

DORCHESTER TOWN COUNCIL

POLICY COMMITTEE

22nd MARCH, 2011

At the Meeting of the Policy Committee held on 22nd March, 2011:

PRESENT The Mayor (Councillor L.M. Phillips) and Councillors M.A. Allwood, R.M. Biggs, V. Black, T.C.N. Harries, C.M. Hebditch and Trevor Jones (Chairman).

43. **TOWN COUNCIL ELECTIONS**

The Chairman reminded Members that this would be the last meeting of the Committee before the Town Council elections on 5th May, 2011 and thanked Members for their input and support over the preceding four years.

44. **MINUTES**

The Minutes of the Meeting of the Committee held on 18th January, 2011, adopted by Council on 25th January, 2011, were taken as read and were confirmed and signed by the Chairman as a correct record.

45. **RESOURCES PANEL**

The Committee considered the Minutes of the Meeting of the Resources Panel held on 22nd February, 2011 (for Minutes see Appendices I and II).

It was

RECOMMENDED

That the Minutes of the Resources Panel held on 22nd February, 2011 and the Annual Governance Statement for 2010-11 appended to them be approved and adopted.

46. **MANAGEMENT ACCOUNTS**

The Committee received and noted the Council's Management Accounts for the period ended 28th February, 2011.

47. **STATUTORY CHARGE FOR CAPITAL – 2010-11**

The Committee received and noted the report of the Financial Services Provider indicating that the Statutory Charge for Capital to be included in the Council's Accounts for 2010-11 would be £53,259.

48. **ACCOUNTS AND AUDIT (ENGLAND) REGULATIONS 2011**

As an urgent item and further to Resources Panel Minute 6 the Committee considered the report of the Financial Services Provider on these Regulations which

would come into force on 31st March, 2011 and would, therefore, apply to the Final Accounts for 2010-11. The Regulations changed the definition of a smaller relevant body from one whose expenditure or income exceeded £1,000,000 to one whose expenditure or income exceeded £6,500,000.

As a result the Council was permitted to submit an Annual Return rather than full accounts complying with FRSSE. Accounts supporting an Annual Return were likely to be more readily comprehensible than FRSSE-compliant accounts, and the cost of producing the Accounts would be reduced somewhat, but greater savings would accrue from a significant reduction in the input required of the external auditor. The Regulations permitted the Council to elect to continue to produce FRSSE-compliant accounts.

It was

RECOMMENDED

That the introduction of the revised Regulations be welcomed and that the Council submit an Annual Return rather than FRSSE-compliant accounts in respect of 2010-11 and future years.

49. **BOROUGH GARDENS – PROPOSED DRINKING WATER FOUNTAIN**

Further to Minute 20(2) the Committee considered the report of the Compliance Manager on the health and safety implications of the proposed installation of a drinking water fountain the Borough Gardens children's play area. The report concluded that the inherent risks arising could be minimised by incorporation in the Council's legionella regime and regular disinfection and, on this basis, it was

RESOLVED

That the proposal to install a drinking water fountain in the children's play area in the Borough Gardens be approved so far as this Committee is concerned.

50. **TOWN WALKS**

The Committee considered the report of the Town Clerk recommending that the surfaced areas of the Town Walks be formally dedicated as footways to secure their inclusion in the Dorset County Council's maintenance and inspection regime. In order to accept the dedication the County Council would require this Council to continue to bear the risk of damage to the surface of the Walks and adjacent structures caused by the growth of the trees adjoining the surfaced areas. The freehold interest in the Town Walks would remain with this Council.

It was

RECOMMENDED

(1) That the surfaced areas of the Town Walks shown coloured green on the plan now

submitted be formally dedicated as public footways and that the Dorset County Council be requested to add them to their adoptions schedule.

- (2) That the Town Council indemnify the County Council against any damage to surfaces and adjacent structures caused by the growth of the trees adjoining the surfaced areas of the Town Walks.

