

Dorchester Town Council

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12 November 2019

Agenda for the meeting of the **Policy Committee** which will be held in the **Council Chamber, Municipal Buildings, Dorchester** on **Monday 18 November 2019** 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 R. Biggs and Councillors B. Armstrong-Marshall, A. Chisholm, T. Harries, F. Hogwood, S. Hosford (Chairman) and G. Jones.

1. Apologies, Declarations of Interest & Signing of Minutes
To sign Minutes of the meeting of 16 September 2019, adopted by Council on 30 September 2019.
2. Financial Update at 31 October 2019 A
3. Corporate Plan 2019 - 2024 B
4. Thomas Hardy Victorian Fair C
5. Risk Register D



DORCHESTER TOWN COUNCIL

POLICY COMMITTEE – 18 NOVEMBER 2019

FINANCE REPORT AT 31 OCTOBER 2019

1. Current Financial Position at 31 October 2019

- Month 7 spend (Appendix 1) £4k above profile – full year likely to be neutral
 - General savings, plus £10k saving on elections, offset by Outdoor staff sickness and poor Municipal Buildings and Cemetery incomes
- Use of Corporate Projects Reserve will return to neutral on receipt of grant income

• Cash Position	£000	
Lloyds Bank	208	Nil interest
Payden Global	1,000	c. 0.70% return
National Savings and Investments	955	0.70% interest
Total Cash	2,163	(30 Aug £1,679k)

£500k transferred to NS&I account in October 2019 following receipt of precept

- Debt over 30 days = £809, 1 debtor (30 Aug £2,721 3 debtors)
- Payments list 1 September – 31 October 2019 on website. Supporting vouchers can be inspected during normal office hours. **RECOMMENDED** that the Payments list, totalling £349,108.73 is approved

2. Internal Audit Report 2019/20

- 3 of 6 internal audit days completed, see Appendix 2
- **RECOMMENDED** that the Internal Audit report and our response is noted
- Attached at Appendix 3 is a short paper seeking approval for the ongoing use of a number of suppliers, an issue highlighted in a previous audit report

3. Free Parking Days

- Per minute 2019/10a the Town Clerk approached Dorset Council for a cash contribution towards Christmas lights in lieu of free parking days. The request had not been agreed by the end of October
- Per minute 2019/10b, following an approach at the end of October, Dorset Council have now agreed to four free parking days in the lead up to Christmas
- Discussions continue with Dorchester BID regarding an increased contribution towards the Christmas lights

Adrian Stuart
Town Clerk

MANAGEMENT REPORT AT 31 OCTOBER 2019

By Spend Type	Budget £000	Profile £000	Actual £000	-Under/Over £000
Staff	753	447	440	-8
Capital Financing	44	44	44	-0
Other Payments	525	301	306	4
To Specific Reserves	247	247	247	0
Income	-180	-90	-83	7
Net Budget	1,389	950	954	4

By Service	Budget £000	Profile £000	Actual £000	-Under/Over £000
Allotments	-6	1	1	-0
Parks & Open Spaces	160	97	92	-5
Cemeteries	-15	-2	8	10
Corp. & Dem. Manage.	39	22	21	-1
Cultural & Twinning	38	29	32	2
Municipal Buildings	263	236	239	2
Other Services	95	72	61	-11
Office Team	381	232	230	-2
Outdoor Services	435	262	271	9
Net Budget	1,389	950	954	4

Earmarked Reserves with budgeted Expenditure In Year	Budget £000	Profile £000	Actual £000	-Under/Over £000
Play Equipment	10	0	0	0
Vehicles and Equipment	15	15	18	3
Cemeteries	5	5	4	-1
Walks, Trees & Public Realm	100	20	20	0
Art & Cultural	12	12	6	-6
Dorchester West Ramp	10	0	0	0
Corporate Projects	77	77	104	27
Net Budget	229	129	152	23

Darkin Miller Chartered Accountants
2019/20 INTERNAL AUDIT OF DORCHESTER TOWN COUNCIL - FINAL REPORT VISIT 1 OF 3: 23rd SEPTEMBER 2019
Appendix 1 – Recommendations and Action Plan

