risk Registers

Bonfires - It was noted that the partnership that organised the bonfire at Elizabeth Place had dissolved so there would be no organised event in 2013. The Council would therefore designate an area for the bonfire, check and remove dangerous items, inform police and fire authority and clear up afterwards – all risks related to this issue were increased.

Municipal Buildings - It was noted that the bookings system had now been computerised and was working well (MB7), that the charges and charge structure was to be reviewed in the near future (MB9) and that the lift was now working satisfactorily so this risk could be removed (MB14).

Open Spaces - The Panel agreed that dog fouling on the Council's playing pitches was still an issue (OS8), particularly at the Great Field and that Management Committee was to give some consideration as to what could be done to solve the problem. It was noted that Ash die back and tree spreading tree roots were a potential issue (OS11) at Sandringham Playing Fields. The Management Committee would be considering this matter at its next meeting.

Borough Gardens - It was noted that the booking system had now been computerised and was working well (BG2). Members were also informed of the arrangements that had been put in place at the Borough Gardens in respect of the difficulties experienced this past summer in respect of anti-social behaviour (BG4 and 14).

Cemeteries - Members agreed that the risk relating to a significant increase in Cemetery Rates (CEM13) could now be removed following the revaluation being completed and Weymouth Avenue Cemetery being formally closed. It was also agreed that a new risk should be added related to the impact of a significant increase in contract price for grass cutting.



Other - It was noted that a valuation of civic regalia had been completed and insurances adjusted accordingly (OTH7) and that the Christmas lights contract has ceased (OTH9) with the Council making the arrangements for erection in 2013 with financial support from the BID and West Dorset District Council.

(c) Review of the Opportunities

It was noted that the opportunities previously identified in relation to the retirements of staff (OPP1,3 and 4) had been achieved.

Members identified new opportunities in respect of reviewing the Financial Services Provider contract, a property review and the old bowling green area at the Borough Gardens.

It was

**RECOMMENDED**

- (1) That the strategic and operational risk registers, as amended, be approved.
- (2) That the opportunities section of the risk registers, as amended, be approved.

**DORCHESTER TOWN COUNCIL**

**RESOURCES PANEL**

**6<sup>TH</sup> NOVEMBER, 2013**

**PRESENT** Councillors S.C. Hosford, G.M. Jones, Trevor Jones (Chairman), R.B. Potter and The Mayor (Councillor E.S. Jones).

In Attendance: Councillor V.J. Allan

**APOLOGY** for absence was received from Cllr R.M. Biggs

1. **INTERNAL AUDIT PROVISION**

The Panel noted the Town Clerks report of progress on the procurement of new auditors for the 2014/15 financial year, and confirmed that at least one councillor should have a role in the final selection process.

2. **MEDIUM TERM FINANCIAL STRATEGY AND REVENUE BUDGET 2014/15**

The Panel received the report of the Town Clerk which identified a number of presentational changes to the budget document.

Councillors considered and supported the assumptions made regarding the financial issues including in the report. In particular they confirmed the need for a budget consistent with the Local Government employers most recent pay offer.

The process for considering Special Items, valued at this stage at £17,500, through the January cycle of Committee meetings, to be recommended by Policy Committee to Council on 28 January 2014, was confirmed.

It was noted that the financial pressure on the budget for 2014/15 came not from the Council's own operational services, but from strategic issues affecting other Councils, in particular changes to Council Tax Subsidy Grant and the ability of upper tier authorities to maintain their current levels of service provision. A Medium Term Financial Strategy should be prepared that takes account of these risks.

Further reports would be prepared on the levels of Specific and General Reserves considered appropriate for the Council in the medium term, and on the role that income generation should play in the medium term.

In concluding discussions it was noted that a natural tension existed in relation to financial management at the Town Council, typical of most small organisations. While the need for accurate and timely information and a service which could adapt to the changing needs of the Council might be better delivered in house the risk of placing too great a reliance on one person to provide such a service exposed the Council to potential financial risks. The alternative solution of contracting out some elements of the financial service had significantly reduced that risk, but was struggling to adapt to the changing needs of the Town Council. It was agreed that this issue would be revisited at

a future date.

It was

#### **RECOMMENDED**

That in preparing the Medium Term Financial Statement and Revenue Budget the views of the Panel as expressed above are taken into account

#### **4. DEVELOPING A NEW CORPORATE PLAN**

The Town Clerk's report identified work being undertaken to develop a new style Corporate Plan, which would be linked to the Financial cycle. It would also identify the Council's strategic vision for the town relating to issues delivered by other bodies, for example housing, health and the local economy. The time focus of the plan would cover short term operations through medium term project planning and on to long term vision.

