

Yeovil Town Council



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Policy, Resources and Finance Committee

The Meeting...	Policy, Resources and Finance Committee
The Time...	7.00pm
The Date...	Tuesday 26 January 2016
The Place...	Town House, 19 Union Street, Yeovil

If you need this information in large print, Braille, audio or another language, please ring 01935 382424



Amanda Card
Town Clerk

20 January 2016

To: All Members of the Policy, Resources and Finance Committee:

Kris Castle

Graham Oakes

Peter Gubbins

Wes Read (Vice-Chairman)

Terry Ledlie

David Recardo

Mike Lock (Ex-Officio)

Manny Roper

Pauline Lock

Darren Shutler (Ex-Officio)

Tony Lock (Chairman)

Rob Stickland

Equality Act 2010

The *general* public sector equality duty places an obligation on a wide range of public bodies (including town and parish councils) in the exercise of their functions to have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act
- Advance equality of opportunity between people who share a protected characteristic and those who do not
- Foster good relations between people who share a protected characteristic and those who do not

The protected characteristics are:

Age	Race
Disability	Religion or Belief
Gender Reassignment	Sex
Marriage and Civil Partnership	Sexual Orientation
Pregnancy and Maternity	

Recording of Council Meetings

The Local Audit and Accountability Act 2014 allows both the public and press to take photographs, film and audio record the proceedings and report on all public meetings (including on social media).

Any member of the public wishing to record or film proceedings must let the Chairman of the meeting know prior to, or at the start of, the meeting and the recording must be overt (i.e. clearly visible to anyone at the meeting), but non-disruptive. Please refer to our Policy on audio/visual recording and photography at Council meetings at www.yeovil.gov.uk This permission does not extend to private meetings or parts of meetings which are not open to the public.

Members of the public exercising their right to speak during the time allocated for Public Comment who do not wish to be recorded or filmed, need to inform the Chairman who will instruct those taking a recording or filming to cease doing so while they speak.

PUBLIC COMMENT (at the Chairman's discretion up to 15 minutes)

A G E N D A

9/57. APOLOGIES FOR ABSENCE AND TO CONSIDER THE REASONS GIVEN

Council to receive apologies for absence and to consider the reasons given.

LGA 1972 s85(1)

9/58. DECLARATIONS OF INTEREST

Members to declare any interests, including Disclosable Pecuniary Interests (DPI) they may have in agenda items that accord with the requirements of the Town Council's Code of Conduct and to consider any requests from members for Dispensations that accord with Localism Act 2011 s33(b-e). (NB this does not preclude any later declarations).

9/59. MINUTES

To approve as a correct record the Minutes of the meeting held on 24 November 2015.

9/60. EXCLUSION OF PRESS AND PUBLIC

Due to the confidential nature of the business of item 9/69, 9/70 and 9/71, under the Public Bodies (Admission to Meetings) Act 1960 s3, it is likely a motion to exclude members of the public and press during discussion of this item will be considered by the Councillors. *Public Bodies (Admission to Meetings) Act 1960 s3*

9/61. NOTICE OF MOTION FROM CLLR JOE CONWAY

Notice of Motion received from Cllr J Conway on 15th October 2015: *Standing Orders s9*

"Yeovil Town Council deplores the escalation of compulsory zero hour contracts, estimated to be nearing one million, and predominately assigned to the younger generation. This Town Council pledges not to use zero hour contracts for any of its employees. Furthermore Yeovil Town Council encourages all other local authorities connected to this council and local businesses to follow this example."

9/62. ESTIMATES (BUDGETS) 2016/17

Members to consider the budget for the financial year 2016/17 and to recommend to full Town Council the precept for 2016/17. See attached report by the Town Clerk at pages 3 to 5. *Account & Audit Regulations 2015*

9/63. CHANGES TO MAYOR MAKING PROCEDURES

To adopt the new procedures outlined in the report by the Town Clerk on page 6.

9/64. AMENDMENT TO GRANTS POLICY

To adopt the amendment to the Grants Policy and amend the Scheme of Delegation Section 5 (28) as identified in the report by the Town Clerk on page 7.

9/65. APPLICATIONS FOR GRANT AID

Applications received from: (Circulated Separately)

- a) Yeovil Division Guide Head Headquarter (£3,250)
- b) Sutton Bingham & District Canoe Club (£1,000)
- c) St James Church (£5,000)

9/66. RISK ASSESSMENT

To carry out a risk assessment and ensure that appropriate arrangements are in place to mitigate the risks as far as possible. See attached report by the Town Clerk at pages 8 to 15. *Account & Audit Regulations 2015 r3*

9/67. CAPITAL AND REVENUE RESERVES

Members review statement of Capital & Revenue reserves as at 30st November 2015.