Recommendation number	Detail	Pr	Management Response	Resp Off	Due Date
2.1 – Authorisation of bank charges	<p>I checked to see that a sample of payments were supported by invoices, authorised (initialled by Clerk/Deputy to confirm that they had been checked and related to genuine council business, with the correct cost noted), and minuted for approval (by members). I found that 2/36 payments had not been authorised. Both payments were bank charges - one the monthly fee charged by the Council's bank, and the other the annual fee relating to the credit card. If the charges are not checked and authorised, there is an increased risk of fraud or error.</p> <p>I recommend that bank charges are included within the authorisation process applied to other payments.</p>	L	Agreed	NH	31/10/19
2.2 – VAT on credit card purchases	<p>I checked to see that VAT on a sample of payments had been identified, recorded and reclaimed. I found that VAT has been properly accounted for and reclaimed for the majority of payments, but that there were a number of payments made using the Council's credit card (in order to obtain lower priced goods), for which the Council had only received an order as evidence for the purchase. VAT may only be reclaimed when the Council has received a valid VAT invoice from the supplier. The credit card bill for the sample month was £852.92, on which £135.15 of VAT was noted, but only £15.40 was supported by a VAT invoice when the payments were processed. An additional request for VAT invoices brought the total of VAT supported by a valid VAT invoice up to £64.21, leaving £70.94 not supported by a valid VAT invoice. In the event of a VAT inspection, the Council would be liable to repay the VAT that they had claimed erroneously, along with interest and (potentially) a fine.</p> <p>I recommend that credit card purchases made during the year are reviewed to ensure that all related VAT claimed is supported by a valid vat invoice. Where no such invoice can be obtained, any overclaimed VAT should be adjusted in the next VAT return. VAT should not be claimed in future unless a valid VAT invoice has been received.</p>	M	<p>Our research indicates that our documents would qualify as VAT receipts and would support a VAT reclaim. We do not therefore agree that we have overclaimed VAT.</p> <p>We do accept it would not be appropriate to incorrectly claim VAT and that particular attention should be paid to credit card purchases.</p>	NH	-
2.3 – Re-coding of payments	<p>I checked to see that a sample of payments were correctly coded in the accounts. I found two payments totalling £1k which should have been coded to 93151099 (Learn to be an astronaut) had been accidentally coded to 93150199 (CIL).</p> <p>I recommend that the payments are transferred into the correct nominal code.</p>	L	It was always our intention to review payments made for the Moonbury weekend as many of the payments covered several events.	NH	31/10/19
3.1 – Signing and filing of minutes	<p>The minutes of the meeting of the Planning and Environment Committee of 29/04/19 and 01/07/19 were not on the minutes file at the date of the first audit visit (09/09/19), although later minutes of that committee were.</p> <p>The minutes of the Council meetings of 20/05/19 and 21/05/19 (adjourned) were approved and noted as having been signed at the meeting of 23/07/19. The minutes on file are unsigned.</p>	L	Accepted	AS/GW	Completed

	I recommend that all minutes are signed at the next meeting of the council or committee, and that they are then placed on the minutes file. This will ensure that a complete, approved record of the council's business is held.				
6.1 – Update link to payments lists on website	I checked to see that petty cash expenditure was reported to the council. Petty cash payments are reported as part of the payments lists that are considered by Policy Committee. The current link to the payments lists on the Council website (from the services page) takes users through to the Management Committee agenda papers. I recommend that the link is updated to ensure that it takes users through to the correct section of the Council's website.	L	Noted	NH	Completed
6.2 – Recording of errors on the petty cash/income sheet	Dorchester Town Council operates a mixed petty cash and cash income system in order to reduce bank charges (as money is charged on paying in and withdrawing funds). Due to the higher risk associated with a mixed system, I sample test two petty cash/income sheets in each financial year. I checked to see that the sheet casts (adds up), that any expenditure is supported by receipts, and that the net funds banked at the end of each period agrees to the amount noted on the bank statement. I found that the net banking for both sheets agreed to the amount shown in the bank statement, but that there was a 3p casting error on the total of expenditure on the second sample. The receipts added up to £52.35, but the total noted was £52.38. The error had been identified during the bank reconciliation process, and the correct accounting entry had been made to reconcile the funds, but the amount of expenditure shown on the spreadsheet had not been adjusted to show the 3p error. I recommend that any future differences are noted on the petty cash and income sheet as a separate line item, in order to ensure that the error and the correcting action taken are clear.	L	Noted	NH	Completed
6.3 – Small VAT overclaim	I checked two samples of petty cash payments to confirm that expenditure is supported by VAT invoices/receipts, and that VAT is claimed where possible. I found that all expenditure was supported by receipts except for the periodic £5 contribution to the tea/coffee fund, but that VAT was overclaimed by £2 in relation to cake bought for a community event (cake is zero rated). Total input VAT for the period to 30/06/19 was £17k, an error rate of 0.01%. I recommend that the VAT rate and amount is corrected in Sage (the adjustment will be picked up in the next VAT return) and no VAT is reclaimed on similar items in future.	L	Noted	NH	31/10/19
7.2 – Notify staff of significant change to SCP	The spinal column points (the agreed amounts of pay per job grade) change in 2019/20. Senior staff salaries increased by 2%, but staff on lower salaries increased by higher rates. The Council has not written out to staff to advise them of the new SCP and rates. The absence of notification will make it difficult for staff to check that they are being paid the correct amount. I recommend that the Council notifies all staff of their new SCP and the related annual salary or (where appropriate) hourly rate.	M	Staff are unlikely to refer to SCPs when checking pay, any letter would complicate, not simplify understanding. They are made aware of pay increases verbally by the OSMgr and invited to check	-	-