51. **DORCHESTER HIGHWAY TREE PARTNERSHIP**

Further to Minute 22(3) the Committee considered the report of the Town Clerk on the history of the Dorchester Highway Tree Partnership and the continuance of the Council's financial contribution towards its operation.

It was

RECOMMENDED

That, in the light of the more robust arrangements for maintenance of the Town Walks referred to at Minute 50 above, the Council continue to contribute the sum of £3,500 per annum towards the expenditure incurred by the Dorchester Highway Tree Partnership.

52. **STANDING ORDERS, ETC – REVIEW**

The Committee considered a revision-marked version of the Council's Financial Regulations, Standing Orders and Delegation Scheme which incorporated the changes previously approved pursuant to Management Minute 6 arising from the transfer of the management of Dorchester's cemeteries to the Town Council and other matters arising to take account of legislative and administrative changes. The Committee noted that a further review would be required when the future of the probity regime became clear.

It was

RECOMMENDED

- (1) That all the changes proposed in the revision-marked versions of the various documents now submitted be made.
- (2) That, in addition:
 - (i) a further category of 'Civic Events' be added to the list of Delegations to Committees and that it be delegated to the Management Committee on advice from Community Activities Panel;

- (ii) the delegation in respect of Insurance be amended to read “Policy Committee on advice from Risk Management Panel”.

53. **REMUNERATION SCHEME – REVIEW**

The Committee undertook the quadrennial review of the Council’s Remuneration Scheme and it was

RECOMMENDED

That the Committee records its opinion that the Council’s Remuneration Scheme remains fit for purpose and that no changes should be made to it.

54. **DRAFT CODE OF LOCAL AUTHORITY PUBLICITY**

The Committee received and noted this draft Code which had been laid before both Houses of Parliament.

55. **CONSULTATION PAPER – COMMUNITY RIGHT TO BUY**

It was

RESOLVED

That no response be submitted to this Consultation Paper.

56. **CONSULTATION PAPER – COMMUNITY RIGHT TO CHALLENGE**

It was

RESOLVED

That no response be submitted to this Consultation Paper.

Chairman

DORCHESTER TOWN COUNCIL

RESOURCES PANEL

22nd FEBRUARY, 2011

At a Meeting of the Resources Panel held on 22nd February, 2011:

PRESENT The Mayor (Councillor L.M. Phillips) and Councillors V. Black, T.C.N. Harries, L.E. Heath and Trevor Jones (Chairman).

APOLOGY for absence was received from Councillor T. James.

3. **ANNUAL GOVERNANCE STATEMENT**

The Panel considered a draft Annual Governance Statement which complied with the requirements of the latest Statement of Recommended Practice (SORP) and required discrete approval prior to its publication alongside the Final Accounts in the event that the proposed revision of the Accounts and Audit Regulations 2003 referred to at Minute 6 below were not brought into force on 31st March, 2011 as anticipated.

It was

RECOMMENDED

That the Annual Governance Statement reproduced at Appendix I be approved so far as the Panel is concerned subject to the insertion of 'for adoption by the Council' after 'January' in the reference to the Medium Term Financial Strategy on page 2.

4. **INTERNAL AUDIT**

(a) **Review of Effectiveness**

The Panel reviewed the effectiveness of the Council's internal audit arrangements and it was

RECOMMENDED

That the Council expresses its satisfaction as to the effectiveness of its arrangements for internal audit.

(b) **Terms of Engagement**

The Panel considered the standard Terms of Engagement of Accounts and Audit Services Limited for the provision of the Council's internal audit service for 2011-12.

It was

RECOMMENDED

That the Terms of Engagement be approved and that the estimated cost of £1,559.04 for providing the service be noted.

(c) Programme – 2011-12

The Panel considered the internal audit programme for 2011-12 proposed by Accounts and Audit Services Limited taking into account the guidance contained in the latest edition of the Practitioners Guide and incorporating additional tests considered appropriate for the Council in view of the level of activity in which it is engaged, including a test of the accuracy of reported performance data as recommended by the Council's external auditor.

