

Minutes of the Meeting of the **FINANCE AND PERFORMANCE MANAGEMENT COMMITTEE** held at the Town Hall, Swanage on **MONDAY, 12<sup>th</sup> JULY 2010** at 9.30 a.m.

PRESENT:- Councillor W.S. Trite (Town Mayor) – Chairman.

Councillor L. Gloyn-Cox  
Councillor S. Poultney

Also in attendance:-

Councillor M.W. Pratt  
Mr. H. Lovegrove (Internal Auditor)

**Public Participation Time**

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

1. **APOLOGIES**

An apology for her inability to attend the Meeting was received from Councillor Mrs. Patrick.

2. **INTERNAL AUDIT ANNUAL REPORT 2009/10**

Mr. Henry Lovegrove, the Council's Internal Auditor, presented the internal audit annual report for 2009/10, and provided background information and explanations regarding the recommendations and conclusions contained therein.

Overall the Report was very satisfactory, although some concerns were expressed with regards to the arrangements for accounting for the market income.

In terms of numbers of recommendations contained in the Report, 49% related to Town Hall income, 27% to Town Hall expenditure issues, 22% to the Holiday Park and 2% to the Tourist Information Centre. Performance on implementing the recommendations remained at a satisfactory level.

The results of the reviews completed during the year had resulted in an overall opinion that, in all material respects:

- Key central systems and internal control arrangements continued to be effective.
- Agreed policies, regulations and Standing Orders were complied with.
- Managers were aware of the importance of maintaining internal controls and accepted recommendations made to improve internal controls.
- Adequate arrangements were in place to deter and detect fraud.

Finally, the annual audit had not identified any significant control weaknesses for inclusion in the Annual Governance Statement.

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

That the Internal Audit Annual Report 2009/10  
be accepted and approved.

3. **REVIEW OF INTERNAL AUDIT**

The Acting Town Clerk reported that, in order to improve governance and accountability, it was a legal requirement for the Council to carry out an annual review of the effectiveness of its system of internal audit.

The Committee reviewed the Strategic Internal Audit Plan for the period 2009/10 to 2013/14 and found it satisfactory. In accordance with the guidance from "Governance and Accountability for Local Councils" 2010 Edition, a detailed assessment was undertaken in respect of the following:

- The scope of internal audit
- Independence
- Competence
- Relationships
- Audit planning and reporting
- Characteristics of effectiveness.

Arising from the above the following action points were noted:

- The internal auditor's terms of reference should be approved annually;
- The Town Council's financial risk assessment should be amended in light of the disposal of Swanage Bay View Holiday Park;
- Notes of discussions between the Acting Town Clerk and the internal auditor should be kept on file;
- Responsibilities for officers in relation to internal control, risk management and anti-fraud and corruption matters should be recorded in officers' job descriptions;
- Enquiries should be made of other local authorities regarding the training of councillors in matters relating to the system of internal control;
- The internal audit plan should be kept under review by relevant members of the Council's management team.

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

That the list of action points be addressed by the Acting Town Clerk and members of the management team.

Mr. H. Lovegrove left the Meeting at 10.25 a.m.

4. **TOWN COUNCIL'S MANAGEMENT ACCOUNTS**

The Council's Management Accounts for the period ending 30<sup>th</sup> June 2010 were presented for information, and the position was noted.

5. **INVESTMENT ADVICE**

The Acting Town Clerk reported that, following the meeting of the Budget and Investment Review Working Party in April 2010, and a subsequent discussion with the Head of Financial Services at Purbeck District Council, an approach had been made to Butlers, a company specialising in treasury management advice to local authorities. Butlers had offered to send a specialist adviser to address the Council if it was considered appropriate.

During the ensuing discussion, Members expressed concern that the capital sum currently on a short-term investment with Lloyds TSB was in danger of being eroded by inflation, and felt that a wide spectrum of investments should be investigated, including property investment.

It was **AGREED:-**

That other specialist companies be approached with a view to obtaining further investment advice, and that the matter be referred to the next meeting of the Committee for detailed consideration.

## 6. CORPORATE PERFORMANCE PLAN

The need to review and revise the Council's Corporate Performance Plan was highlighted as a priority. The Plan should set out the Council's key policies, targets and objectives to facilitate performance management by the Committee, and it was necessary to review the Council's existing policies and objectives which had been published in the first Best Value Performance Plan approximately 10 years ago.

A draft of the existing document was submitted, for information, and it was AGREED:-

That the matter be deferred to a future meeting of the Committee to enable Members to submit their comments and observations for consideration as part of the Corporate Performance Plan Review.

## 7. COUNCIL PRIORITIES 2010/11

Further to Minute No. 4 of the Finance and Performance Management Committee meeting held on 8<sup>th</sup> March 2010, the Acting Town Clerk updated the Meeting on the following matters:-

### (a) Railway Land/Buildings

The sale/disposal of the railway land/buildings had been referred to Swanage Railway Trust, which was now taking valuation advice.

### (b) Review of future of Public Buildings

The Acting Town Clerk had attended a recent meeting of the Purbeck Locality Review at which the future use of buildings in public ownership had been considered.

### (c) Seafront Stabilisation Scheme

A public consultation exhibition had been held in the Mowlem Community Room on Thursday, 8<sup>th</sup> July 2010, at which comments and observations had been invited by members of Purbeck District Council's Community Planning Department. A report of the consultation results would be produced in the autumn.

### (d) Main Beach/King George's Field

An update on the provision of toilets/changing facilities would be given at the meeting of the General Operations Committee to be held on 14<sup>th</sup> July 2010 (Agenda Item No.10).

### (e) Beach Gardens – Swanage Tennis Club

It was reported that discussions were continuing with Swanage Tennis Club regarding the establishment of a sinking fund for future maintenance and improvements of the facilities.

### (f) Land South of Holiday Park

An update regarding soil sampling in connection with the possible future use of of the land for allotments would be given at the meeting of the General Operations Committee to be held on 14<sup>th</sup> July 2010 (Agenda Item No. 10).

### (g) Godlingston – Open Green Cemetery

An update relating to the provision of a natural burial ground at Godlingston Cemetery would be given at the meeting of the General Operations Committee to be held on 14<sup>th</sup> July 2010 (Agenda Item No. 4 (a)).

### (h) Northbrook Copse

The Wildlife Trust had yet to be contacted in order to explore options for disposal of Northbrook Copse.

### (i) Land at junction of Northbrook Road/Victoria Avenue

A letter had been sent to Dorset County Council enquiring whether the County Council had any future proposals for this land i.e. the possible installation of traffic lights, should the main traffic route into Swanage be redefined in the future, but to date, no response had been received.

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

(a) **Membership of Finance and Performance Management Committee**

It was requested that the membership of the Finance and Performance Management Committee be extended to include the Chairman of the Personnel Committee.

(b) **Council Tax Arrangements for 2011/12**

The Acting Town Clerk reported the latest news from the National Association of Local Councils (NALC) on the possible implications for town councils of the proposed freeze on council tax which was likely to be imposed on principal authorities from April 2011.

9. **DATE OF NEXT MEETING**

In view of the urgent need to consider the Council's investment policy, it was AGREED:-

That an interim meeting of the Finance and Performance Management Committee be held on Monday, 23<sup>rd</sup> August 2010 at 9.30 a.m. and that a further meeting of the Committee be held on Monday, 25<sup>th</sup> October 2010 at 9.30 a.m.

The meeting concluded at 11.25 a.m.

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