			their pay on these occasions. Rejected.		
7.4 – Retention and filing of timesheets	<p>Timesheets are completed for the month for outdoor staff, and staff claiming overtime. The timesheets are reviewed by the Outdoor Services Manager and the Finance Officer. Non-standard timesheets which affect the amount of pay paid for the period are scanned in order to support the calculations of overtime due. Although all such timesheets should be scanned, two were omitted from the sample month. The timesheets related to the additional hours paid to open and close the chapel gates.</p> <p>I checked to see that the timesheets existed, but none had been completed for that period as the member of staff was off sick.</p> <p>The risk of failing to identify all overtime due for the month is increased where not all timesheets are scanned (as it makes it harder to subsequently check that timesheets have been properly processed).</p> <p>I recommend that overtime should only be paid on receipt of a signed and certified timesheet. Other timesheets completed for the month should be scanned (ideally) or filed so that they may be easily reviewed where necessary.</p>	H	Agreed	CD/NH	31/10/19
7.5 – Cover for chapel gates opening and closing	<p>I also recommend that the Council considers alternative cover arrangements for the opening and closing of the chapel gates to ensure that the work is carried out by staff who are fit to work.</p>	H	Already included in a review currently underway covering weekend working	CD	31/12/19
7.6 – Employee contribution rates appear low	<p>I checked to see that pension contributions have been correctly calculated and paid over. I found that the employee contribution rate for two members of staff appeared too low based on their salaries in the sample month.</p> <p>It was unclear whether changes in salary which should trigger a change in the contribution rate are picked up automatically by Dorset Council (which operates the payroll on behalf of the Town Council). Formal guidance issued by the local government pension scheme (LGPS) indicates that the Town Council should notify the pension scheme of the contribution rate in April each year, with the option for the Town Council to notify in-year if the rate of pay changes. Pension contribution rates are based on actual pay.</p> <p>I recommend that the Finance Officer confirms with Dorset Council the contribution rate which should be applied in relation to the two employees, and how changes in rate should be notified in future.</p>	M	Dorset Council Payroll have now advised their automated process for calculating contributions and we accept that it should be applied as they indicated (monthly without action on our part).	NH	Completed

Use of Regular Suppliers

1. Internal Audit recommendation 2018/2.1 considered “a range of smaller recurrent expenditure that has either not been through a competitive process, or has not been market tested for a number of years”, while at the same time noting that “some of these types of expenditure would fall under the Council's Financial Regulations exemptions for specialist services (FR 10.2).”
2. In accepting the recommendation the management response was that “In the short term the response will be to seek exemptions for a range of lower value contracts where the costs of a procurement exercise will outweigh any marginal financial gain”
3. Attached at Table 1 is a list of corporate supplies that have not been tendered for some time, including their value and the period since they were last subjected to a procurement process.
4. It is **RECOMMENDED** that the supplies listed are given a 12 month temporary exemption, during which time either further work is undertaken to justify a permanent exemption or the supply is subjected to a procurement process.
5. A similar list of operational supplies is being prepared and will be submitted to a future meeting of the Committee.

Table 1: Services not subjected to a recent procurement exercise

Service Required	Provider	Value £	Justification for not looking elsewhere	Since Yrs
Insurance Brokerage	WPS		Local, Sector & Insurance knowledge	6+
Payroll Administration	Dorset Council	3,400	Full, Quality, Pensions reporting	5
Employment Law/H&S	Ellis Witham	2,900	Quality of service, narrow field	6+
Distribution	Whistl	2,400	Quality of service, narrow field	3
External Audit	PKF Littlejohn	2,000	NALC-led consortium	2
IT Hardware/Software	via MRT	2,000	Lack of technical knowledge	6+
Internal Audit	Darkin Miller	1,600	Consistency, Quality, Reduction, Local	4
Buy & maintain Phones	AMA	1,200	Maint phase - will procure on replacement	3
Corp & Mobiles Services	Carter Utilities	1,900	Disruption of adequate service	6+
IT Support	MRT	1,100	Disruption of Quality service	6+
Accounting Software	Sage	800	Disruption of adequate service	6+
Recruitment Advertising	Dorset Council	600	Price, coverage, adequate service	3
Buy & maintain Copier	Copycare	600	Maint phase - will procure on replacement	3
Training Courses	SLCC	500	Specific sector focus	4
Mayoral Badges	Thomas Fattorini	300	Consistency of approach	6+
Banking	Lloyds	300	Disruption of adequate service	6+

DORCHESTER TOWN COUNCIL**POLICY COMMITTEE – 18 NOVEMBER 2019****DEVELOPMENT OF A CORPORATE PLAN 2019 – 2024****Overview**

1. In October Members attended an informal workshop to give some thought to how to take forward and resource the ideas from the six Theme workshops. Appendix 1 provides a preliminary draft of the main directions that were emerging from the workshop.
2. The next phase of work would have covered phases of public consultation. Given the decision to hold a General Election this work has been suspended and instead will be considered at the January meeting of the Committee.
3. The work undertaken to date has emphasised that our relationship with Dorset Council is critical to a successful delivery of elements of the Corporate Plan. Dorset Council currently has three exercises underway that are relevant to our plan
 - A consultation exercise on their own Corporate Plan
 - Discussions with Town and Parish Councils about how the two sectors will work together
 - A consultation exercise regarding discretionary grant support for Community Groups, including several Dorchester-based organisations

Subject to time being available the first two items will be considered at Council on 25 November.

The Chairman of this Committee, accompanied by relevant Outside Body Representatives, will meet with bodies affected by the grant consultation exercise in time to make a submission to the consultation, which is likely to finish before our next meeting.

Medium Term Financial Strategy

4. The July Committee (Minute 2019/4) considered a number of issues related to the setting of the MTFS within the Corporate Plan

Members debated each of the questions, acknowledging that more information was required on issues such as comparisons of Council Tax levels over time with other Dorset towns, the ability to predict new property growth, the impact of debt related to different capital project scenarios on precept levels and comparisons of General Reserves levels with smaller district councils as an alternative to the town and parish sector.

