

### Agenda Item 3

#### Update on Action Points from Internal Audit Report 2022/23

Recommendation number	Detail	Priority (Low/ Medium / High)	Management Response	Responsible Officer	Due Date
<b>Visit 1 – 29/09/2022</b>					
25.1 – Ensure clothing request forms fully completed	<p>Clothing stocks are issued following the submission of a signed clothing request form. The form is signed by the stocks supervisor on issue, and by the Operations Manager or Deputy on review. The personal clothing issue record is updated to record all clothing issued (note this does not include stocks of masks or gloves which are classified as consumables but records those stocks which are in use for a longer period of time). The signed request forms are filed behind the related personal clothing record, all of which are filed alphabetically in the Personal Clothing Issue folder (an A4 lever arch).</p> <p>I checked a sample of operations staff clothing records to confirm that all clothing request forms had properly completed and signed, and that they agreed to the related clothing record. I found that the majority of sample requests were fully completed and that all requests tied back to the clothing record, but that one of the clothing requests had not been dated (although I noted that the clothing record contained a note of the date of issue).</p> <p>I recommend that the clothing request forms are fully completed in order to improve the audit trail.</p>	L	Agreed	OPS1	Completed and ongoing
<b>Status:</b> <b>Completed – all clothing request forms are fully completed.</b>					

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25.2 – Ensure petrol can stock movements records are fully completed	<p>Petrol stock cans records are maintained by the Stores Manager. They record fuel in and fuel out (date/job no/unit/quantity/supplied to) and remaining balance (petrol stock). I checked a sample of petrol can stock movement records to ensure that they were correctly maintained. I found that records were fully completed for most fuel out, but that on one sheet there was no job number for 1/18 entries on one sheet (job numbers are recorded against all removals of fuel in order to monitor which are the use relates to); another sheet was not counter-signed at the end of the sheet by the Stores Manager (to evidence that it had been checked), and there was a small casting error on a third sheet (the total was out by 5 litres, against 605 litres used during the financial year to date).</p> <p>I recommend that the petrol can stock movement records are fully completed and that the casting of the stock movements is double-checked, in order to improve the audit trail.</p>	L	Agreed	OPS1	Completed and ongoing
<p><b>Status:</b>  <b>Completed – petrol can stock movement records are fully completed and double checked.</b></p>					
25.3 – Ensure staff sign equipment stocks back in after use	<p>The Council maintains records of hand held machinery issued to staff and returned each day. The records note the date, item make or description, quantity, the name of the staff member to whom the equipment was issued, the date that the equipment was returned, space for</p>	L	Agreed	OPS1	Completed and ongoing

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	<p>staff to sign the equipment in and out of stores and a notes column (to detail any issues with the equipment). I checked a sample of 6 (out of 32) handheld equipment stock movement records to ensure that they are correctly maintained. I found that records were complete for almost all equipment stock movements, but that one item of equipment stock was not signed back in (albeit I noted that the same piece of equipment was signed back out a few days later, indicating that it had been returned to stock but that the related paperwork had not been fully completed). I recommend that staff are reminded that they need to sign to evidence the return of equipment stocks, in order to evidence that the stocks have been properly returned at the end of each day.</p>				
<p><b>Status:</b> <b>Completed – staff reminded to sign to evidence return of equipment at the end of each day.</b></p>					
<p>25.4 – Label vehicle key issue logbook; and set up issue logbook for non-vehicle keys</p>	<p>The Council maintains a vehicle key issue log in a hard-back A4 log book. This records the date, key number, name of employee signing the key out, and has space for the signature of the employee on sign-out, and the stores supervisor on sign in. There is also a comment column if the return of the key is delayed (e.g. the vehicle is in the garage). I checked a random sample of 5 pages of the log book for the financial year, and found that all records were properly completed. I noted that the old log book ran from 11/09/17 - 01/09/21, and</p>	<p>L</p>	<p>Agreed and new non-vehicle logbook in place and operating as per recommendation.</p>	<p>Operations Manager</p>	<p>Completed</p>

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	<p>that the new log book (which runs from 02/09/21 to date) is unlabelled. I also noted that there is a separate, loose-leaf record which records the issue of keys to third parties (e.g. for them to access buildings or equipment to carry out repairs). These records which keys were issued, the date and location, and includes a space to record the name or signature of the person being given the keys. There is no space to record the return of the keys. I recommend that the new vehicle key issue log book is labelled, and that a separate log book is used to record non-vehicle keys issued, and that the non-vehicle key log book is set up to record the same information and signatures as are used in the vehicle key issue log book.</p>				
<p><b>Status:</b>  <b>Completed and new non-vehicle logbook in place and operating as per recommendation.</b></p>					
<p>25.5 – Ensure vehicle check sheets are fully completed</p>	<p>Daily vehicles check sheets are maintained for each vehicle when the vehicle is in use. The sheets cover one month and note the date, driver, hours or mileage, whether or not the vehicle is in serviceable condition, the action taken if not and there is space for a signature. A sample of 5 sheets were checked to ensure that they had been properly completed. One sheet did not have an entry for the final mileage for the month/total mileage used for the final visit. I recommend that the vehicle check sheets are fully completed in order to improve the audit trail</p>	<p>L</p>	<p>Agreed</p>	<p>OPS1</p>	<p>Completed and ongoing</p>