It was

RECOMMENDED

That the proposed internal audit programme for 2011-12 as now submitted be approved.

(d) Internal Audit Report

The Committee received and noted the report of the Internal Auditor on the outcome of his most recent visit and the Town Clerk and Financial Services Provider responded to Members' detailed questions on the implementation of the various actions identified in it as necessary or desirable. In particular the Town Clerk confirmed that the possibility of moving towards annualised hours in respect of the Outdoor Services staff would be investigated by the Compliance Manager and that the outcome of those investigations and discussions would be reported to the Management Committee in due course.

5. MEMBER AND STAFF TRAINING

The Panel received and noted a report detailing training delivered to members and staff during 2010.

6. ACCOUNTS AND AUDIT REGULATIONS 2003

The Panel received and considered a copy consultation paper on the proposed revision and consolidation of the Accounts and Audit Regulations 2003; the revised Regulations were proposed to come into operation on 31st March, 2011 and, if this happened, would apply to the Accounts for the current financial year. The draft revised Regulations defined a smaller relevant body (ie a body which was required to submit an Annual Return rather than full Accounts) as one which had gross income or expenditure, whichever is the higher, of less than £6.5 million in the year of account or in either of the two previous years. The Council's gross expenditure in 2010-11 was estimated to be £1,557,988.

The Financial Services Provider confirmed that the introduction of the revised Regulations would be likely to result in a small reduction in the fee charged to the

Council but that more significant savings would arise as a result of the significant reduction in the level of work required of the External Auditor.

It was

RECOMMENDED

That the proposed revision and consolidation of the Regulations be welcomed but that no formal response to the consultation be submitted.

7. **PUBLIC BODIES (ADMISSION TO MEETINGS) ACT 1960**

It was

RESOLVED

That in view of the fact that publicity would be prejudicial to the public interest by reason of the confidential nature of the following matter the public and representatives of the press be excluded from this meeting during its discussion.

8. **REVIEW OF SALARIES AND STAFFING LEVELS**

The Panel received and noted a schedule setting out information on current staffing levels and salaries.

Arising from the consideration of this report it was

RECOMMENDED

That a review of the Council's establishment and staffing structure be conducted prior to the retirement of the Town Clerk and the appointment of his successor.

DORCHESTER TOWN COUNCIL

ANNUAL GOVERNANCE STATEMENT – 2010-11

1. SCOPE OF RESPONSIBILITY

Dorchester Town Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is also responsible for ensuring that there is a sound system of corporate governance which facilitates the effective exercise of its functions and which includes arrangements for the management of risk.

2. THE PRINCIPLES OF CORPORATE GOVERNANCE

The Council continues to refine and improve its arrangements for corporate governance and, in so doing, takes into account the six core principles, namely –

- Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area
- Members and officers working together to achieve a common purpose with clearly defined functions and roles
- Promoting the values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour
- Taking informed and transparent decisions which are subject to effective scrutiny and managing risk
- Developing the capacity and capability of members and officers to be effective
- Engaging with local people and other stakeholders to ensure robust public accountability

3. THE ELEMENTS OF THE COUNCIL'S CODE OF CORPORATE GOVERNANCE

This section of the Statement explores the Council's arrangements under each of the six core principles. It continues to be refined and improved. In particular a programme of review has been agreed for all the elements of the Council's corporate governance arrangements and the review is proceeding in accordance with this programme.

Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area

The Performance and Policy Plan is produced on an annual basis. The plan sets out the Council's objectives, the services provided by the Council in order to achieve them, costs associated with these services and the long term objectives for a variety of major issues.

Targets and measures have been agreed by elected members and senior managers to enable progress to be monitored against each of the corporate aims. These are published and monitored annually within the Performance and Policy Plan and are also monitored at approximately the halfway point of the life of the Performance and Policy Plan. Further work is in progress to improve the extent and quality of the Council's monitoring arrangements and the remit of the Council's Internal Auditor has been extended to include data quality checks.