Each of the above items is considered in more detail below.

Town and Parish Council Tax Levels in Dorset

5. Appendix 2(a) provides information in relation to general Council Tax levels across the county, plus analysis of recent tax levels in the larger historic market/seaside towns of the county.

6. The key messages are

- Historic market towns charge the highest levels of tax, significantly higher than other towns, coastal towns, larger settlements and rural parishes
- The Dorchester Council Tax, once the highest in Dorset, is now the fifth highest, based on a trend of regular, low Council Tax increases; Dorchester's tax rose by 13.5% over 6 years. It should be noted that Dorchester is benefitting from significant property growth, which is not the case for some other market towns.
- The above points support the continuance of a strategy based on inflationary tax increases, property growth (which cannot be controlled) plus active management of the Council's budget with a focus on efficiencies and refocusing resources away from some traditional services

New Property Growth

7. Appendix 2(b) identifies information regarding the tax base and its growth over the last five years (since Government made a significant change to how Council Tax Benefits were to be funded). The change results from a combination of

- Growth in property numbers, driven particularly by Poundbury but also by Brewery Square, smaller developments and infill
- Changes to the number of residents in receipt of discounts (Single Person, Disability, etc) or Council Tax Benefit (the assumption is that there are more claimants each year but no evidence has been gathered to support this)
- Technical changes made by the Collection Authority to the way the Collection Rate is calculated, reflecting changing attitudes to bad debt and countywide growth levels

8. To predict the future tax base in Dorchester one would need to take account of the above elements against a background that there is little/no concrete evidence on which to base assumptions.

9. The Dorset Council included a factor for growth of 0.75% in its base Council Tax assumption for 2019/20, so every parish benefitted. In practice the actual growth was taking place in a small number of hotspots including Dorchester.

10. If a growth assumption is included it would also be necessary to incorporate an increased demand assumption on the Expenditure side of the MTFs. In practice actual spending tends to increase on a step change basis as new assets are released to the Town Council, e.g. The Great Field.

11. The prudent approach is to not predict growth, with the likely outcome that extra flexibility arises year on year in the MTFs. The downside is that, in the unlikely event that growth speeds up significantly, the Town Council could ultimately end up taking an overly conservative approach to the potential to protect/grow services.

New Debt

12. Appendix 2(c) considers, in very simplistic terms, the implications of taking on new debt for different scenarios. Perhaps the most relevant point arising is that, at present at least, it costs roughly £50,000 a year to service a debt of £1 Million over a 25 year period.

13. The analysis is sufficient to inform discussions regarding the principle of taking on new debt, with the key implication being additional revenue costs. At this point the analysis cannot be relied on for specific project purposes. Further work would be required on a project by project basis, particularly surrounding the legal position of lending of money to community groups and the acquisition of land for housing purposes.

The level of the General Reserve

14. Appendix 2(d) considers information regarding General Reserve levels. At the last meeting the Town Clerk advocated that there were enough safety mechanisms in place to lower our General Reserve, freeing up a sum for one off spending; a Member suggested that, as one of the largest parishes, it would be helpful to compare our Reserve levels to those of some of the smallest districts, rather than rely solely on NALC guidance for all parishes.
15. With a Reserves ration of c. 10% of Gross Spend + Gross Income, comparison with smaller districts supports the argument that the levels we are recommended to hold are disproportionately higher, while intuitively the risks we are carrying are much lower, than District Councils.

Conclusion and Recommendation

16. The July Committee report invited Members to consider a series of questions in the context of the Medium Term Financial Strategy that supports the new Corporate Plan, as follows
- Does the Council wish to continue its past approach to tax rises, based on regular inflation/referendum limit increases to Council Tax?
 - Is the Council content to continue its past approach of not factoring in a prediction of tax base growth in its MTFS?
 - Does the Town Council want to continue to rule out taking on new Debt?
 - Does the Town Council want to consider operating with a significantly lower General Reserve in order to boost the money available to deliver Corporate Plan priorities?
17. At the time further information was requested which has now been provided. In order to focus discussion it is **RECOMMENDED TO COUNCIL** that the Medium Term Financial Strategy that underpins the new Corporate Plan should be built on the assumption that
- The Council Tax charge will rise broadly in line with the annual inflation level
 - That no assumption is made for an increase in the tax base due to the increase in taxable properties in the town, nor for the general impacts that arise from such growth
 - That the Town Council is open to the idea of taking on new debt for specific projects, either to improve its own service infrastructure, or to assist a partner to improve its infrastructure, or to secure an asset that might support the delivery of objectives included in the Corporate Plan
 - That, due to its continued maintenance of a number of alternative risk mitigation mechanisms the Town Council will operate with a General Reserve level of £100,000
18. The above would be used as working assumptions, not rigid conditions. They will be considered, and may be amended, during the annual budget process each January.