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Recommendation number	Detail	Priority (Low/ Medium / High)	Management Response	Responsible Officer	Due Date
<b>Status:</b> <b>Completed. Check sheets are fully completed and held on file</b>					
25.6 – Ensure loose leaf records are filed when complete	<p>The radio issued to the car park enforcement officer is monitored via the use of loose leaf sheets which record the date, radio number, location, and name of staff that the radio was issued to; and which has space for the radio to be signed out and signed back in. The sheets are not sequentially numbered but are filed in date order. Some of the sheets had been filed in a slim A4 file, but others were placed in the file and held together by a paper clip.</p> <p>I recommend that completed sheets are properly filed in the A4 file in order to reduce the risk of them being lost or damaged.</p>	L	Agreed	OPS1	Completed and ongoing
<b>Status:</b> <b>Completed. Check sheets are fully completed and held on file</b>					
25.7 – Pack tent away and dispose of waste packaging	<p>I carried out a physical inspection of the depot site to confirm that stock levels are reasonable, security is good and storage areas are tidy. I checked the insides of the small stores/clothing stock area (in the main depot building), the equipment store, carpenters' area and general storage mezzanine (in the second unit), the small container (fuel cans), and shipping containers (cleaning materials, paint, chemicals, unissued equipment and mowers). I found that stock levels were reasonable, security is good, and that storage areas are tidy except for the chemicals container</p>	L	Agreed	OPS1	Completed

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	(which has a small amount of empty packaging on the floor which needs to be disposed of) and the mezzanine (which contains a tent and other camping equipment that has been discarded by visitors, and is held by the Council for a short period in case of requests to return it). I recommend that the tent is dismantled and packed away pending collection or disposal; and that the empty packaging is disposed of at the earliest opportunity, in order to keep storage areas tidy and free from waste material.				
<b>Status: Completed.</b>					
<b>Visits 2 &amp; 3 – 14/12/2022</b>					
5.1 – Action on debt collection	I reviewed the outstanding debt as at 30/09/22 to confirm that it was acceptably low, and that adequate effort is being put into debt recovery. I noted that the level of debt and the value and proportion of debt over 120 days had increased year on year, from £80.5k in total with £13k (16%) in older debt at 30/09/21, to £123k of total debt with £58k (47%) in older debt. The main reason for the change is the failure of two debtors (total value £39.5k) to pay in accordance with agreed payment plans. The Council is taking legal action to recover outstanding monies. Councillors have been kept apprised of the situation via regular reports to the Policy, Finance & Performance Management Committee. Of the remaining debt, £11.2k of debt	M	Agreed.	TH3 & TH4	January 2023

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	<p>relates to debtors on payment plans or who have since paid. £4k relates to debt which is disputed (two water bills, and two customers who benefitted from a TIC ad board and did not inform the Council until late in the year that they did not wish to have an ad board), and £2.9k of debt (3 debtors) relates to amounts due from debtors which need to be chased for payment. £337 relates to income raised in relation to the Council's former merchant account relating to the phone and pay provider for charges thought to have been incurred during the transition from one provider to another. Due to the difficulty in proving the balance, and the relatively low value compared to the total value of car park income, this is likely to be written off. I recommend that steps are taken to resolve the disputes for the £4k of debt and chase the £2.9k of debt, and that the Council continues to take action to recover the £39.5k of debt and keep Members appraised of the outcome.</p>				
<p><b>Status:</b>  <b>The balance outstanding on former merchant account was written out at year end. Debt recovery action continues in relation to the larger debts, with Members being appraised on a regular basis.</b></p>					
7.1 – Sign timesheets and update staff profile	I checked a sample of other payments to employees to confirm that they were reasonable, properly support and approved by the Council. I found that all overtime and standby allowances paid for the sample month of August 2022 agreed to timesheets and hourly rate calculations, and	L	Agreed: An email approving overtime is noted prior to payment being made for management overtime. Officers will strive to obtain signatures in addition to email approval.	TH3 & TH8	With immediate effect

