

Minutes of the Meeting of the **FINANCE AND PERFORMANCE MANAGEMENT COMMITTEE** held at the Town Hall, Swanage on **MONDAY, 11th MARCH 2015** at 4.00 p.m.

PRESENT:- Councillor S. Poultney (Deputy Mayor) – Chairman.

Councillor M. Bonfield
Councillor W.S. Trite (until 6.10 p.m.)
Councillor M. Whitwam

Public Participation Time

There were no members of the public present at the meeting.

1. **APOLOGIES**

Apologies for their inability to attend the Meeting were received from the Town Mayor and Councillors Brown and Pratt.

2. **DECLARATIONS OF INTEREST**

Members were invited to declare their interest under the Code of Conduct as defined by regulations made under section 30 (3) of the Localism Act 2011.

There were no declarations to record on this occasion.

3. **INTERNAL AUDIT**

Internal audit reports on the following services undertaken to date by Mrs. Rosie Darkin-Miller, the Council's Internal Auditor, in respect of the financial year 2014/15 were submitted for consideration.

- (a) Payments
- (b) Risk Management
- (c) Income
- (d) Petty Cash
- (e) Fixed Assets
- (f) Bank

Following a lengthy discussion, it was proposed by Councillor Poultney, seconded by Councillor Trite, and RESOLVED:-

That the reports, and the recommendations agreed in the management response contained therein, be accepted.

4. **REVIEW OF CORPORATE RISK REGISTER**

Detailed consideration was given to the Council's Corporate Risk Register. The register summarised the most significant risks faced by the Council in relation to achieving its objectives and priorities. The register also set out the control procedures in place to mitigate the risks, and identified any further action needed to manage the risks effectively.

Financial Risks	
Car park revenue is below budget resulting in inability to fund Council's services	Improved signage to Broad Rd car park to be explored during 2015/16 financial year (TH1)
Car park revenue is below budget resulting in inability to fund Council's services	Council to review pricing structure prior to budget setting for 2016/17 (TH3)

Inflation is greater than budgeted leading to erosion of general fund balance	In light of historic low level of inflation, reduce level of risk from medium to low
Additional expenditure incurred due to incorrect treatment of VAT	Note membership of LAVAT advice service as a control measure
Failure to collect income due	Finance officer to review policy on sundry debtors during 2015/16 (TH 3)
Inadequate arrangements for cash collection, handling and banking lead to financial loss and reduced general fund balance	New guidelines on cash limits to be incorporated in revised financial regulations, due for adoption in April 2015
Insurance cover inadequate leading to financial loss	Control measures to be amended to include a note to inform the Council's insurers of any changes to the Council's asset register (TH3)
Insurance cover inadequate leading to financial loss	Finance and Performance Management Committee to receive reports of all recent insurance claims against the Council to help ensure that appropriate risk management arrangements are in place (TH3)
Fraud	Level of fidelity guarantee insurance to be reviewed at regular intervals in line with revised financial regulations, due for adoption in April 2015 (TH1)
Compliance Risks	
Council acts ultra vires leading to successful judicial review/legal action	Importance of ongoing membership of outside bodies to provide specialist advice noted.
Failure to comply with employment law and council policy leads to employment tribunal	Note that Town Council no longer has a contract for employment law advice, following a review of risks subsequent to the disposal of Swanage Bay View Holiday Park, although it does have access to such advice through its membership of South West Councils
Failure to comply with Procurement Strategy and EU procurement regulations	Council to review procurement strategy document by 31 st March 2016 (TH1)
Strategic Risks	
Inadequate staff resources result in poor service and prevent the Council from efficient delivery of public services	Importance noted of contracting out services where appropriate e.g. cash collection, market management and public toilet cleaning
Inadequate performance planning and monitoring arrangements to effectively deliver the Council's corporate priorities	Need to identify Council's key performance indicators during 2015/16 (TH1 and management team)
The Town Council does not adapt to meet the changing needs of the local population and reflect customers' expectations	Council to consider drawing up a Community Engagement Strategy and potential for an annual residents' survey and/or customer satisfaction surveys through Swanage Matters
The Town Council fails to protect its reputation as a good council	Note improved communications through regular production of newsletter and improved website
Failure to deliver projects due to poor project management	Note that Council is undertaking review of seafront stabilisation scheme to identify improvements and in future risk assessments of major projects to be undertaken at an early stage
Lack of continuity planning leads to over-reliance on key members of staff	Options to be identified for employing cover for members of the management team (TH1 and management team)

