



Dorchester Town Council

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15 November 2017

Agenda for the meeting of the **Policy Committee** which will be held in the **Council Chamber, Municipal Buildings, Dorchester on Tuesday 21 November 2017 at 7.00pm.**

Adrian Stuart
Town Clerk

Public Speaking at the Meeting

The Chairman has discretion to allow members of the public to speak at the meeting. If you wish to speak please ask the Chairman before the meeting starts. We ask speakers to confine their comments to the matter in hand and to be as brief as is reasonably possible.

Member Code of Conduct: Declaration of Interests

Members are reminded that it is their responsibility to disclose pecuniary or non-pecuniary interests where appropriate. A Member who declares a pecuniary interest must leave the room unless a suitable dispensation has been granted. A Member who declares a non-pecuniary interest may take part in the meeting and vote.

Membership of the Committee

Mayor S. Hosford and Councillors B. Armstrong-Marshall, R. Biggs, A. Chisholm, T. Harries, G. Jones (Chairman), T. Jones and P. Stein.

1. **Apologies & Signing of Minutes adopted at Council on 26 September 2017**
To sign the Minutes of the meeting held on 19 September 2017
2. **Financial Report 2017-18** **A**
3. **Corporate Plan Review** **B**
4. **Risk Register** **C**
5. **Public Bodies (Admission to Meetings) Act 1960**
To resolve "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 representatives of the press be excluded from this meeting during their discussion".
6. **Staffing Issue** **Separate paper**

DORCHESTER TOWN COUNCIL
POLICY COMMITTEE – 21 NOVEMBER 2017
FINANCE REPORT AT 31 OCTOBER 2017

1. Summary of Current Budget 2017/18 Position

- Appendix 1 – £17k below profile @ Month 7. No major variations at present
- Delays on spending from Reserves – upper South St, BG clock and Poundbury Cemetery roads unlikely to be delivered in 2017/18

2. Cash Position at 31 October 2017

	£000	
• Lloyds Bank	247	0.00% interest
• Payden Global	1,000	0.75% average return
• National Savings and Investments	700	0.45% interest
Total Cash & Investments	1,947	(31 Aug £1,435k)

3. Debtors & Payments

- Debt over 30 days at 31 Oct 2017 is £588, 6 debtors (31 Aug £349, 3 debtors)
 - Payments list 1 September – 31 October 2017 on website. Supporting vouchers can be inspected by Members during normal office hours.
- RECOMMENDED** that the Payments list, totalling £935,048.76 is approved

4. Internal Audit Report – First report of 2017/18

- Report from first visit attached at Appendix 2
- **RECOMMENDED** that the Internal Audit report and our response is noted

5. Use of the Corporate Projects Reserve

- Appendix 3 explains the use of and funding of the Corporate Plan Reserve
- Members are invited to consider potential allocations totalling £310,000, a significant part of the currently unallocated part of the Reserve
- To that end the Committee should consider wording of a Recommendation at para 8

Adrian Stuart
Town Clerk

MANAGEMENT REPORT AT 31 October 2017

By Spend Type	Budget £000	Profile £000	Actual £000	-Under/Over £000
Staff	701	408	384	-24
Capital Financing	49	41	41	0
Other Payments	531	307	308	1
To Specific Reserves	141	141	141	0
Income	-204	-112	-106	6
Net Budget	1,217	785	768	-17

By Service	Budget £000	Profile £000	Actual £000	-Under/Over £000
Allotments	-2	4	1	-3
Parks & Open Spaces	141	108	113	5
Cemeteries	-12	-1	3	4
Corp. & Dem. Manage.	36	20	19	-1
Cultural & Twinning	47	31	26	-5
Municipal Buildings	132	110	111	0
Other Services	89	39	55	16
Office Team	367	222	209	-13
Outdoor Services	419	252	232	-20
Net Budget	1,217	786	770	-17

Earmarked Reserves with budgeted Expenditure In Year	Budget £000	Profile £000	Actual £000	-Under/Over £000
Borough Gardens	20	20	1	-19
Municipal Buildings	0	0	3	3
Play Equipment	13	13	9	-4
Cemeteries	80	80	1	-79
Dorchester West Railway Station	10	10	0	-10
Maumbury Rings s106	13	13	2	-11
WAP Conversion	0	0	7	7
Corporate Projects	410	410	121	-289
Net Budget	546	546	144	-402