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	<p>that the majority were signed and countersigned to evidence self-certification by the employee, and approval to pay by the line manager. I noted that one mileage claim was not countersigned or dated, and that the timesheets for senior staff were not countersigned. I also noted that majority of the timesheets for one of the permanent members of the TIC team were not on file. I also noted that the staff profile showed recorded one member of staff as being paid at SCP40, when it should have shown SCP41 (the rate due and paid).</p> <p>I recommend that mileage claims and senior staff timesheets are counter-signed, that the timesheets for the TIC employee are placed on file, and that the staff profile is updated to reflect the rates due and paid.</p>		The staffing profile has been updated.		
<p><b>Status:</b>  <b>Implemented and continues to be monitored.</b></p>					
21.1 – Ensure signed agreements in place for all stallholders	<p>I checked to see that signed agreements were in place for all twelve market stallholders present on the day of the site visit (25/11/22), and that all had been charged and had paid the correct fee. I found that google form or signed paper agreements were in place for 11/16 (with their submission counting as a signature), but that there appeared to be no agreement in place for 5/16 stallholders. A similar recommendation was made during the 20/21 and 21/22 audits. A signed agreement should be in place for all stallholders to ensure that rights and</p>	M	<p>Due to reasonable high levels of staff turnover at the market for 2022, the collection of full documentation has been a challenge at times. However, the Visitor Services Manager has now passed this responsibility to the new role of Business Development Officer and for next year is hoping to create a permanent role to support the</p>	TIC1 & TIC9	Ongoing

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	responsibilities attaching to the licence to trade are clear. I recommend that signed agreements are put in place for all stallholders.		Market each Friday. He is confident that this issue will be resolved going forward.		
<b>Status:</b> <b>Completed. Oct 2023 update: The Business Development Officer has now set up new processes to manage agreements.</b>					
21.2 – Ensure market reconciliation spreadsheet is up to date and reconciled to Sage	A market reconciliation sheet has been created which contains a copy of the online trader agreements, and a note of the amounts due and paid in relation to seasonal (4+ week bookings) and daily (up to 4-week bookings). The management information it contains is significantly improved as compared to the previous audit check. Seasonal traders are invoiced via Sage, with the income for daily traders logged via the TIC summary sheet income (which is processed like cash). There were a small number of differences between the spreadsheet and accounting system for some of the seasonal traders e.g. the spreadsheet recorded that one trader owed £105, but the accounting software noted a payment on account of £100 (meaning that the trader had paid £100 too much). There was not a clear split of which traders were seasonal and which were daily on the spreadsheet (the distinction is important for raising invoices and debt monitoring). I recommend that the spreadsheet is reconciled to Sage with amendments posted to Sage or the spreadsheet as required in order to ensure that both contain an	M	Some of these issues have occurred as both the current Market Attendant and Business Development Officer have recently started their new roles and the training has coincided with a particularly busy time for the Visitor Services Manager. However, he is now confident that this issue will be resolved going forward.	TIC1, TIC9 & SA01	Ongoing

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	accurate, up to date record of the amount due to be paid by stallholders, and the monies received. I further recommend that the seasonal and daily trader information is clearly split out on the spreadsheet so that the audit trail is clearer. This will reduce the risk of fraud and error.				
<b>Status:</b> <b>The Business Development Officer has now set up new processes to manage payments and has spent some time with the finance team to resolve issues.</b>					
21.3 – Ensure new customers set up with the correct default nominal code and VAT type	<p>I noted that two invoices had been processed with standard rated VAT in error (the Council has not opted to tax the market, so no VAT is due), and that one of the invoices had been created in Sage but not posted to the ledger (so was not shown in debtors or income).</p> <p>I recommend that when new customer accounts are created, the system defaults are used to set up the default income and VAT code, which will help to ensure that the correct nominal code and VAT type is used for each market income invoice.</p>	M	This was human error and all those who input on Sage within the team will be reminded of the appropriate VAT rates. The use of a default setting will be investigated as suggested.	TIC 1 & TIC9	Ongoing
<b>Status:</b> <b>The Business Development Officer has now received appropriate training on SAGE and is the only member of staff who inputs the invoices.</b>					
21.4 – Prompt posting of invoices	I further recommend that invoices are posted to Sage once they are raised in order to book the income and create the debtor, which will improve the accuracy of budget monitoring and the ability of the Council to manage and recover overdue debt.	M	Agreed	TH3 & TH4	Ongoing
<b>Status:</b> <b>The majority of invoices are posted when raised. In exceptional circumstances some are held back for checking by management.</b>					

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21.5 – Amend invoices with VAT on them	I further recommend that the two invoices raised in error with VAT are amended in order to ensure that VAT is correctly accounted for.	L	Agreed	TH3	Complete
<b>Status:</b> <b>Completed.</b>					
21.6 – Train Business Development Officer on Sage	I recommend that training on the finance system is provided to the Business Development Officer in order to ensure that the finance system is properly used.	M	The Business Development Officer has not yet had any access to SAGE and training will be taking place in January 2023.	TIC1	January 2023
<b>Status:</b> <b>The Business Development Officer has now received appropriate training on SAGE.</b>					
21.7 – Ensure prompt correction of charging errors	During the 21/22 audit I found 1/18 prices charged was not correct. A stallholder was charged £228 for a standard stall for 12 weeks, instead of the £300 shown on the schedule of fees and charges. It was not clear why this error occurred. The error represents a rate of 1.4% on the total of fees checked for the period. I recommended that the amount due was charged when the next invoice is raised. This was not carried out and the trader concerned has since retired from market trading. I recommend that any future pricing errors are corrected promptly in order to ensure that the correct price is charged, and all due income received for each market stall.	M	<b>Agreed</b>	TIC 1 & TIC 9	Ongoing
<b>Status:</b> <b>The Business Development Officer has now received appropriate training on SAGE.</b>					