Adrian Stuart
Town Clerk

**DORCHESTER TOWN COUNCIL CORPORATE PLAN
HIGH LEVEL FOCUS OF THE CORPORATE PLAN – DRAFT IDEAS**

AFFORDABLE HOUSING

- Work proactively with the Dorset Council to develop stronger policies to support the delivery of affordable housing
- Focus resources and effort into working with key partners on a programme of unlocking and developing sites across the town for affordable housing

COMMUNITY, CULTURE, HEALTH AND WELLBEING

- Working with other agencies and community partners, develop our understanding of the general needs of our community and the specific needs of vulnerable groups
- Maintain and, where appropriate, adapt the Council's Community, Sports, Cultural and Health & Wellbeing service delivery to meet the requirements of the town's residents and visitors, either directly or working with local partners
- Resolve the future of the Municipal Buildings to make a relevant and environmentally efficient contribution to the town's community

THE ENVIRONMENT

- Proactively support practical steps to reduce the impact that the Council and the town's community has on its environment
- Focusing in particular on the Town Centre, support the introduction of sustainable practices to assist the town's community to improve the town's appearance

LOCAL ECONOMY, TRANSPORT AND PARKING

- Working with other agencies and business representatives, develop our understanding of how the town's economy can be strengthened
- Working initially with the town's Heritage and Tourism sectors, develop a holistic strategy to maximise the benefits of tourism to the town
- Work with the Dorset Council to agree a new Transport and Parking strategy that resolves the competing demands of residents, workers and visitors to the town

FUTURE GROWTH OF DORCHESTER

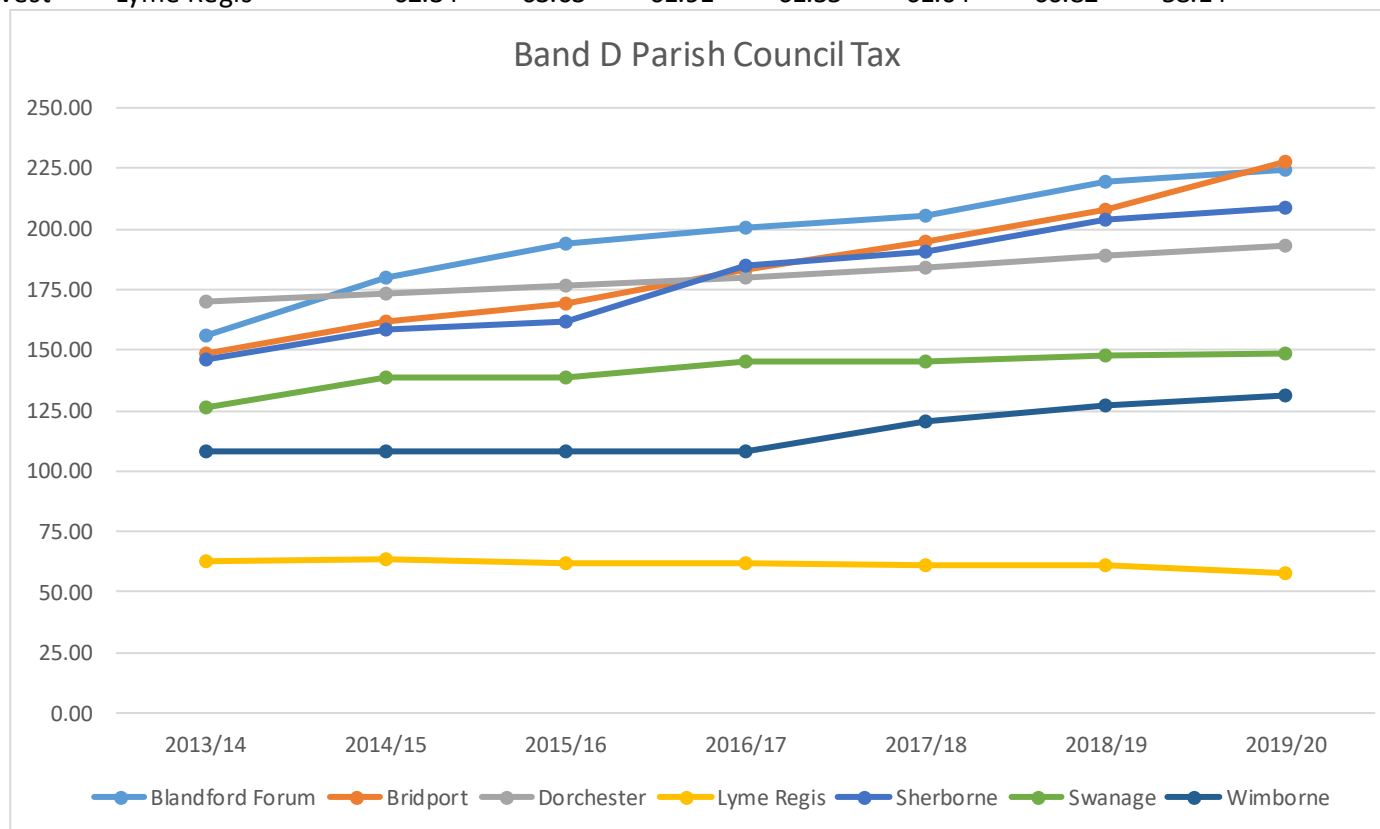
- Develop the Town's existing response to the pressure for development of new housing emerging through the Local Plan process

GOVERNANCE AND ADMINISTRATION

- Ensure that the Council's governance and administration arrangements remain relevant to the needs of the town and are delivered efficiently and effectively