INTERNAL AUDIT REPORT VISIT 1 – GOVERNANCE, PAYMENTS, PETTY CASH AND PAYROLL

2.1 – Authorisation of invoices	37/38 payments were properly authorised (signed off by the Clerk or other nominated officer to confirm that the amount to be paid is correct and relates to a genuine business supply received by the Council). One payment, relating to a payment made to a performer for the Mayor's Fun Day, was not certified by the Clerk. There is a risk that payments made without the appropriate evidence of approval may not have been checked, resulting in the wrong amount being paid, or payment being made for a supply that has not been received. It is recommended that all invoices or other supporting paperwork relating to payments are signed by the Clerk (or nominated officer) to confirm that they have been approved for payment.	L	Agreed. One was missed in error.	All	30/9/17
2.3 – Reclaim VAT on EU purchases	I tested a sample of 38 payments made in the year to confirm that VAT had been correctly accounted for and reclaimed where possible. The Council bought a mixing desk from a European supplier during the year. The payment amount was quoted in euros, and the related VAT (£47.05 at the relevant translation rate) has not yet been reclaimed. HMRC guidance notes that VAT on goods from EU countries may be accounted for through the VAT return. It is recommended that the correct treatment of VAT on EU purchases is checked, and that VAT is reclaimed where possible.	L	Agreed.	NH	30/9/17
6.1 – VAT on petty cash	I checked two months' worth of petty cash payments in order to confirm that all petty cash spent is recorded and supported by VAT invoices receipts (with related VAT reclaimed where possible). I found only one item on a simple VAT receipt where VAT could have been reclaimed but was not. The total VAT underclaim on £204.37 of expenditure was £0.22. It is recommended that all VAT is reclaimed where possible.	L	Agreed	NH	30/9/17
6.2 – Expense claims for reimbursement via petty cash	The second petty cash claim that I checked contained a cash reimbursement to a staff member who had incurred significant expenditure on behalf of the Council (£57.60) in relation to an IT service usually paid for using the Council's credit card. The related invoice was attached to the petty cash summary, but no expense claim was submitted. It is recommended that the Council introduces an expense claim for higher value reimbursements (e.g. over £20). This will ensure that staff self-certify that the reimbursement is for genuine goods or services (which helps to reduce the risk of fraud and error). It will also make it easier to identify who made the claim in the event of any issues.	M	On this occasion the action was discussed with the Town Clerk prior to reimbursement. The recommendation is Agreed.	NH	30/9/17
7.2 – Review of timesheet use and format	Town Hall and Outdoor Services staff complete timesheets which record hours worked at plain time, time and a half, and overtime. Some of the staff work a standard 37-hour week, which may reduce the need to complete a timesheet. The timesheets are not uniform in format, run to different dates (some use week-commencing, and some week-ending dates), and are not always fully completed. This makes the timesheets more difficult to process, and weakens the audit trail. It is recommended that the Council implements a uniform timesheet format for those staff who	M	Agreed The timesheet has a purpose beyond payroll in managing staff	NH	30/10/17

	need to complete timesheets, and that staff are trained and required to fully complete the timesheets each week.		attendance. CD to review retention with NH.		
7.3 – Formal approval of timesheets	All of the timesheets are signed by the member of staff who has completed them (to self-certify their accuracy), but most are not counter-signed by the relevant line manager (to confirm the dates and times worked). There is a risk that the timesheets are not properly checked before being paid, with the result that an over- or under-payment is made. It is recommended that all timesheets are checked by the relevant line manager, with the line manager signing the timesheet to evidence that the correct hours are being claimed.	M	Agreed	CD/NH	30/10/17
7.4 – Review of hourly rate	I checked the payroll for a sample month to confirm that staff are being paid the salaries agreed by Council. I found that one member of staff receives an hourly rate for an additional set of duties. The rate is not related to any specific scale points and does not appear to have been reviewed in a number of years. It is recommended that the hourly rate is reviewed to ensure that it remains appropriate.	L	Agreed	NH	30/10/17
7.5 – Review of hourly rate – Living Wage	The Council committed to paying all staff the Living Wage (as calculated by the Living Wage Foundation). Part of the salary for one member of staff appeared to be being calculated using a lower rate during the sample month. It is recommended that officers review the hourly rates used by the payroll bureau in order to ensure that all staff are paid the Living Wage rate as a minimum.	L	Agreed	NH	30/10/17
7.6 – Completeness of Personnel files	I checked whether signed contracts of employment have been issued to all new members of staff. I found that all new members of staff have signed contracts with clear terms and conditions. I also checked that staff identified without a contract in the 2016/17 audit now had signed contracts in place. I found that one employee did have a signed contract in place, but that this had not been placed on the employee's personnel file due to an administrative oversight. It is recommended that all relevant paperwork is retained in employees' personnel files in order to ensure that it can be located when required.	L	Agreed	SN	30/9/17