9/68. FINANCIAL STATEMENT – OCTOBER/NOVEMBER 2015

Members to review Financial Statement for the months of October/November 2015 attached at pages 16 to 45.

Public Comment (at the Chairman's discretion up to 15 minutes)

9/69. STAFF IN CONFIDENCE

The Committee will consider a resolution (see item 9/60) to exclude the press and public from the remainder of the meeting in accordance with Section 1(2) of the Public Bodies (Admission to Meetings) Act 1960 on the grounds that publicity would be prejudicial to the public interest by reason of the confidential nature of the business to be transacted.

See attached report by the Town Clerk at pages 46 to 47.

9/70. COMMERCIAL IN CONFIDENCE

See attached report by the Town Clerk at page 48.

9/71. COMMERCIAL IN CONFIDENCE

See attached report by the Town Clerk at pages 49.

Confidential Reports to Members only.

9/62. ESTIMATES (BUDGETS) 2016/17

Introduction

Members accepted the spending estimates for the Council and its Committees for the financial year 2016/17 and agreed the base budget on these (subject to receiving notifications of Council Tax Support Grant and the tax base) at the meeting held on 1 December 2015.

Committee	Revenue Estimate
Planning and Licensing	(£3,518)
Grounds and General Maintenance	£250,955
Promotions and Activities	£72,744
Building and Civic Matters	£134,795
Policy, Resource and Finance	£412,415
Yeovil Town Council	£867,391
Joint Burial Committee	£80,398
Total Budget Requirement	£947,789

Following on from the meeting Town Council meeting held on 1 December, written confirmation has been received from South Somerset District Council (SSDC) for both the council tax base and the Council Tax Support Grant.

Council Tax Support Grant

The Council Tax Support Grant goes some way to compensate the impact of the Council Tax Reduction Scheme which replaced the Council Tax Benefit scheme. SSDC are not obliged to passport the Council Tax Support Grant. SSDC have stated that the transparency of funding from Central Government has been lost and as such have agreed that the grant allocated to towns and parish councils will reduce proportionately to the Revenue Support Grant they receive.

Yeovil Town Council has been allocated £81,920 for 2016/17 (a reduction of £12,260 or 13% from 2015/16).

Total Budget Requirement	£947,789
Council Tax Support Grant	(£81,920)
Total Budget Requirement	£865,869

Setting of Precept

The tax base for 2016/17 is calculated as 9,013.54 (an increase of 279.82 or 3.2% from 2015/16).

As it stands, the Band D Charge equates to £96.07 (an increase of £0.50 or 0.52%).

Members should note that the Department for Communities and Local Government announced on 17th December 2015 that 'referendum principles' which can trigger a referendum if there is an 'excessive' rise in council tax or precept will not apply to local (town and parish) councils setting their precept for 2016/17. The table beneath gives an indication on the increase on a Band D charge at incremental percentage increases. Members will need to recommend to the forthcoming Town Council a proposed increase.

% Increase	0.52%	1.0%	1.5%	2.0%
Band D Charge	£96.07	£96.53	£97.00	£97.48
£ increase per year	£0.50	£0.96	£1.43	£1.91
£ increase per week	£0.01	£0.02	£0.03	£0.04
Precept	£865,931	£870,077	£874,313	£878,640

Future of Council Tax Support Grant

The Council Tax Support Grant will reduce significantly and predictions show that it will cease completely in 2019/20. Therefore, the Council need to start planning for this. SSDC have been able to provide some estimated figures for the impact to the Council based on the current Council Tax Reduction Scheme caseload for Yeovil Town.

Financial Year	Estimated Council Tax Support Grant	Reduction of Council Tax Support Grant on previous year (£)	Increase in Council Tax (Band D) to compensate for reduction	Cumulative increase in (Band D) Council Tax to compensate for reduction
2016/17	*£81,920	£12,260	+£1.36	
2017/18	£27,030	£54,890	+£6.09	+£7.45
2018/19	£9,140	£17,890	+£1.98	+£9.43
2019/20	£0	£9,140	+£1.01	+£10.44

**Denotes Council Tax Support Grant confirmed*

The reduction in Council Tax Support Grant on the previous years shows the shortfall in funding which will either have to be found through savings or increasing Council Tax. Members may wish to use an increase in 2016/17 to partly bridge the gap that any reduction in Council Tax Support Grant will create in future years.

Recommendation

The committee is **RECOMMENDED** to note the above and to make recommendations to the forthcoming Town Council meeting on the setting of the 2015/16 budget and the precept.