This document took its present form in response to the imposition of the statutory duty of best value. This statutory duty was withdrawn with effect from 1 April 2008 but the Council recognises the value of the Performance and Policy Plan as a management tool and has decided to continue with its publication, albeit that the contents of it have already changed, and will change further, to make it more useful. The timing of its publication has also been changed to 30 November to more successfully inform the Council's resourcing considerations and budget process. It is in this document that the Council will annually publish the information required by Section 149 of the Equality Act 2010.

There are a number of other documents, policies and strategies which help to contribute towards the achievement of this principle, including the formal reporting of regular Management Accounts, a regularly-reviewed Treasury Management Policy and the Medium Term Financial Strategy which is considered by the Policy Committee in January and, this year, projects the Council's financial position through to 2015-16. The Council also has a formal Complaints Procedure.

Members and officers working together to achieve a common purpose with clearly defined functions and roles

The Council has a written published Scheme of Delegation, agreed in September 2004 and operational from May 2005. The Scheme of Delegation was most recently reviewed in May 2008 but will be reviewed again in the Spring of 2011 to take account of the integration of the activities of the Dorchester Joint Burial Committee with those of the Town Council. It sets out the responsibilities of the full Council, delegations to committees and officers in accordance with the law, the Council's Standing Orders and Financial Regulations and its approved policy framework.

The Council's Standing Orders include detailed procedures for running business meetings; these were also last reviewed in May, 2008 and are also scheduled for review this Spring.

The full Council and the Management and Policy Committees meet in public every other month and the Planning & Environment Committee meets monthly. The Council's management arrangements anticipate the possibility of extra

meetings on an ad-hoc basis if required. This, together with an appropriate level of delegation, enables speedy and effective decision making. There is an opportunity for members of the public to speak at the end of all meetings of the full Council and also, with the consent of the Chairman, during committee meetings. The Council has considered whether to formalise the arrangements for public participation in committee meetings but concluded that the present arrangements operate satisfactorily.

The Council has a formal Member-Officer Protocol.

Promoting the values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour

The Council adopted a Local Code of Corporate Governance in March 2006 which sets out the full range of policies and procedures which the Council employs to ensure that its decisions are taken in accordance with the law and proper practice.

At present the West Dorset District Council's Standards Committee has jurisdiction over certain aspects of the conduct of Council Members within the framework established by the Standards Board for England. The Council adopted a revised Code of Conduct for Members in May 2007 following the recommendations of the Standards Board for England and all members attended a training session on the revised Code of Conduct in the Autumn of 2007 and twelve of the full complement of twenty members attended a further training session in October 2009. However changes to the standards regime (including the abolition of the Standards Board for England) are proposed in the Localism Bill which is currently progressing through Parliament and this will, when enacted, require the Council to review the content (and, indeed, the very existence) of its Code of Conduct.

Each agenda for a business meeting contains a note reminding members attending the meeting of the requirement to declare interests before an agenda item is discussed.

Members are encouraged to undertake training relevant to the area of decision making in which they are involved. New members joining the Council receive a detailed induction folder and induction training is available; five new members joined the Council at the 2007 elections and four of them underwent training arranged by the Dorset Association of Parish and Town Councils.

The Council appoints suitably qualified and experienced employees, selected against accurate and specific job descriptions and person specifications; an induction process is applied to all new employees and appropriate training is offered to employees where necessary. In addition the Council has adopted a Code of Conduct for Staff and this will also be reviewed when the Localism Bill is enacted. It was to have been reviewed against the model code promised by the Standards Board for England but this was never published. The Council's Personal Achievement and Development Scheme has been examined by South West Provincial Employers and found to be suited to its purpose.

The Council adopted an Anti-Fraud and Corruption Policy in September 2008.

Taking informed and transparent decisions which are subject to effective scrutiny and managing risk

In common with the vast majority of town and parish councils throughout the country the Council continues to operate a traditional committee structure which affords a high level of engagement and accountability. All members receive the agenda and supporting papers for all meetings of the Council and the various committees: Standing Orders provide for all members to attend and speak at all meetings (with special arrangements in place in accordance with the code of conduct if the matter under consideration is one in which they have an interest). The work of the Committees is supported and underpinned by nine panels focussing more closely on particular areas of the Council's activity.