CORPORATE PROJECTS RESERVE

1. For the last 2 years the Council has adopted a policy of transferring available unallocated cash into the Corporate Projects Reserve, with the aim of then committing monies from that Reserve to deliver Corporate Plan priorities.
2. With £600k already allocated, the Reserve has helped to progress two types of project:-
 - Our own – e.g. Tennis Courts in Borough Gardens, Heritage Tourism signage
 - Partner projects – Heritage, Arts, Infrastructure
3. The approach has worked. Examples of where the Council has already made a difference include:-
 - £190k to pave lower South Street resulted in the project finally being unlocked
 - We were among the very first to contribute, in our case £25k, to the Dorset County Museum project
 - £8k from DTC unlocked over £30k of support to commission early studies into the potential of Maltings Arts
 - Allocating £20k to a Pedestrian signage refresh has delivered £70k of support from the DCC LAG programme

In all of these cases our commitment to the project gave impetus at an important stage in the project's development and has given us credibility as an important partner.

Corporate Projects Reserve Allocated	16/17	17/18	18/19	19/20	Total
	£000	£000	£000	£000	£000
Borough Gardens Tennis Courts	7	-	173	-	180
Heritage Tourism	-	-	70	-	70
Sport & Cultural Partners Projects					
Dorset County Museum	-	25	-	-	25
The Maltings	8	-	-	-	8
Unallocated	-	-	17	-	17
Local Plan Specialist Advice	-	10	10	20	40
DTEP Environmental works - South Street	-	190	70	-	260
Total Spent/Due to be Spent	15	225	340	20	600

4. The latest projection for the **unallocated** part of the Corporate Project Reserve is: -

Corporate Projects Reserve Unallocated	17/18	18/19	19/20	20/21
	£000	£000	£000	£000
Opening Balance	45	380	500	570
Surplus General Reserve transferred	237	0	0	0
Added due to Budget Surplus	98	120	70	40
Added due to Budget Underspend	0	0	0	0
Capital Sales Receipts	0	0	0	0
Allocated in Year	0	0	0	0
Closing Balance	380	500	570	610

5. The Reserve has increased/will increase for several reasons:-

- Annual Budget underspends – have exceeded £100k in some recent years, but as the budget gets tighter these are likely to decrease
- Planned Budget contributions while awaiting service transfer decisions by WDDC and DCC – currently worth c. £100k a year, may continue over next two budgets, but will eventually decline to £Nil
- Asset sales linked to Affordable Housing - £100k anticipated from sale of Trinity St courts to the CLT, with potential for other assets to produce a sales receipt

At 31 March 2018 the unallocated part of the Reserve will be c. £400k, a significant sum for a Town Council. It is projected to exceed £500k in March 2019.

6. At the same time, the number of projects emerging in the town is both exciting and daunting: -

- A number of partners are actively pursuing, often successfully, capital funding from lottery and national grant funds, local s106 and new CIL, philanthropic and local authority sources.
- In terms of our own projects, although much of our routine replacements and refurbishments are funded through Earmarked Reserves, there are two new potential park investments at The Great Field and in the Kings Road area, plus a review of the southern end of the Borough Gardens; and the Council will have to consider the future use of the Municipal Buildings whether The Maltings happens or not.

7. Members recently received presentations from 3 partners involved in important local projects:-

- Shire Hall – due to open in Spring 2018 the Trust is seeking to put in place funding for discrete pieces of equipment to improve the visitor experience for specific disadvantaged groups, at a cost of £5-£10k
- 3G Artificial pitch at The Avenue – looking to sign contracts at Christmas to begin construction in April 2018 in time for the 2018/19 season, DTCFC currently expect to be 10% short of £500k budget target. The 3G pitch will remove the need for the Town Council to provide pitches, reducing our budget, and freeing up land/buildings for other purposes
- Maltings Arts Centre at Brewery Square – an ambitious long term project requiring over £10M to be raised to provide a self-contained and financially viable cultural facility, which will also lead to the need to consider the future of the Municipal Buildings. The project is unlikely to succeed without significant lottery and public sector support

8. All 3 projects will benefit from an early indication of this Council's funding approach. The Committee may wish to consider making the following RECOMMENDATIONS to Council

- Shire Hall - That the Town Clerk discuss the purchase of some or all of the equipment items identified for the Shire Hall, within a budget *to be proposed by the Committee* and to be allocated from the existing Sport and Cultural Projects element of the Corporate Plan
 - 3G pitch at The Avenue - That the Town Council match, pound for pound, sums raised from local community sources, up to a maximum of £50,000, to be released should the project costs reach the current estimate of £500,000
 - Maltings Arts - That £250,000 is reserved as a future contribution to The Maltings project if it is able to achieve its overall funding target, or to develop the Municipal Buildings as an arts venue in the event that The Maltings project is not delivered
9. If the above are accepted it would reduce the unallocated balance in the Corporate Projects Reserve by £300k, to c. £100k at the end of this year, which is anticipated to grow to £200k by March 2019. This is most likely to be required for Parks-related projects.