Add risk: Service reviews fail to achieve objectives	Control measure: To engage members in risk assessment at a preliminary stage
Operational Risks	
Failure to ensure the health, safety and welfare of Council employees and others affected by its activities	Operational risk assessments to be reviewed in light of reduction of Health and Safety consultancy services (TH1, OPS1 and Operations Committee Chairman)
Loss of computer data leads to inability to deliver Council services	Note that backup arrangements recently reviewed by Town Clerk and computer services provider
Unauthorised access to Council property leading to theft, unauthorised access to information and/or danger to staff	Review of security of Town Council buildings to be undertaken (OPS1)
Theft or unauthorised disposal of Council property	Office inventories to be updated by 31 st March 2016 (Management team)
Add risk: Unauthorised occupation of Council-owned land leads to significant disruption and financial loss	Control measure: To develop a protocol for addressing the unauthorised occupation of Council-owned land (TH1, OPS1)

It was proposed by Councillor Poultney, seconded by Councillor Bonfield, and **RESOLVED UNANIMOUSLY:-**

TO RECOMMEND:

To the March Policy and Planning meeting that the above amendments be incorporated in the Corporate Risk Register 2015/16.

5. **FINANCIAL REGULATIONS**

Detailed consideration was given to draft Financial Regulations, which had been amended in accordance with the recommendations contained in the model Financial Regulations produced by the National Association of Local Councils.

Following discussion, it was proposed by Councillor Poultney, seconded by Councillor Bonfield, and **RESOLVED UNANIMOUSLY:-**

TO RECOMMEND:

To the April Council meeting that the draft Financial Regulations be approved in principle, subject to any minor amendments that may be considered necessary.

6. **BAD DEBTS – 2014/15**

A schedule of outstanding accounts was submitted for consideration, together with verbal information regarding action taken for recovery of the debts.

Following discussion, it was proposed by Councillor Poultney, seconded by Councillor Bonfield, and **RESOLVED UNANIMOUSLY:-**

That debts in respect of the following invoices, totalling £97.00, be written off:-

Balance of A/c	£19.00
Invoice No. 40895	£18.00
40755	£ 6.00
40074	£42.00
40259	£12.00

Some concerns were raised over payments relating to five accounts highlighted on the schedule, and it was **AGREED:-**

That the accounts continue to be carefully monitored, and repayment schedules be drawn up, if appropriate.

7. **FESTIVE LIGHTS COMMITTEE**

Consideration was given to a request received from Councillor Mrs. Bartlett, submitted on behalf of the Festive Lights Committee, for funding for the installation of LED lights along Shore Road.

During the ensuing discussion, it was noted that the cost of the equipment (£7,000) would be met from the Lights Committee, but the request for funding from the Town Council related to the labour costs of the installation, amounting to a further £7,000.

It was proposed by Councillor Poultney, seconded by Councillor Bonfield, and RESOLVED:-

TO RECOMMEND:

To the March Policy and Planning meeting that approval be given for funding of the labour costs of the installation of LED lights along Shore Road, subject to clarification of the contractual arrangements, and a detailed breakdown of any costs relating to any future funding applications that may be submitted.

Councillor Trite left the Meeting at 6.10 p.m.

8. **REVIEW OF RATEABLE VALUES**

The Clerk reported on a review of rateable values on properties that had recently been undertaken by several Town Councils by a company called Rates Recovery. The company offered Free Consultation and Advice to Councils, and any work undertaken is carried out on a no win no fee basis.

The Clerk explained the amended legislation affecting appeals on Business Rates with effect from 1st April 2015, and it was considered that an independent assessment of the Town Council's properties and their rateable values may be beneficial.

Following discussion, it was proposed by Councillor Poultney, seconded by Councillor Bonfield, and RESOLVED:-

To explore the possibility of appointing Rates Recovery to undertake a review of the Town Council's properties' rateable values.

9. **ITEMS OF INFORMATION AND MATTERS FOR FORTHCOMING AGENDAS**

There were no additional matters in need of urgent attention.

10. **DATE OF NEXT MEETING**

It was agreed that the next meeting of the Finance and Performance Management Committee would be held on Wednesday, 22nd April 2015 at 4.00 p.m.

The meeting concluded at 6.25 p.m.