Financial and service risks are considered as part of normal day to day business of the Council. The high-level Risk Management Strategy has been reviewed and formally adopted by the Council. The Risk Register has been populated with existing and new risks and the various risks scored. The Council has adopted a Local Code of Corporate Governance which embeds risk management as does the Performance Management framework adopted by the Council in March 2006.

Responsibility for risk management is ultimately held by members through the agency of the Risk Management Panel but responsibility for risks on a day to day basis is delegated to managers.

Advice to members on the law, regulations and internal procedures is provided either in-house or by engaging legal advisers and other specialists as required. The Council procures Employment Law and Health and Safety Advice from an external consultant, Ellis Whittam.

Internal and external audit reports are submitted to the Policy Committee or the Resources Panel and arrangements are in place for progress on the implementation on the recommendations contained in them to be monitored.

The Council has a formal Confidential Reporting Procedure and there are current working practices in place for regular risk assessments of play areas and other facilities run by the Council.

Developing the capacity and capability of members and officers to be effective

The Council has a proactive approach to training for both members and staff. Staff training needs are identified as part of the annual appraisal process and contribute to the corporate training plan. The Council has adopted a Member Development Strategy which encourages all members to undertake appropriate training. Training delivered to both members and staff is reported annually to the Resources Panel.

Engaging with local people and other stakeholders to ensure robust public accountability

The Council has a long-standing commitment to public engagement and has an excellent record of public consultation and involvement. As well as dealing direct with residents in particular areas or particular interest groups when specific projects or initiatives are being developed the Council publishes a newsletter four times a year and has it circulated to all residential properties in the town.

The Council also maintains a website which is attractive to users and easy to access in another attempt to engage with local people.

4. THE FINANCIAL MANAGEMENT OF THE AUTHORITY

The Council has adopted Financial Regulations.

The system of financial control is based on a framework of regular management information, financial regulations, administration procedures (including segregation of duties so far as is possible in a small organisation), management supervision and a system of delegation and accountability. Development and maintenance of the system is undertaken by officers within the Council, with appropriate reports to, and approvals where required from, elected members. In particular the system includes:

- Annual budgeting and forecasting systems
- Setting targets to measure financial and other performance
- The preparation of financial reports to members to compare actual and budget expenditure
- The preparation of a Medium Term Financial Strategy
- Reports detailing the cash position when new projects are undertaken.

During 2010-11 the Council purchased an internal audit service from an external provider. Internal audit reviews all the activities of the Council and an audit plan taking account of risk has been prepared in consultation with the Council's Financial Service Provider and taking account of the advice contained in the 2010 edition of 'Governance and Accountability in Local Councils – A Practitioners Guide' published by the Joint Practitioners Advisory Group. Internal audit reports are issued to members of the Policy Committee or the Resources Panel for discussion, with copies also being supplied to all Members of the Council as previously noted.

The Council has not produced a long-term financial plan but the current Medium Term Financial Strategy, ending in 2015-16, was adopted in January 2011; this Strategy is reviewed annually. However from time to time long term projects are undertaken which have financial implications which run over years and receive forward planning. The Council also holds earmarked reserves for large expenditure items.

Budgets are determined annually and are set by the Council.

5. REVIEW ARRANGEMENTS

The Council keeps the effectiveness of its corporate governance arrangements under review and separately reviews its internal audit arrangements. The Council will continue to respond proactively to reports from external and internal auditors and continue to monitor and develop its corporate governance arrangements and system of internal control, where appropriate in consultation with the Council's Financial Service Provider. Within the Council managers have a responsibility for the development and maintenance of the internal control environment.

Reviews will be informed by the work of internal audit, risk management, managers and comments made by the external auditors.

Signed on behalf of Dorchester Town Council:

A.N. Other
Mayor

Dennis Holmes
Town Clerk