**DORCHESTER TOWN COUNCIL
POLICY COMMITTEE – 21 NOVEMBER 2017
CORPORATE PLAN UPDATE**

General

1. The Council reviewed key tables within the Corporate Plan in July and, subject to some minor amendments, approved it as a working document.
2. Appendix 1 identifies our new Corporate Plan milestones and the progress we are making against them. A smile face success system has been introduced as previously requested.

Updates on specific Issues

Influence Traffic and Parking Strategy development

3. For a number of different reasons both DCC and WDDC are now keen for discussions to take place on future strategy. Two meetings have taken place at senior officer level to scope the many issues involved.
4. As part of the process there will be a need to discuss Member governance for a project to develop and agree a long term traffic and parking strategy. It is proposed in the first instance that future governance should be discussed with the DTEP Stakeholder Group in January before a formal proposal is made to the three Councils.

Adrian Stuart
Town Clerk

CORPORATE PLAN MILESTONES WORKING WITH PARTNERS

Project	Cttee	Milestone	Anticipated Outcome	Current Progress	Success ?
Local Economy Work proactively with developers	Pol	Quarterly meetings	Better understanding of emerging issues	Duchy – regular contact Brewery/Prison – no recent contact	☺
	Pol/ DMJP	Strategy in place to revitalise Wednesday Market Mar 18	Vibrant Market contributing to town’s attractiveness & retail offer	Ensors implementing quick wins. Work with V. Chair of Markets to develop prompts for development of Town Council vision for markets Market Strategy now dependent on WDDC plans for retail	☺
	Pol/ HerJ	Steering Group in place Sep 17 Preliminary strategy shared with wider Forum Mar 18	Increased tourism visits to Dorchester -	First meeting arranged but cancelled. Rebooked for 30/11	☺
Housing Develop our Housing sites • Trinity St site with Dorchester CLT • Other possible sites	Pol	Planning application Dec 17	20 1bed flats for sale to young workers	CLT public mtg Nov. SGM due Jan 18. Architect appointed, applic’n likely in by Mar 18. Grants rec’d from WDDC & Govt	☺
		Sites agreed Nov 17	3-5 sites, 20-70 units for sale/rent to young families and workers	Magna met with WDDC Oct, +ve response.	☺
	Pol	First site to planning application Mar 18	-	Working on Recreation Strategy to support reuse of sites	

Debate future housing need and possible locations	P&E	See Local Plan Review (Democracy etc)	Positive contribution influencing WDDC Local Plan	Feria analysis of N. Dorchester consortium completed.	😊
Traffic & Highways					
Support DTEP project	Pol	South St paving works Phase 1 completed Aug 17 Phase 2 completed Mar 18	Improved appearance of main shopping street	Works completed, likely to be below budget Prelim discussions taking place	😊 😊
Influence Traffic & Parking Strategy development	Pol	Role on Steering Grp agreed Dec 17	Cohesive strategy to manage competing parking needs in town	Now regular officer meetings with WDDC & DCC. Report due to DTEP Group re future governance arrangements	😊
Agree interest in DCC H'ways Working Together	Pol	Decision on expanding role agreed Sep 17	Worst impacts of DCC budget cuts mitigated	Agreed. Need to work on policy and budget by Jan 18	😊
Support continued Bus provision across the town	Pol	Understand current usage & re-provision Aug 17	Continued delivery of relevant service	No need for involvement of DTC in short term. Will maintain watching brief	😊
Community Wellbeing and Cultural					
Develop and support implementation of Community Plan	Pol	10 new community led initiatives underway Mar 18	Increased opportunities for all sectors of the community	Range of projects identified, grant support made available, e.g RR, School Holiday meals. Structure required.	😊
Support Dorchester Town CFC to implement a 3G pitch	Pol	Decision made re level of capital support Nov 18 Funded plan in place for new pitch Mar 18	Better use of private football assets, creating opportunities to reuse our existing assets	Report to Policy Cttee Nov 17 -	😊