Town Council Comparisons

		2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	6yr inc. %	Average %
West	Bridport	148.80	161.79	168.78	183.22	194.87	207.98	227.54	52.9	8.82
North	Blandford Forum	156.15	180.02	193.93	200.67	205.77	219.79	224.64	43.9	7.31
West	Sherborne	146.06	158.23	161.35	184.51	190.85	203.79	209.01	43.1	7.18
East	Wimborne	108.42	108.43	108.42	108.45	120.80	127.11	131.20	21.0	3.50
Purbeck	Swanage	126.03	138.67	138.67	145.60	145.60	147.48	148.69	18.0	3.00
West	Dorchester	169.81	173.12	176.50	180.00	184.00	189.00	192.76	13.5	2.25
West	Lyme Regis	62.34	63.63	61.91	61.55	61.04	60.82	58.14	-	6.7 - 1.12

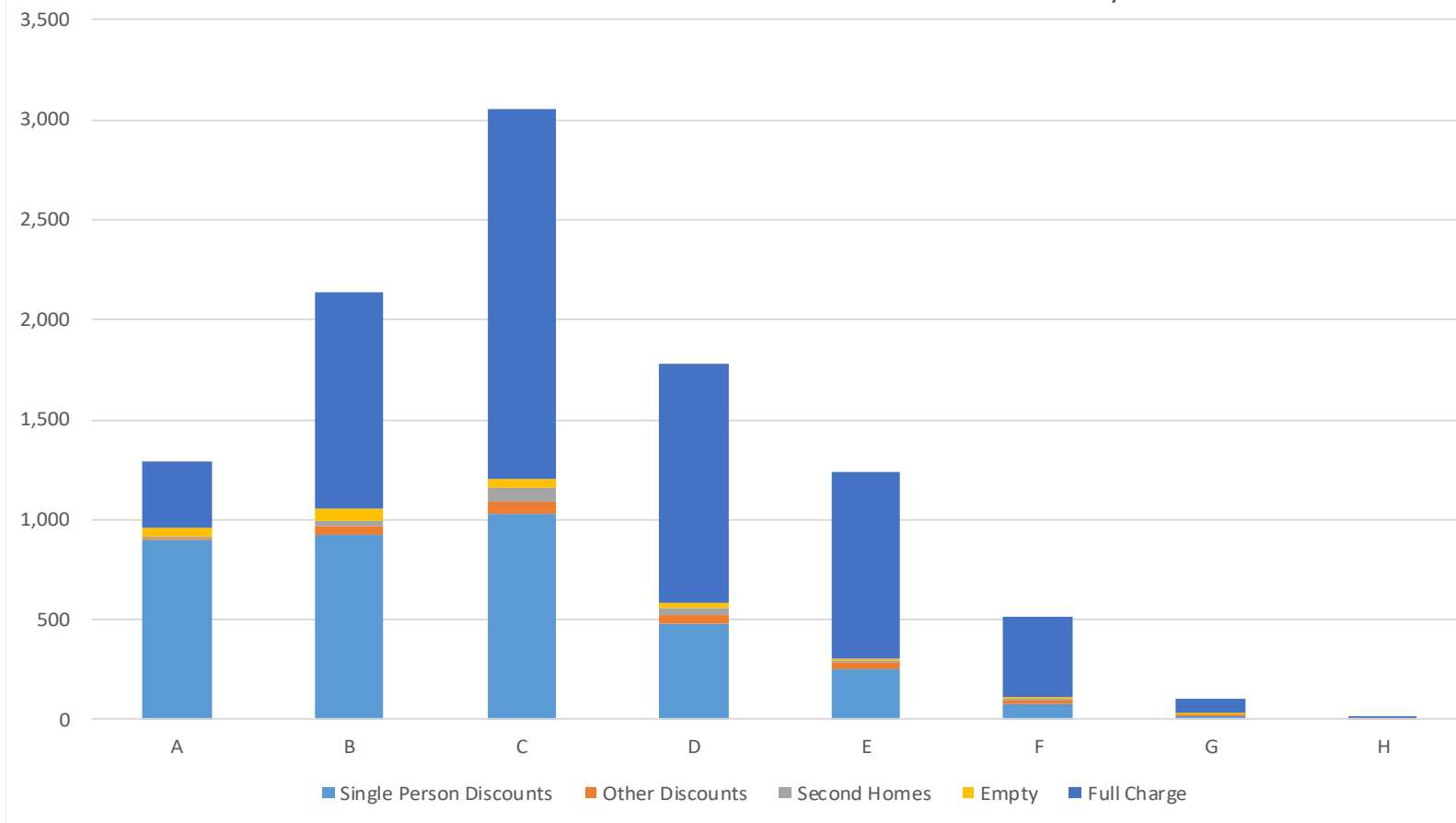


APPENDIX 2(a)