The Panel supported the timetable proposed by the Town Clerk, which would start with a short briefing about the Council's finances at Council on 26 November. This would be followed by the formal adoption of the budget at Council on 28 January 2014, and at the same meeting a short briefing regarding the Corporate Plan would be presented. Following a series of strategic workshops for members during February the Corporate Plan would then be adopted through the March 2013 cycle of meetings.

In the absence of the old style Corporate Plan the Panel noted the 16 operational and governance indicators against which the Management Team were seeking to deliver during the period to March 2014, and that these would be reported on during the January and May 2014 cycles.

The Panel considered the views of those officers and councillors involved in the monthly Management Team Development meetings and endorsed their view that the meetings had achieved their aims, and would cease.

Further discussion would take place regarding the appraisal of the Town Clerk and his Deputy by the Chairman of Policy Committee and a second Chairman or Vice-Chairman.

Finally the Town Clerk requested that two informal meetings take place with Committee Chairman and the Mayor to consider standardising a number of minor changes to Committee documentation and procedures. This was agreed.

It was

#### **RECOMMENDED**

That the preparation of a new Corporate Plan be progressed according to the timetable identified in the Town Clerk's report

5. **APPRENTICESHIP SUPPORTED BY GRANT FROM WEST DORSET DISTRICT COUNCIL**

On receipt of a verbal update from the Town Clerk regarding an offer of financial support the Panel considered and appreciated the positive benefits, both to a young person and to the Council as host, which result from an apprenticeship.

If successful with the grant request the Town Clerk will report back to an appropriate Committee regarding how an apprentice might best be utilised and supported, and how any costs from an appointment would be funded.

**ITEM 6****ISSUES ARISING IN THE REPORT OF THE EXTERNAL AUDITOR ON THE ANNUAL RETURN FOR YEAR ENDED 31 MARCH 2013**

ISSUE RAISED	ACTION REQUIRED	PROGRESS TO DATE
Fidelity Guarantee	Increase the level of insurance cover to ensure it covers monies held at peak times	New level of £1,167,000 introduced. Completed but will need periodic review
Internal Auditors recommendations	Complete programme of recommendations by 31 March 2014	All completed. Will review again in February 2014
Risk Assessment	Council to endorse Risk Assessment carried out by Risk Management Panel	To be reported to Council on 26 November 2013

**DORCHESTER TOWN COUNCIL**

**POLICY COMMITTEE – 19th NOVEMBER, 2013**

**REVIEW - NOTICE OF MEETINGS**

1. At present the Council circulates Council, Committee and Panel Agenda on the Wednesday of the week before the meeting. The Agenda for the meetings of Council and Committees are also placed on the Council's website the same day – the website also publishes the meeting dates of Council and Committee for the whole of forthcoming year. Additionally a public notice is placed in the Dorset Echo the Thursday prior to full Council meetings to publicise the meeting and the public half hour.
2. The Council is obliged to give three 'clear days' notice of any formal meeting. The meaning of 'clear days' is that the day on which the notice was issued and the day of the meeting itself are not included. Additionally S243 of the Local Government Act 1972 provides that the following days do not count when computing the three 'clear days':
  - Sundays
  - a day of the Christmas break
  - a day of the Easter break
  - Bank holidays
  - days appointed for public thanksgiving or mourning
3. Therefore if notice of a meeting is dispatched on a Wednesday the three 'clear day' rule has been satisfied if the meeting is being held on the Monday (which would be the earliest a meeting would be held with the agenda being sent out the Wednesday before) as the Thursday, Friday and Saturday are the three 'clear days'. The only possible exception to this would be meetings around Christmas/New Year and Easter, in these cases notice is sent out earlier.
4. It should be noted that in the case of R v Swansea City Council ex parte Elitestone Ltd (1993) the Court of Appeal ruled that Saturdays should also not count as a 'clear day' but it is not considered that this ruling applies to Town and Parish Councils as the case related solely to a principal authority and did not mention the Local Government Act 1972 – this is confirmed in the National Association of Local Councils Legal Note dated March 2013.
5. In order to give the maximum notice of meetings for the public for full Council and Committees it is proposed to publicise the whole of the Council's calendar of meetings by way of a notice in the Corn Exchange notice boards and in reception at North Square as well as on the Council's website.
6. Noting the changes made in 5. Above it is proposed that the process of placing public notices ahead of Council meetings is discontinued, producing a saving of approximately £800 per annum.

Steve Newman  
Deputy Town Clerk