(Amanda Card, Town Clerk – 01935 382424)

9/63. CHANGE TO MAYOR MAKING PROCEDURES

It is proposed that there be a change to the format of the Mayor Making procedures that have occurred in previous years.

1. The Mayor will open the meeting.
2. He will report what the Town Council has achieved throughout the year, give an update on his mayoral duties and give thanks to his support. Whilst he is speaking, photos from the Mayor's events will be shown.
3. The Mayor will present Certificates of Recognition
4. The Mayor will announce what has been raised for his chosen charities and present cheques.
5. The Mayor will then present the Mayor's Award
6. There will be no committee reports presented – there will still be written report and questions can be asked.
7. The Financial Statements for 2015/16 will be submitted.

The Election of Mayor of Yeovil Town – 2016/17

1. Nominations for office of Mayor of Yeovil Town. Proposing and seconding
2. Nominations for the office of Deputy Mayor of Yeovil Town. Proposing and seconding.
3. Receive an address from the Worshipful Mayor of Yeovil Town and the announcement of the appointment of :
 - Mayor's Chaplain
 - Mayor's Cadet
 - Announcement of Mayor's Charity
4. The Mayor will propose that the meeting be adjourned at this point and that the reconvened meeting be held at 7:30 on Tuesday 10 May 2016 in the Town House.

The Committee is **RECOMMENDED** to adopt the new procedures for Mayor Making.

(Amanda Card, Town Clerk – 01935 382424)

9/64. AMENDMENT TO GRANTS POLICY

Within Yeovil Town Council's Scheme of Delegation, Section 5 (28) refers to the Grants Policy.

It currently reads:

"To help with the Policy, Resources and Finance Committee make more informed decisions about grant applications, the following additional information must be provided by all future applicants:

Any charges applied by the organisation, and details of any other income stream; and evidence that the organisation has applied to other grant funders – including other local authorities – in the past five years; the amount sought and the outcome of all such applications.

In addition, a policy be adopted that grants can only be paid for a single year and a second application is not allowed for the same project/purpose within 3 years of the organisation having previously received financial assistance from the Town Council, unless the applicant has Service Level Agreement with the Town Council. The Service Level Agreement to apply as a 1 year agreement only."

It is proposed that the final paragraph reads:

"In addition, a policy be adopted that grants can only be paid for a single year and a second application is not allowed for the same project/purpose within 3 years of the organisation having previously received financial assistance from the Town Council."

The Committee is **RECOMMENDED** to approve and adopt the amendments to the Town Council's grants policy.

(Amanda Card, Town Clerk – 01935 382424)

9/66. RISK STRATEGY/ ASSESSMENT

Introduction

Following the Internal Auditor's report of the mid-year audit to this Committee on 24th November 2015, the Risk Assessment was graded as a high area of concern meaning that it was a "critical business risk not being adequately addressed".

The Council delegates the carrying out of its risks assessments to the Policy, Resources and Finance Committee under Local Government Act 1972 (S101). The risk assessment is normally carried out in March each year. The current form of the risk assessment is a policy document identifying how the Council will deal with each type of risk, but risks are not scored for likelihood and impact, making it more difficult for the Council to ensure that it is focussing its attention on managing the most important risk.

It is recommended that the Council consider amending its risk assessment format to include the scoring of risks. Members are also reminded that they carry out the risk assessment (rather than noting a report prepared by an officer). Members are also reminded that, where a committee considers the risk assessment under delegated powers, when full Council review the minutes of the committee, that they specifically review, and minute the review, of the risk assessment (rather than simply adopting the minutes of that Committee including all recommendations).

Risk Management Strategy

Yeovil Town Council is committed to identifying and managing risks, using the following procedures, and to ensuring that risks are maintained at an acceptable level. The Town Council will take any action that is deemed necessary.

The Town Clerk reviews risks on a regular basis, including any newly identified risks, and will report on such matters to the Policy, Resources and Finance Committee. The review will include identification of any unacceptable levels of risk.

The Guidance on Governance and Accountability for Local Councils in England (published by the Joint Practitioners' Advisory Group) makes the following observations regarding risk management:

1. Risk management is not just about financial management: it is about ensuring the achievement of objectives set by the council to deliver high quality public services
2. The local council audit approach seeks to encourage local councils to address these issues by placing emphasis on the need to keep under review and, if need be, to strengthen their own corporate governance arrangements, thereby improving their stewardship of public funds and providing positive and continuing assurance to taxpayers

Members are ultimately responsible for risk management because risks threaten the achievement of policy objectives. Therefore each year Members should:

- take steps to identify and update their record of key risks facing the Council
- evaluate the potential consequences to the Council if an event identified as a risk takes place (in terms of likelihood and impact)
- decide upon appropriate measures to avoid, reduce or control the risk or its consequences
- record any conclusions or decisions reached

Assessment of Risk

Each risk will be assessed in terms of its likelihood and impact on the Council.