Support Maltings Arts to deliver The Maltings	Pol	Decision made re level of capital support Nov 18	Improved Arts facilities in town	Report to Policy Cttee Nov 17	☺
Support groups to develop Recreational, Cultural and Community infrastructure	Pol	Decisions re levels of capital support on demand Mar 18	Community groups delivering extra operational infrastructure	Oct 17 S106 mtg – +ve progress Shire Hall report to Policy Nov 17	☺
Environmental & Heritage					
Refurbish parts of the Town Walks, upper South Street and Southgate	Pol	Phase 2 Walks project agreed Jan 18 Also see Traffic & H'ways DTEP	Improved appearance of The Walks -	Early discussions with DCC	☺
Engage with Heritage and Business partners to create shared tourism vision	Pol/ HerJ	See Local Economy	See Local Economy	See Local Economy	☺
Carry out Informal heritage sites audit	Pol/ HerJ	Auditor appointed Nov 17 Audit completed Mar 18	Improved accessibility of town centre	Awaiting Steering Group discussion	☺
Replace tourism signage	Pol/ HerJ	Funding in place Sep 17 Contract let Jan 18	Funding agreed inc £20k DTC -	In place	☺

CORPORATE PLAN MILESTONES WORKING ON OUR OWN SERVICES

Project	Cttee	Milestone	Anticipated Outcome	Current Progress	Success ?
Allotments Develop Red Cow site as garden plots	Man	Site handed over Mar 18	Site ready for occupation	Group formed. Working with them on Action Plan	☺
Parks & Open Spaces Build 2 Tennis Courts on BG Bowling Green	Man	Courts operational Apr 18 (new date due to costs)	Improved courts, land released for Housing	Contract let. Start on site Jan 18	☺
Locate all existing service infrastructure (Benches, Bins, Trees, etc) onto digital maps	Man	All databases plotted on GIS maps Mar 18	More efficieint and effective service delivery	Preliminary work underway	☺
Support Dorch. Cricket Club to develop its capacity	Man	Recreation Pavilion handed over Aug 17	Club becomes self-reliant, reducing our costs	In place	☺
	Man	Pitch booking handed over Jan 18		Discussions commenced	☺
Enable Dorch. Boxing Club to create permanent base	Man	Pavilion Changing rooms converted Dec 17	Effective use of redundant space	Funding arranged. Contactor start on site Jan 18	☺
Develop plan for facilities on The Great Field	Man	Preliminary consultation Sep 17	New and Interesting public open space with facilities in Dorchester	Consultation programme in place for Nov-Jan. Active participant	☺
Decide re Hawthorne Rd MUGA	Man	Decision made to proceed or not Nov 17	Possible new play space	Decision not to proceed taken Jul 2017	☺

Cemeteries Complete Poundbury Infrastructure	Man	Ext walls built and internal roads underway Mar 18	Infrastructure in place. Will assist grave locating	Architect appointed. Discussions re wall ongoing with DoC	☺
Municipal Buildings Refurbish stonework	Man	Works completed Nov 17	Part of building refurbishment	Completed	☺
Culture, Twinning & Other Co-ordinate WW1 Commemorations	Man	Centenary Park dedicated and Trail in place Mar 18	Dorchester's role in WW1 commemorated	Application for funds completed. Background work largely complete	☺
Governance & Admin. Engage in Local Government Reorganisation discussions	Pol	Develop options to support at risk services Nov 17	Mitigate impact of anticipated cuts in local service delivery	Member briefing delivered Ongoing discussions with WDDC.	☺
Continue to respond to WDWP Local Plan Review	P&E	Review Turnberry N.D. submission Sep 17	Better knowledge of long term options	Feria analysis of N. Dorchester consortium submission completed.	☺

DORCHESTER TOWN COUNCIL

POLICY COMMITTEE – 21 NOVEMBER 2017

STRATEGIC AND OPERATIONAL RISK REGISTERS – ANNUAL REPORT

1. In 2015 the Council requested that an annual risk review report be presented directly to Policy Committee for consideration.
2. The Council's adopted Risk Management Policy is attached at Appendix 1. This policy gives detail regarding the methodology used to assess the risks being faced by the Council. Any comments or suggested changes to the policy are welcomed.
3. The Council's Risk Registers currently hold ten risks classified as 'high' and eighty three risks classified as 'medium', as assessed in accordance with the Council's adopted Risk Policy.
4. Two high level risks have been lowered to medium following comments made by the Committee last year. The first risk relates to an 'unexpected event of large magnitude and consequence', Members agreed that the probability of this type of unexpected event happening should be reduced from 2 to 1 but that the impact should be increased from 3 to 4 giving an overall medium risk score of 4. The second risk relates to 'a significant increase in pension fund deficit / contributions'. The probability of this happening has been reduced from 3 to 1 as the three yearly actuarial review has now been completed. The risk will be increased again in 2019.
5. Appendix 1 to this report identifies, for review, the ten 'high' strategic and operational risks being faced by the Council. **Any Member wishing to see the whole register is welcome to do so prior to the meeting by contacting me.**
6. As well as reviewing the highest risks the Committee is asked to consider and score any new risks it feels should be included within the Registers.
7. The other side of risk is opportunity and the register has historically held a section on this which mainly identified how savings could be made. These have now all been acted upon. The Council does have an opportunity to decide how it wishes to target its resources and this is considered through the annual budget process and through the Council's Corporate Plan which will, in turn, inform the Opportunity Register.
8. It is **RECOMMENDED TO COUNCIL**
 - i) That the assessed high level strategic and operation risks be approved.
 - ii) That any new risks identified at the Committee be included within the registers.
 - iii) That the strategic, operational and opportunity risk registers, as a whole, be approved.