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23.1 – Developer to ensure no further system errors within Beach Hut booking system	<p>I checked to see that the correct amount had been charged and VAT had been treated correctly for TIC rent income. I found that 9/10 samples had been correctly calculated, but that one sample (relating to two bookings) had been undercharged by £15 on a total booking which should have been charged at £576. The Visitor Services Manager noted that the system had incorrectly calculated both bookings and the Council only allows Sat-Fri bookings online so the booking that was made should not have been allowed within the system (one booking ran from Saturday to Thursday). He also noted that he has spoken with the developer who is resolving this.</p> <p>I recommend that the Council gets the developer to confirm that no other system errors are in place which would generate undercharges on the rental income.</p>	H	This issue was resolved with the developer. In addition, we are now using a new IT system from an alternative company.	TIC1	Complete
<p><b>Status:</b> A new booking system is now in place.</p>					

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<b>Visit 4- 27/01/2023</b>					
2.1 – Ensure all invoices authorised prior to payment	<p>I checked to see that a sample of payments in the cashbook were supported by invoice, authorised (initialled or signed by the budget holder in order to evidence that the invoice had been checked for accuracy, that the goods or services had been satisfactorily received and that the invoice was cleared for payment) and minuted (for approval by Council). I found that 22/29 invoices were authorised by the Clerk or a senior manager, 3/29 were authorised by the Finance Manager (a senior manager but ideally not involved in authorisation as this reduces the effectiveness of separation of duties as a key financial control), 1/29 was relating to a refund not a payment for goods or services, and 3/29 were not authorised.</p> <p>I recommend that all invoices are authorised by the Clerk or other approved senior manager in order to ensure that there is evidence of approvals prior to payment.</p>	L	Agreed	TH3 & TH4	Ongoing
<b>Status: Implemented and ongoing.</b>					
2.2 – Amend VAT on Barclaycard and check other transactions	<p>I checked to see that VAT on payments had been identified, recorded and reclaimed. I found that VAT had been properly accounted for in respect of 20/21 payments (covering 28/29 invoices), but that VAT of £5.96 on one of the monthly service charge invoices from Barclaycard had not been reclaimed. The Finance Manager has noted that this is an</p>	M	Agreed	TH3	January 2023

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	inputting error and will be amended, and that the other Barclaycard transactions will also be checked. I recommend that the Barclaycard transactions are checked and adjustments made to the VAT in order to recover all VAT due takes place as planned.				
<b>Status: Completed.</b>					
2.3 – Check tender threshold in s.11.9 of the Financial Regulations	checked to see that procurement arrangements are satisfactory. I reviewed the top supplier and top payments reports from Sage to confirm that the goods or services relating to payments over the tender threshold had been properly procured. I found evidence that procurable works (those not related to a single service provider or to a statutory requirement such as the payment of business rates) had been properly procured or that exemptions to the Financial Regulations had been properly noted for direct awards using an appropriate exemption. I noted that s.11.11 of the Financial Regulations had been amended to increase the tender threshold to £60k (which is consistent with the size of the Council and the value of goods and services procured). However, s.11.9 (which notes the process for procurement when fewer than three tenders are received, or all tenders are identical) still makes reference to a tender threshold of £25k. I recommend that Council considers whether s.11.9 needs amending	M	It is agreed that the Finance & Governance Committee reviews the Financial Regulations, specifically section 11-Contracts, to ensure that it is clear. However, this will be done once The Procurement Bill is passed into law in 2023 and any required revisions can then be incorporated into the Financial Regulations at that point.	TH1 & TH3	December 2023

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	in light of the change to s.11.11 in order to ensure that the Financial Regulations are clear and consistent with regards to tender thresholds.				
<b>Status:</b> <b>A revision to the Financial Regulations is pending following the issuing of guidance on the implementation of the Procurement Act 2023, expected to come into force in Autumn 2024.</b>					
6.1 – Ensure safe accessible at all times	<p>I checked to see that petty cash and floats are identified in the balance sheet, physically exist and at appropriate levels. I found that all of the Council's petty cash and float balances agreed to the amount shown on the balance sheet apart from:</p> <ol style="list-style-type: none"> <li>1. The float for the Beach Gardens (which had been returned to the Town Hall but not yet banked, and was still shown as a separate float on the balance sheet as it is being held separately); and</li> <li>2. the float for the Boat Park (which was secured at the Boat Park, but which was not accessible during the audit meaning that I was unable to carry out the count and verify that the balance shown on the balance sheet was contained within the float).</li> </ol> <p>I recommend that a note of the safe combination is made and kept in a secure location, in order to ensure that the float can be accessed and checked when required.</p>	M	Agreed	TIC1	With immediate effect
<b>Status:</b> <b>Completed.</b>					