Dorset Parish Band D Charges 2019/20	Precept £	Tax Base	Band D £
10 Rural Market Towns	6,202,061	33,226	186.66
4 Coastal Towns	4,571,999	28,709	159.25
12 Other Towns and Larger Settlements	2,233,579	37,189	60.06
Near to Dorchester Parishes	313,129	7,733	40.49
Other Smaller Settlements	1,837,269	41,231	44.56
	15,158,037	148,087	102.36
Towns and Larger Settlements			
Bridport	684,179	3,007	227.54
Blandford Forum	794,744	3,538	224.64
Sherborne	759,085	3,632	209.01
Gillingham	858,594	4,195	204.70
Dorchester	1,463,971	7,595	192.76
Sturminster Newton	300,645	1,601	187.75
Weymouth	3,370,661	18,152	185.69
Shaftesbury	500,996	3,199	156.62
Swanage	718,030	4,829	148.69
Wimborne Minster	387,300	2,952	131.20
Wareham	287,693	2,202	130.67
Beaminster	164,854	1,306	126.19
Portland	362,600	3,652	99.29
Lytchett Minster & Upton	261,679	2,846	91.95
Ferndown	653,480	7,407	88.22
Corfe Mullen	297,412	3,882	76.61
Chickerell	147,507	2,006	73.53
Lyme Regis	120,708	2,076	58.14
Lytchett Matravers	78,269	1,443	54.24
Verwood	318,417	6,048	52.65
West Moors	136,673	3,090	44.23
Wool	71,000	1,686	42.12
Colehill	116,660	3,071	37.99
West Parley	60,322	1,768	34.12
Saint Leonards & Saint Ives	92,160	3,941	23.38
	13,007,639	99,124	131.23

APPENDIX 2(b)

DORCHESTER PROPERTIES BY COUNCIL TAX BAND 2019/20



Year	Tax Base	Growth	%
2014/15	6,715		
2015/16	6,853	138	2.06
2016/17	6,950	97	1.42
2017/18	7,065	115	1.65
2018/19	7,345	280	3.96
2019/20	7,594	249	3.39

	A	B	C	D	E	F	G	H		
Single Person Discounts	894	927	1,032	479	253	81	14	0	3,680	36.3%
Other Discounts	9	40	56	48	31	12	11	7	214	2.1%
Second Homes	14	31	73	35	13	8	3	0	177	1.7%
Empty	40	57	40	21	9	9	2	0	178	1.8%
Full Charge	337	1,086	1,855	1,194	931	407	76	2	5,888	58.1%
Total Properties	1,294	2,141	3,056	1,777	1,237	517	106	9	10,137	

APPENDIX 2(c)

Debt Scenarios	Princ ipal £000	25 yr Annuity %	25yr Repay £000	Income £000	Net Cost £000	Examples	Comments
Spend with no chance of financial return	1,000	1.64	49	0	49	Spend on our asset, Grant to partner	Direct impact on Precept
Spend, with expectation of financial return	1,000	1.64	49	50	-1	Create a revenue generating asset	Changing habits, maint, post 25yrs
Lend at cost, annuity repayments	1,000	1.64	49	49	0	Community loans	Risk of default
Lend at 1% over cost, annuity rep	1,000	1.64	49	54	-5	Community loans	Risk of default
Borrow to onlend (Interest only)	1,000	2.00	20	25	-5	-	Illegal!

APPENDIX 2(d)

General Reserve Level		Population	Gross Spend £000	Op Income £000	Net Spend £000	Min. Gen Res £000	Spend + Income £000	Min GR v. S+I	Min GR v Net S.
Smallest District Councils									
Melton	Leics	51,100	17,300	11,400	5,900	640	28,700	2.2%	10.8%
Eden	Cumbria	52,900	22,200	13,000	9,200	1,500	35,200	4.3%	16.3%
West Devon	Devon	55,300	20,500	13,400	7,100	750	33,900	2.2%	10.6%
Dorchester TC									
Reserve level									
	NALC Max	20,000	1,277	180	1,097	1,277	1,457	87.6%	116.4%
(Gross Spend excludes	NALC Min	20,000	1,277	180	1,097	425	1,457	29.2%	38.7%
Debt & Contributions	Current	20,000	1,277	180	1,097	200	1,457	13.7%	18.2%
to Reserves)	Lower	20,000	1,277	180	1,097	100	1,457	6.9%	9.1%
	Lowest	20,000	1,277	180	1,097	50	1,457	3.4%	4.6%

DORCHESTER TOWN COUNCIL**POLICY COMMITTEE – 18 NOVEMBER 2019****THOMAS HARDY VICTORIAN FAIR**

1. The Chairman has received a request from the Chairman of the Dorchester Heritage Joint Committee identifying the need for an early commitment of funds from the Town Council if it wishes to see the Victorian Fair event repeated in 2020.
2. Council has already received a copy of the evaluation video for the 2019 event (link still available on the front of our website). The evaluation report for the event has been circulated separately.
3. A set of accounts for the event is included at Appendix 1. The cost of the THVF 2019 was c. £10,000 with the Town Council contributing £750, while the Joint Committee provided £3,000.
4. The request for support for 2020 makes the case for a larger budget for a co-ordinator post to develop the event; No other budget information has been provided at this point.
5. The Chairman suggests that the Town Council contribute £5,000 towards the event. The Deputy Town Clerk is exploring grant schemes elsewhere that might mitigate the need for some of this contribution. Members may recall that I have previously highlighted the uncertainty that needs to be addressed should the Council wish to play its part in repeating the successes of the 2019 series of summer events, which included the 2 Heritage days and the Moonbury weekend, but which was largely funded from Reserves held by the Council and the Joint Committee. It was intended to address this issue during the budget process in January, but it is acknowledged that planning for the Victorian Fair needs to start sooner.
6. If Members wish to support the THVF event, support should be conditional on the development of a budget which shows how the full costs of the event can be met.
7. The request for funding also highlights a wish to repeat the Architectural Heritage Day in September 2020. There is sufficient time for a more detailed application to be made for funding to support this event, so there is no proposal for consideration today.
8. In making decisions on these events Members may also wish to consider the opportunity to celebrate the reopening of the Dorset County Museum next summer, which may be judged to be of parallel significance to the events promoted thusfar.
9. The Committee's instruction is sought.