Steve Newman
Deputy Town Clerk

1. INTRODUCTION

Risk can be defined as the 'uncertainty of an outcome', whether a positive opportunity or a negative threat to business plans or activities. The effective management of risk is a key issue for the success of any organisation or activity, for in many cases it is only by taking risks that progress is made. The importance is to understand the risks that are inherent in a decision. A structured approach to risk management can achieve this by enabling the decision to be made against a background of better information about the potential outcome of a particular course of action. The Town Council has decided to adopt a structured approach to Risk Management.

2. AUDIENCE

This Policy is intended as the primary guidance to the Council and senior management but it will be made available to all employees.

3. STAKEHOLDERS

It is important to involve stakeholders in the risk management process as this will give access to the widest possible range of views about the potential threats and opportunities affecting the Council and its services. A stakeholder in this context is an organisation or individual who can affect, or is affected by decisions of the Council. Stakeholders will change depending on whether the risk is project-related or more general, but Councillors and senior management will always be involved.

4. AIMS & BENEFITS

The aim of this policy is to develop an awareness of the benefits of risk management within the Council. It also encourages everyone involved to adopt an open and structured approach to risk management. The Council hopes that effective risk management will help to deliver -

- Increased certainty and fewer surprises.
- Better management of threats to cost, time and performance, leading to improved service delivery.
- Better grasping of opportunities to improve our services.
- More effective management of change.
- Better management at all levels through improved decision making.
- Clear ownership and accountability for risk and its management.
- Better value for money for the Council Taxpayer.
- Easier achievement of Key Performance Indicators by enabling effort to be targeted.

5. PROCESS

The overall process for the management of risk is set out at Annex A.

6. OWNERSHIP

The Risk Policy is owned by the Council and implemented through the offices of the Town Clerk.

7. ASSESSMENT OF RISK

Each risk will be assessed in terms of its probability of occurrence and the potential impact on the Council. The following are the criteria by which each risk will be assessed:

Probability of Occurrence:

Category	Probability	Possible Indicators
Almost Certain (4)	>90% ¹	Frequent Occurrence
Likely (3)	>60%	Regular Occurrence
Possible (2)	>10%	Occasional Occurrence
Unlikely (1)	<10%	Has Never Occurred

¹Any risk assessed as greater than 90% is almost certain to happen and should be addressed as an issue.

Evaluation of Impact:

Impact on Performance	Risk Threat
Major (4)	Financial Impact >£25,000 Fatality / disabling injuries to public or staff / Adverse national media attention / external intervention / total service disruption / extensive legal action against the Council
Serious (3)	Financial Impact >£15,000 Adverse local media attention / extensive public complaints / adverse comments by regulators or auditors / significant service disruption / failure to meet key performance targets / service disruptions / injuries to public or staff / legal action against the Council
Significant (2)	Financial Impact >£5,000 Adverse service user complaints / service disruption / minor injuries and near misses to staff and public
Minor (1)	Financial impact less than £5,000 / isolated complaints / minor service disruption

Priority Ranking:

The ranking of an individual risk is calculated by a simple combination of its probability and impact.

Risk Matrix:

The risk, using the above impact and likelihood ratings, can then be plotted onto the risk matrix and its classification identified:

8 – 16 = High Risk 3-6 = Medium Risk 1-2 = Low Risk

Probability	4	4	8	12	16
	3	3	6	9	12
	2	2	4	6	8
	1	1	2	3	4
		1	2	3	4
		Impact			

7(a). ASSESSMENT OF OPPORTUNITY

Each opportunity will be assessed in terms of its likelihood of occurrence and the potential positive impact on the Council. The following are the criteria by which each opportunity will be assessed:

Likelihood:

Category	Probability	Possible Indicators
Very High (4)	>90%	A clear opportunity is already apparent which can easily be achieved
High (3)	>60%	An opportunity that maybe achievable but which will require further work
Possible (2)	>10%	An opportunity that could happen but would need full investigation and a considerable amount of further work
Unlikely (1)	<10%	Opportunity is unlikely to happen and would require excessive work to achieve

Evaluation of Positive Impact:

Impact on Performance	Risk Threat
Exceptional (4)	Income/Savings >£25,000 Exceptional improvement to service and or environment / extensive positive press coverage
Major (3)	Income/Savings >£15,000 Major improvement to service and or environment / positive press coverage
Moderate (2)	Income/Savings >£5,000 Moderate improvement to service and or environment / some positive press coverage
Minor (1)	Income/Savings less than £5,000 / Minor improvement to service and or environment / minor positive press coverage

Priority Ranking:

The ranking of an opportunity is calculated by a simple combination of its probability and impact.