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19.1 – Recode MIS charge	<p>I checked that the special arrangements for the Co-op car park were correctly administered. The Council manages the collection of the car park income for the two ticket machines in the Co-op car park, and then remits the receipts less an administrative fee. I found that the fee was correctly calculated but that estimates were used in relation to third party card processing charges, one of which came in at a slightly lower amount. This will be adjusted for in the next invoice. I found that one of the card charges had been miscoded in error to a ticket printing nominal code (still related to the Co-op charges). The charge was correctly picked up as part of the quarterly invoicing to the Co-op.</p> <p>I recommend that the miscoded card processing charge is recoded from nominal code 5074 to 5075 in order to ensure that the coding is correct.</p>	L	Agreed	TH3	January 2023
<p><b>Status:</b>  <b>The correction was implemented. However, this has occurred again and was recognised and rectified.</b></p>					
19.2 – Reconcile Mermond and Co-op car park income and expenditure	<p>The Finance Manager noted that the ticket machine information relating to ticket machines in the Mermond and Co-op car parks were switched when new machines were installed in August. The coding was corrected but, each time the machine software is updated, the machines switch back. The Finance Manager will carry out a reconciliation of the information early in the New Year in order to ensure that income and related expenditure is</p>	H	Agreed	TH3	February 2023

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	correctly coded in the accounts, with any adjustments required to be made in the accounts and raised in the following Co-op invoice. I recommend that the reconciliation and adjustments are carried out as planned as soon as possible in order to ensure that the Council and the Co-op's share of income and expenditure is correctly stated, and to ensure that the Council has recovered the correct amount for expenditure it incurs administering the ticket machines on behalf of the Co-op. it incurs administering the ticket machines on behalf of the Co-op.				
<b>Status: As above for 19.1.</b>					
21.8 – Ensure correct fee charged for stall size	I found that two of the market traders on the day of the site visit appeared to have large stalls (with the equivalent space to two gazebos) but were being charged for a small and standard stall respectively. The Business Development Officer confirmed that both had made their stalls bigger and that she would speak with the officer who collects the daily rents in order to ensure that the correct fee is being charged. The Visitor Services Manager noted that the Council takes a flexible approach to stall size, with market traders able to spread out a little if there are fewer stallholders in order to ensure that the market looks attractive to visitors. I recommend that the stall sizes are checked to ensure that the correct rent is being	M	Agreed: At the time of the audit visit, both staff were reasonably new to the market and the induction process was still in place. These issues have now been dealt with through this process.	TIC 1, TIC 6 & TIC 9	Completed

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	charged allowing for the flexibility over stall size during quiet periods.				
<b>Status:</b>					
<b>Stall sizes continue to cause some issues and the Council is keen to ensure some flexibility. An alternative way to manage this is ongoing.</b>					
21.9 – Update markets register to ensure correct dates noted	I found that the spreadsheet copy of the market trader register contained a couple of minor errors. The start and end dates for two of the traders indicated a charge for 13 and 6 weeks, but they were charged for 17 and 5 weeks respectively. The Visitor Services Manager noted that this appeared to be an input error. One of the traders present on the day of the site visit was not noted on the spreadsheet. The Business Development Officer noted that the register is updated to note those traders that the Council know will be present. As the trader turned up on the day, the register would have been updated later. I recommend that the spreadsheet is updated to note the correct dates charged for the two traders concerned so that the audit trail is improved.	L	Agreed	TIC1 & TIC9	Completed
<b>Status: Completed.</b>					
21.10 – Ensure discounts are applied when due	I found that one debtor had been charged the full amount of the market rent when they were due a discount for being within the BH19 area. I recommend that discounts are applied where appropriate, in order to ensure that the correct price is charged.	L	Agreed: This will be reviewed and has been picked up within the induction of staff.	TIC1 & TIC9	With immediate effect
<b>Status:</b>					
<b>The Business Development Officer has reviewed the processes and procedures since the audit.</b>					

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21.11 – Ensure sundry debtor income identified and posted to correct debtor	I also found that the related receipt had been coded in error to daily market (cash) receipts rather than debtors, meaning that both market income and debtors were overstated by £61. The Visitor Services Manager has asked that the receipt coding be corrected by Finance. I recommend that the coding is corrected as planned, and that the coding of market rent is double checked prior to entry onto the finance system to ensure that any sundry debtor income is identified and posted to the correct debtor account.	M	Agreed: We are currently reviewing the way we manage this process, and the new Business Development Support Officer has taken a lead, so we do not anticipate issues of this nature in the future	TIC9	February 2023
<b>Status: Completed.</b>					
<b>Visit 5-13/03/2023</b>					
3.2 – Implement risk register and policy documents actions from 2019/20 audit	<i>I checked to see that there is consistency as between the risk register (which should note policies that need to be updated, or key policies relating to on-going risks faced by the Council), the Council's website (which should contain all policies adopted by the Council), and the Council's freedom of information publication scheme. I found that the list of policies across the three locations was not consistent. I also noted that the Council does not have a published policy for GDPR, IT Security, Budget Management, Business Continuity or Member training &amp; development. I recommend that comparison carried out during the testing is used to identify where documents</i>	M	Agree as before. Preparation of a Policy Register with relevant dates of review will be produced and used as a monitoring tool to ensure compliance. A significant amount of work has been carried out post-pandemic in updating policy documents, but it is acknowledged that this is a work in progress.	TH1 & TH7	June 2023