Adrian Stuart
Town Clerk

THOMAS HARDY VICTORIAN FAIR 2019

	£
Expenditure	
Attractions (Maypole, Punch & Judy, Victorian School, Artillery, etc)	906
Music (Bands, Choir & Ceilidh)	670
Food & Drink Management	1,010
Promotional Material	1,176
Project Coordinator	1,500
Film & Photography	1,650
Gazebo Hire	150
Corn Exchange evening event	250
Security, Parking & First Aid	935
Road Closures	1,930
Waste Management	314
TOTAL	10,491
Income	
Dorchester Joint Heritage Committee (including road closure fee)	3,371
Dorchester Town Council	750
Dorchester BID	500
Dorchester Chamber of Commerce	100
Thomas Hardy Society	500
Duchy of Cornwall	500
Dorchester Association	100
Brewery Square	200
Sponsorship	4,150
Craft Stalls	320
TOTAL	10,491

DORCHESTER TOWN COUNCIL

POLICY COMMITTEE – 18 NOVEMBER 2019

STRATEGIC AND OPERATIONAL RISK REGISTERS – ANNUAL REPORT

1. The Council manages its risks through a process that concludes in an annual risk review report presented to Policy Committee. The Council's adopted Risk Management Policy, which details the methodology used to assess the risks being faced by the Council, is attached at Appendix 1.
2. The Council's Risk Registers currently hold five risks classified as 'high' and ninety risks classified as 'medium', as assessed in accordance with the Council's adopted Risk Policy. The whole register is available from the Deputy Town Clerk.
3. Following comments made by the Committee last year two high level risks related to football at Weymouth Avenue and competition at the Municipal Buildings were lowered to medium, and the high level risk associated with introducing GDPR was removed from the register completely.
4. The Committee also agreed that a new high level risk associated with the operation of the Market following re-organisation be added to the Register. The Town Clerk has now been advised that the Dorset Council intend to continue with the management of the Market rather than transfer it to the Town Council. There is no proposal to remove the risk.
5. A risk related to ICT was also added last year. Officers have reviewed the ICT risk, concluding that the existing medium risk score was still appropriate. However, with cyber crime on the increase Members may wish to mitigate the financial loss risk further by taking out cyber crime specific insurance, the cost of which would be in the region of £500.
5. Appendix 2 identifies, for review, the five high strategic and operational risks being faced by the Council. The three high strategic risks all relate to some extent to the Local Government reorganisation which occurred in May 2019, with Risk Nos 37 and 47 being very similar. Now that reorganisation has happened it is suggested that Risk No 37 be deleted and No 47 be amended to reflect the existence of the new structure but that the identified risk is still live.
6. As well as reviewing the highest risks the Committee is asked to identify any new risks it feels should be included within the Registers, with an appropriate score.
7. 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', primarily relating to 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 adopted a structured approach to Risk Management.

2. AUDIENCE

This Policy is intended as the primary guidance to the Council and senior management but is 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

¹Risks that are almost certain to happen 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

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
	<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.

ANNEX A

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 staff. 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 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	Responsible Officer	Impact and Effect of Deliverables	Probability	Impact	Total	Controls in Place	Risk response	Notes
Pressure to take over or fund services provided by Other Local Authorities	S037	TC	Services provided by OLA's reduced resulting in pressure on this Council to take over of fund the service, resulting in significant resource and political implications. Suggest delete	4	3	12	Member decision re service levels. Current budget provides capacity for limited choices	Tolerate	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. Suggest to amend to reflect that reorganisation has happened but the risk is still live	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	This risk also presents an opportunity to the Council to impact on services not previously within its remit. Will happen in May 2019. Financial planning in place. Member briefings being undertaken.
Poor future management of the Market operation post LGR	S050	TC	Reduced income, poor visitor experience, reputational damage	2	4	8	Representation on Markets Panel, negotiations to take place with Dorset Council in respect of future management.	Treat / Monitor	

OPERATIONAL RISKS SCORED 'HIGH'

Other

<p>Serious incident at Council run outside event</p>	<p>OTH 010</p>	<p>TC</p>	<p>Loss of life/injury to public/staff. External criticism. Negative local and national press coverage. Increased insurance premiums.</p>	<p>2</p>	<p>4</p>	<p>8</p>	<p>PLI. Risk assess prior to event. Take note of 'purple book guidance'.</p>	<p>Treat/ Monitor</p>	
<p>Failure to insure or secure (where appropriate) public art/civic assets</p>	<p>OTH 011</p>	<p>TC</p>	<p>Loss or damage. Significant unexpected expenditure. Criticism for lack of care/civic pride. Loss of irreplaceable public art.</p>	<p>2</p>	<p>4</p>	<p>8</p>	<p>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.</p>	<p>Treat/ Monitor</p>	