Opportunity Matrix:

The risk, using the above impact and likelihood ratings, can then be plotted onto the risk matrix and its classification identified:

8-16 = High Opportunity, 3-6 = Medium Opportunity, 1-2 = Low Opportunity

Probability	4	4	8	12	16
	3	3	6	9	12
	2	2	4	6	8
	1	1	2	3	4
		1	2	3	4
		Impact			

8. ROLES AND RESPONSIBILITIES

Risk management is only considered to be truly embedded when it functions as part of the Councils day to day operations. In order for this to be achieved it is vital that clarity exists to determine the various roles and responsibilities of individuals involved throughout the Council in the risk management process.

To ensure that this level of clarity exists, the Council has established a structure that depicts how Members, Officers and the various Committees, Panels and individuals contribute to the overall risk management process.

Organisational Structure and Summary of Key Roles

Council	<ul style="list-style-type: none"> • Monitor annual report on risk management activity (via Policy Committee) • Certification of the Council’s annual Statement on Internal Control
Policy Committee	<ul style="list-style-type: none"> • Approve risk management policy and strategy and related documents • Approve content of risk registers and proposed risk mitigation plans and monitor implementation via regular monitoring reports • Monitor annual report on risk management activity
Risk Management Panel (from November 2015 – direct to Policy Committee)	<ul style="list-style-type: none"> • General oversight of the Councils risk management process • Receiving regular reports to review/scrutinise/challenge current and proposed risk management procedures and processes • Give initial consideration to the annual report on the Councils risk management activity • To recommend a risk management framework, strategy and process • Identify, analyse and prioritise risks • Determine responsibilities and actions to control risks • Monitor progress on managing risks against action plans • Review implementation of the of the risk management framework, strategy and process
Town Clerk	<ul style="list-style-type: none"> • Report to Members and external stakeholders on the framework, strategy and process • Provide advice and support on risk management matters • Maintain the risk management policy, strategy and framework • Produce an annual report on overall risk management activity • Identifying, analysing and prioritising risks • Determining risk management action plans and delegating responsibility for control • Monitoring progress on the management of risks
Staff and other stakeholders	<ul style="list-style-type: none"> • Maintaining awareness of risks, their impact and costs and feeding these into the formal risk management process • Controlling risks in their every day work • Monitoring progress in managing job related risks

9. RISK REGISTERS

The Council will maintain computer based Strategic and Operational Risk Registers which will be developed further so as to link in with the Council’s other corporate documents such as the Performance and Policy Plan.

RISK MANAGEMENT PROCESS

RISK IDENTIFICATION

Risks and opportunities may be identified at any stage and should be included in the Risk Register. Nevertheless, in order to capture as many of the risks and opportunities facing an activity or project methods used for identification could include:

- Brainstorming sessions with individuals, committees or panels and various levels of management. It will be important to include as many stakeholders as possible in these sessions.
- Check lists.
- Questionnaires.
- Learning from other projects, councils and auditors.

As risks are identified they will be recorded in the Risk Register. Each risk must be described in terms of the source of the risk, the consequences if it happens and the effect it would have on the Council's activities or project as the case may be.

RISK OWNERSHIP

Once a risk has been identified, it will be given an owner who is the person best able to manage the risk. The owner will be responsible for all aspects of the management of the risk or opportunity.

RISK EVALUATION

Each risk will be evaluated in accordance with the evaluation rules laid down within this Plan. This information will be entered in the Risk Register and will enable prioritisation of the risks within a certain area.

RISK PLANNING

Once each risk has been identified and evaluated actions for dealing with it will be developed. These are known as risk responses and fall into one of four areas:

- Terminate: An action that allows the risk to be avoided.
- Treat: An action that will reduce the impact and/or the probability of a risk.
- Transfer: Is there a stakeholder or another organisation better able to manage the risk?
- Tolerate: Accept the consequences if the risk occurs.

The Risk Register will identify the option selected to deal with each risk together with any actions that might be required.