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	<p><i>should be included in the risk register or FOI scheme, or published to the Council's website, and that the Council considers whether the named policies should be adopted and/or published. This will help to ensure that the Council's risk register, and policy documents are up to date.</i></p> <p>The original deadline for this recommendation was March 2023. The Finance Manager noted that, as at 08/03/22, this work is ongoing.</p>				
<p><b>Status:</b> <b>Work continues to be ongoing.</b></p>					
<p>3.3– Implement risk register and policy documents actions from 2019/20 audit</p>	<p><i>I found that a number of the policy documents are older (one dates from 2006), and that none contain a note of the review date or policy owner. The inclusion of a review date, and the identification of a policy owner, will help to ensure that the policies remain fit for purpose.</i></p> <p><i>I recommend that a policy control sheet is drawn up (this could be based on the comparison sheet created during the audit) to show the policy name, its purpose (or the risk it is managing), the date of adoption, the review date, and where the policy is published. This will make it easier to ensure that policy updates are carried out in a timely manner, and that all published versions of the policies are updated when changes are made.</i></p>	<p>M</p>	<p>Agreed – see above.</p>	<p>TH1 &amp; TH7</p>	<p>June 2023</p>

### Agenda Item 3

#### Update on Action Points from Internal Audit Report 2022/23

Recommendation number	Detail	Priority (Low/Medium/High)	Management Response	Responsible Officer	Due Date
	The original deadline for this recommendation was March 2023. The Finance Manager noted that, as at 08/03/22, this work is ongoing.				
<b>Status:</b> <b>Work continues to be ongoing.</b>					
3.4 - Implement risk register and policy documents actions from 2019/20 audit	<p><i>I also noted that the Council's publications under the Transparency Code are not up to date, with payments lists only published to June 2017, tender and contract information to Q1 2015/16, and no information published in relation to other required items such as information on Council properties.</i></p> <p>The Council noted that 'the information is published (via agenda papers, minutes and the Dorset Explorer website) [but that it] should be made more readily accessible from the relevant web page'.</p> <p>The original deadline for this recommendation was September 2023. The Finance Manager noted that, as at 08/03/22, this work is in progress and expected to be up to date by September 2023.</p>	H	Agreed. Work is ongoing in this matter with some progress made and more imminent.	TH1 and Management Team	September 2023
<b>Status:</b> <b>Work continues to be ongoing.</b>					

### Agenda Item 3

#### Update on Action Points from Internal Audit Report 2022/23

Recommendation number	Detail	Priority (Low/ Medium / High)	Management Response	Responsible Officer	Due Date
19.4 – Ensure residents’ permit database fully completed	<p>I checked to see that the residents’ car parking scheme is administered properly. I found that a database is maintained which shows the date, registration number, name, address, postcode, receipt number (for cash receipts) or BACS payment, permit number and columns confirming that the resident’s proof of residency and vehicle ownership had been checked. I noted that the databased was nearly fully completed, but that there were three errors:</p> <ol style="list-style-type: none"> <li>1. The date of BACS receipts had not been included. Including the date improves the audit trail and helps to ensure that all monies have been properly received.</li> <li>2. 1/251 permits to 21/12/22 did not contain a note of the payment method. The permit was paid for using £5 cash, and the monies were properly recorded in the reception cashbook.</li> <li>3. The permit numbers should run sequentially, with a note made where a permit is withdrawn due to error. One permit number, 27492, was missing (where the relevant line had been deleted from the database).</li> </ol> <p>I recommend that no entries are deleted on the database, and that all available fields are fully completed, in order to improve the audit trail.</p>	M	Agreed	TH5 & TH6	March 2023
<p><b>Status:</b> <b>Completed.</b></p>					