Likelihood

		Probability	Possible Indicators
4	Almost Certain	> 90%	Frequent occurrence
3	Likely	> 60%	Regular occurrence
2	Possible	> 10%	Occasional occurrence
1	Unlikely	< 10%	Has never occurred

Impact

		Risk Threat
4	Major	Financial Impact > £500,000 Fatality/disabling injuries to public or staff / adverse national media attention / external intervention / total service disruption / extensive legal action against the Council
3	Serious	Financial Impact > £250,000 Adverse local media attention / extensive public complaints / adverse comments by regulators or auditors / significant service disruption / failure to deliver projects or targets / service disruptions / injuries to public or staff / legal action against the Council
2	Significant	Financial Impact > £50,000 Adverse service users complaints / service disruption / minor injuries and near misses to staff and public
1	Minor	Financial impact less than £5,000 / isolated complaints / minor service disruption

Risk Matrix

Likelihood	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			

	High
	Medium
	Low

The Town Clerk has identified the key risks for the Council (see attached schedule) and has scored them into what she considers to be the impact and the likelihood (using the criteria listed above); this has enabled an assessment of whether the risks are low, medium or high. Controls have been identified in order to mitigate the risk. It is anticipated that the risk will be reviewed annually unless there is a change in intelligence. The table also assigns responsibility to the Town Clerk and the appropriate committee.

The Committee is **RECOMMENDED**:

- 1) To consider and approve the risk strategy;
- 2) To review the assessment of the risks for completeness and agree the level of risk assigned to each risk;
- 3) To request that full Council specifically review the minutes of the risk assessment.

(Amanda Card, Town Clerk – 01935 382424)

Ref	Risk	Notes	Impact	Likelihood	Level	Controls	Review	Responsibility
ASSETS								
1	Protection of physical assets	Buildings, furniture, equipment and regalia	3	2	Medium	Asset Register updated annually, with any changes through additions and disposals updated on an adhoc basis. This is presented to Council annually with Annual Accounts. Regular inspection of properties under the Council's direct management. Maintenance of buildings, sites and equipment is undertaken on a planned and responsive basis. Playground equipment is checked and maintained independently by South Somerset District Council on a weekly basis. Yeovil Cemetery is checked and maintained by Cemetery workforce. Insurance cover reviewed annually, with any changes through additions and disposals updated on an adhoc basis. Currently insured with Zurich Municipal. Recommendations as necessary to Policy, Resources and Finance Committee to update cover.	January 2017	Town Clerk/Relevant Committees
2	Security for vulnerable buildings, amenities or equipment		3	2	Medium	Appropriate security devices are fitted to all of the Council's buildings and linked as necessary, to a central control station. Designated staff are responsible for the security of these buildings. Code required to enter the back offices of Town House. In the event of any breaches of security, appropriate measures are taken as soon as practicable to re-secure the property. Crime reports are obtained for all breaches of security by contacting Avon and Somerset Constabulary.	January 2017	Town Clerk/Relevant Committees

Ref	Risk	Notes	Impact	Likelihood	Level	Controls	Review	Responsibility
3	Maintenance for vulnerable buildings, amenities or equipment		3	2	Medium	All premises are maintained within the approved budget. Maintenance is undertaken in-house where possible and external contractors used as required.	January 2017	Town Clerk/Relevant Committees
4	Provision of amenities/facilities for local community groups		3	2	Medium	The council has approved the hire of Monmouth and Milford Community Halls, and the Town House on a charge basis. Conditions relating to the use of these premises have been adopted by the Council.	January 2017	Town Clerk/Relevant Committees
FINANCE								
5	Banking arrangements		3	1	Low	Reviewed periodically by Policy, Resources and Finance Committee. All cheques require two Members' signatures. The Policy, Resources and Finance Committee review all payments and income following their consideration by the service committees.	January 2017	Town Clerk / PR&F
6	Protection of Investments		3	1	Low	An investment register is reviewed on a monthly basis.	January 2017	Town Clerk / PR&F
7	Consequential loss of income		3	1	Low	Insurance cover. Sum insured £X (to cover loss of income and relocating office). Computers backed up daily and weekly backups sent off site.	January 2017	Town Clerk / PR&F
8	Loss of cash through theft or dishonesty		1	1	Low	Fidelity Guarantee cover up to £1 million for employees and members	January 2017	Town Clerk / PR&F
9	Financial controls and records		3	1	Medium	Financial Regulations in place. Two signatories on cheques. Internal and external audit.	January 2017	Town Clerk / PR&F
10	Comply with HMRC Regulations		2	1	Low	VAT payments and claims calculated by Finance Officer and checked by RFO. Internal and external auditor to provide assurance.	January 2017	Town Clerk / PR&F