Once the risk responses have been developed the risk owner must then decide which option to adopt. In reaching decisions as to which response should be used, a cost/benefit comparison should be made. For mitigation activities attracting significant cost (> £5,000) results will need to be recorded. It may be that external help is required to help decide the appropriate course of action, in which case the risk owner should record the date by which a

decision must be made and the potential consequences if the decision is not taken by that date.

Following the decision to adopt a particular risk response, the owner must ensure that:

- The secondary risks associated with implementing the risk response are assessed and recorded.
- Where one exists the project plan is updated to include the activities associated with the risk response.
- Entries are made in the fields on the risk register detailing the predicted probability and impact evaluation, once the response activities are completed.
- A fallback/contingency plan is developed to address the consequences of the risk happening despite the response activities.

Risk owners must monitor the progress and success of their chosen response to risk on a regular basis. They should review all their risks and provide an evaluation of probability and impact on a regular basis.

REVIEW

The highest priority risks are to be reviewed by the Policy Committee. Risk monitoring will be regularly reported to the Policy Committee.

The effectiveness of the process will be reviewed by the Policy Committee periodically.

STRATEGIC RISKS SCORED 'HIGH'

Appendix 2

Risk	Risk No	Responsibility Officer	Impact and Effect of Deliverables	Probability	Impact	Total	Controls in Place	Risk response	Impact Category	Notes
Pressure to fund 'top-ups'	S037	TC	Services provided by OLA's reduced resulting in pressure on this Council to top up the service resulting in significant resource and political implications.	4	3	12	Member decision to decide whether or not to top-up.	Tolerance	Political	See also Risk S047.
Significant re-organisation of Local Government in Dorset	S047	TC	Pressure on the TC to take on additional services and reduced partnership working resulting in significant financial and political implications.	4	3	12	Members to be kept informed. The TC to have as much input as possible into any consultations. Robust Corporate Plan to be put in place.	Treat / Monitor	Political	This risk is also the biggest opportunity to the Council to position itself for the future and have an impact on services not previously within its remit. Will happen in 2019. Financial planning in place. Member briefings being undertaken.

OPERATIONAL RISKS SCORED 'HIGH'

Bonfires

Risk	No	Officer	Impact and Effect of Deliverables	Prob	Impact	Total	Controls in Place	Impact Category	Notes
Health and Safety	BONO 01	TC	Risk of injury resulting in claims against the Council and investigation by Health and Safety Executive.	3	3	9	No organised bonfires	Treat	Monitor and review each year Site reverting back to Magna in the next year or two.
Personal injury	BONO 02	TC	Injuries to staff or public resulting in claims against the Council, legal proceedings, loss of reputation.	3	3	9	Any materials placed to be removed if considered dangerous - liaise with Police and Fire Services	Treat	Monitor and review each year Site reverting back to Magna in the next year or two.
Fire	BONO 04	TC	Uncontrolled resulting in damage to property and injury.	3	3	9	Liaison with Fire Authority	Treat	Site reverting back to Magna in the next year or two.
Fireworks	BONO 05	TC	Uncontrolled resulting in damage to property and injury.	4	4	16	No organised event	Treat	Monitor and review Site reverting back to Magna in the next year or two.

Municipal Buildings

Increased competition	MB009	TC	Reduced bookings resulting in reduced income.	3	3	9	Charges set for different types of organisation. Charges reviewed yearly to ensure they are competitive. Facilities updated to ensure we provide what the customer wants/needs.	Treat	Charge structure reviewed 2014/15, simpler structure introduced plus exclusive wedding hire days. Review of operation/use to be undertaken with regard to the future once DA move to the Maltings is confirmed.
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Recreational Activity

Football being kicked over the fence at Weymouth Avenue Rec	REC01 4	TC	Possibility of RTA, injury to passers by. Claim for compensation. Council criticised for insufficient precautions. Reputational damage.	4	3	12	Football teams required to have their own PLI. Tree screen once trees grow – trees now affording reasonable protection – probability score could now be reduced.	Treat/ Monit or	Management Committee have been informed of risk score and agreed not to install a higher fence at present.
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Other

Serious incident at Council run outside event	OTH0 10	TC	Loss of life/injury to public/staff. External criticism. Negative local and national press coverage. Increased insurance premiums.	2	4	8	PLI. Risk assess prior to event. Take note of 'purple book guidance'.	Treat/ Monit or	
Failure to insure or secure (where appropriate) public art/civic assets	OTH0 11	TC	Loss or damage. Significant unexpected expenditure. Criticism for lack of care/civic pride. Loss of irreplaceable public art.	2	4	8	Assets identified and those in the ownership of the Council to be insured or the Council self insures - Council decision. Additional security measures to some assets.	Treat/ Monit or	