### Agenda Item 3

#### Update on Action Points from Internal Audit Report 2022/23

Recommendation number	Detail	Priority (Low/ Medium / High)	Management Response	Responsible Officer	Due Date
24.1 – Lease schedule	<p>I checked to see that recommendations made in the 2020/21 internal audit review of lease income had been implemented. Three recommendations were made:</p> <ol style="list-style-type: none"> <li>1. Add Bowling Club and Prospect Nursery rental agreements to the lease and licence report (a periodic update to the PFPM Committee)</li> <li>2. Either update the schedule of fees and charges (lease section) to agree with the Debtors Schedule used by the Finance Manager to track current rental values and timely invoicing or include information from the Debtors Schedule with the leases and licences report reviewed by Members so that Members have a comprehensive overview of the agreements in place and amount of rent due.</li> <li>3. Consider compiling all of the rental asset information in one place and linking it to the Council's Pear mapping system.</li> </ol> <p>The deadline for implementation on all three recommendations has passed, but the last two years has seen disruption due to vacancies and staff turnover, and due to Covid. The Finance Manager noted that the Bowls Club lease is now finalised, the Prospect Nursery one still in progress, and that the work to update and collate rental information in one place is still in progress.</p>	H	Agree. Spreadsheets to be updated. F&G to review each January for the year ahead.	TH1 & TH3	September 2023

### Agenda Item 3

#### Update on Action Points from Internal Audit Report 2022/23

Recommendation number	Detail	Priority (Low/ Medium / High)	Management Response	Responsible Officer	Due Date
	<p>I recommend that the collating of rental information is completed as soon as possible, to note for each asset the:</p> <ul style="list-style-type: none"> <li>- Asset</li> <li>- Tenant</li> <li>- Lease/licence start, end and review dates</li> <li>- Initial and subsequent rent values (with a note of the date and minute of the Council meeting were agreed if relevant)</li> <li>- For any leases or licences with expired terms or for which a review date has passed - a note of the action being taken to let a new lease or carry out the rent review</li> <li>- Plus, any other information that will enable timely management of rental income.</li> </ul> <p>And that this information is review by the PFPM committee at least once a year in to ensure that all leases and licences are up to date and rent is being charged in accordance with those agreements.</p>				

**Status:**

**Ongoing. This information should be presented to the Finance & Governance Committee in July 2024 for consideration.**

### Agenda Item 3

#### Update on Action Points from Internal Audit Report 2022/23

Recommendation number	Detail	Priority (Low/ Medium / High)	Management Response	Responsible Officer	Due Date
24.2 – Ensure debtors schedule is up to date and rents invoiced as soon as possible	<p>I checked to see that charges anticipated in the annual fees and charges list are invoiced promptly. As the Council no longer has a section of the list which notes lease rentals, I compared the leases shown on the schedule of debtors (a spreadsheet created and maintained by the Finance Manager which contains details of periodic amounts due in relation to leases, licences and other regular property-related agreements, which notes details of the tenant, annual amount due, nominal code, vat type and invoicing schedule) to the Council's accounts, to confirm that both contained consistent information and that invoicing was up to date. I noted that:</p> <ol style="list-style-type: none"> <li>1. The schedule of debtors contains an entry relating to a yearly contribution to observatory fees which is no longer relevant. The Finance Manager noted that this should be removed.</li> <li>2. Two of the debtors shown on the debtors' schedule have had no invoices raised for this financial year in relation to the rental of the related property (Prospect Nursery rent and rent of Football Ground at Days Park). The Finance Manager confirmed that invoicing for both is on hold pending resolution of the lease, and that she understands that the former will be a peppercorn rent with utilities recharged.</li> <li>3. The schedule of debtors does not include detail of agreements relating to boat rings and motor</li> </ol>	M	Agreed, but note that the majority of the lease/licence agreements referred to are either peppercorn or nominal rents. F&G to review each January as above.	TH1 & TH3	April 2023

### Agenda Item 3

#### Update on Action Points from Internal Audit Report 2022/23

Recommendation number	Detail	Priority (Low/ Medium / High)	Management Response	Responsible Officer	Due Date
	<p>boats (although the former is under £100/year). There is a note of the agreement in relation to a wayleave or acknowledgement re the Downs, but the £1 value is not noted on the debtors' schedule.</p> <p>4. The debtors schedule has not been updated for a change to the lessor for one of the Burlington Chine chalets (for which ground rent is charged).</p> <p>I recommend that:</p> <ol style="list-style-type: none"> <li>1. The schedule of debtors is updated to remove the entry for the observatory, and to include the boat rings (if material), motorboats, and the amount due in relation to the Downs wayleave, and to correct the name of the lessor for the chalet.</li> <li>2. The Prospect Nursery and Football Ground agreements are concluded and related rental charged as soon as possible, in order to ensure that there is clarity over lease terms and that the Council receives all income due.</li> <li>3. The matters are reported back to the F&amp;G Committee (as has been carried out previously) in order to ensure member oversight of ongoing lease negotiations and rent reviews. This will improve the audit trail and help to ensure that the correct amount is charged to the correct tenant at the correct time.</li> </ol>				