Ref	Risk	Notes	Impact	Likelihood	Level	Controls	Review	Responsibility
11	Sound budgeting to underlie annual precept		3	2	Medium	Working party to go through budgets in detail. All Committees consulted. Policy, Resources and Finance Committee recommend budget to Council. Expenditure against budget reported to Policy, Resources and Finance Committee on a regular basis.	January 2017	Town Clerk / PR&F
12	Complying with borrowing restrictions		1	1	Low	No new borrowing likely at present.	January 2017	Town Clerk / PR&F
13	Ensuring robustness of insurance providers		4	1	Low	There are two main insurers for local councils – Zurich Municipal and AON. The Council currently Zurich Municipal. Regular checks are carried out to ensure that the company is sufficiently robust.	January 2017	Town Clerk / PR&F
14	Clear statements of management responsibility for each service		2	1	Low	Under the Council's Scheme of Delegation, each of the service committees and the Policy, Resource and Finance Committee have delegated management responsibility for their own budget.	January 2017	Town Clerk / PR&F
PROCUREMENT								
15	Awarding of contracts for services and the purchase of capital equipment		4	1	Low	The Council has adopted Standing Orders that govern the awarding of contracts. These are currently undergoing a formal review.	January 2017	Town Clerk / PR&F
16	Professional services and contractors		3	1	Low	The Council endeavours to ensure that wherever possible it has the opportunity to select (from several) the provider of any professional services it requires. Where necessary, all prospective contractors are required to provide references of other originations for which they have recently undertaken similar work.	January 2017	Town Clerk/Relevant Committees
LIABILITY								

Ref	Risk	Notes	Impact	Likelihood	Level	Controls	Review	Responsibility
17	Risk of damage to third party property or individuals/Legal liability		3	2	Medium	Public Liability Insurance £15 million – covering personal accident liability for employees and members. Open spaces checked regularly. Risk assessments of individual events such as Christmas lights carried out as necessary.	January 2017	Town Clerk/Relevant Committees
18	Legal liability as consequence of assets ownership (especially burial ground, playgrounds etc)		4	2	Medium	Insurance in place. Regular inspection of properties under the Council's direct management. Maintenance of buildings, sites and equipment is undertaken on a planned and responsive basis. Playground equipment is checked and maintained independently by South Somerset District Council on a weekly basis. Yeovil Cemetery is checked and maintained by Cemetery workforce.	January 2017	Town Clerk/Relevant Committees
EMPLOYER LIABILITY								
19	Comply with Employment Law		2	2	Low	Town Clerk is a member of SLCC.	January 2017	Town Clerk / PR&F
20	Comply with Inland Revenue requirements		2	1	Low	Internal and External auditor carry out checks.	January 2017	Town Clerk / PR&F
21	Safety of Staff and visitors		2	1	Low	Visitors book to sign in and out. Camera fitted at front desk of Town House. Regular risk assessments	January 2017	Town Clerk / Council
STAFFING								
22	Staff Cover		3	2	Medium		January 2017	Town Clerk / PR&F
23	Staff Retention		3	2	Medium		January 2017	Town Clerk / PR&F
LEGAL LIABILITY								
24	Ensuring activities are within legal powers		3	1	Low	Clerk to clarify legal position of any new proposal and seek legal advice where necessary.	January 2017	Town Clerk / PR&F

Ref	Risk	Notes	Impact	Likelihood	Level	Controls	Review	Responsibility
25	Proper and timely reporting via the Minutes		1	1	Low	Council meets once a month, committees meet at least 6 times a year. Minutes are distributed in a timely fashion and approved and signed at following meeting. Minutes are made available to the press and public.	January 2017	Town Clerk / PR&F
26	Proper document control		2	1	Low	Land and buildings registered at Land Registry. Comprehensive filing system holding all relevant documents. Use of fireproof cabinet where relevant. Document Retention Policy	January 2017	Town Clerk / PR&F
COUNCIL PROPRIETY								
27	Register of Interests and gifts and hospitality in place		2	2	Low	Register of interest completed annually and amended throughout year as necessary. Gifts and hospitality register. Declarations of interests made when appropriate at all meetings.	January 2017	Town Clerk / Council