### Agenda Item 3

#### Update on Action Points from Internal Audit Report 2022/23

Recommendation number	Detail	Priority (Low/ Medium / High)	Management Response	Responsible Officer	Due Date
<b>Status:</b> <b>Debtors schedule updated. Information will be presented to the Finance &amp; Governance Committee in July 2024 for consideration.</b>					
24.3 – Consider whether review is due in relation to one site	<p>I checked to see that a sample of leases with rent reviews due had had the reviews carried out promptly. I noted that 4/13 samples were due a review (either as a consequence of the provisions of the lease, or because the rent had not been reviewed in at least six years). Of those samples, 2/4 are with the valuer, 1/4 is related to a property which has been forfeited (and will be re-let in due course), and 1/4 relates to an agreement to site 3 telescopes, the value of which is under £200.</p> <p>I recommend that the actions relating to the first 3 leases continue as planned, and that the Council considers whether a review is due in relation to the fourth.</p>	L	Agreed	TH1 & TH3	Sept 2023
<b>Status:</b> <b>Rent reviews are ongoing. Consideration to a review of the telescopes to be determined.</b>					

### Agenda Item 3

#### Update on Action Points from Internal Audit Report 2022/23

Recommendation number	Detail	Priority (Low/Medium/High)	Management Response	Responsible Officer	Due Date
24.4 – Finalise agreements in due course as planned	<p>I noted that 4/13 samples did not have a current agreement in place. 1/4 related to a lease being repossessed by the Council, 1/4 related to a separate agreement relating to an existing lease (for a linked piece of land) with that agreement still being draft, and 2/4 related to a new term for an existing tenant. For the latter 3/4, the rental value had been agreed and was being paid by the tenant.</p> <p>I recommend that the agreements are finalised and signed in due course as soon as possible.</p>	L	Agreed. However, lease renewals and rent reviews are always a process, which can often be drawn out due to the process of negotiating changes. Where the premises was repossessed, there cannot be an agreement in place as currently there is no tenant. Those where protected business leases are in place are holding over.	TH1 & OPS1	Sept 2023
<b>Status: Agreements are ongoing.</b>					
<b>Visit 6-16/05/2023</b>					
3.5 – Amend date in approval minute	<p>I reviewed the Council and Committee minutes to see if there was any unusual financial activity. I found no such activity but noted that minute 130b of the Council meeting of 30/01/23 referred in error to the approval of the minutes of 16/12/22 (the meeting was held on 16/01/23). I recommend that an amendment is made in order to ensure that a complete record of approved Council business and decisions is held.</p>	L	Agreed	TH1	May 2023
<b>Status: Completed.</b>					

### Agenda Item 3

#### Update on Action Points from Internal Audit Report 2022/23

Recommendation number	Detail	Priority (Low/ Medium / High)	Management Response	Responsible Officer	Due Date
3.6 – Consider how to deal with minutes of sub-committees, and ensure committees work within delegations	<p>The Council, as a large and complex Council, has a number of standing committees, advisory committees, sub-committees, and working groups in order to cover the complex and varied aspects of its operational and strategic business. I was told that advisory committee minutes are not included in the minute book as these committees do not make any decisions, and sub-committee minutes are not included as they report to standing committees. I found that at the Capital Projects Sub Committee meeting of 08/06/22, the committee made a number of recommendations directly to Council instead of to its standing committee, but that the minutes of this committee were not included in the signed set of Council and Committee minutes. The Town Clerk advised that this occurred because most meetings of the Council's standing committees were cancelled during summer 2023 pending a review of the committee structure, therefore a pragmatic approach was taken. As the Capital Projects Sub Committee meeting of 08/06/22 appears to have acted as a pseudo standing committee by making recommendations to Council, it would seem appropriate that the minutes of this committee are included within the Council minutes in order to ensure that the minutes reflect all business and decisions enacted during the civic year. However, I note that the Council and Committee minutes are printed and sequentially numbered, and that the inclusion of this set of minutes would be otherwise inconsistent with the exclusion of the minutes of</p>	M	<p>Agreed to maintain separate minute folders for the meetings of sub and advisory committee meetings.</p> <p>Reporting processes have since been clarified by adoption of a scheme of delegation and revised committee terms of reference was adopted in March 2023.</p>	TH1,TH2 & TH7	May 2023

### Agenda Item 3

#### Update on Action Points from Internal Audit Report 2022/23

Recommendation number	Detail	Priority (Low/Medium/High)	Management Response	Responsible Officer	Due Date
	<p>other sub-committees. The Planning and Community Engagement Manager suggested that it may be appropriate for such minutes to be separately filed and signed by the Chair as a true record. This would seem to be an appropriate solution which ensures that the Council and Committee minutes remain consistent, but that an approved record of the business transacted at sub-committees is maintained. I recommend that Council considers how best to ensure that a clear record of approved Council business and decisions is maintained, and that Committees act within their delegations.</p>				
<b>Status: Completed</b>					
3.7 – Ensure minutes are signed once approved	<p>I noted that the minutes have not been signed since 26/09/22. It is important that they are signed when approved in order to evidence that the minutes are the approved record of Council business and decisions.</p> <p>The Planning and Community Engagement Manager noted that they would be signed at the next Council meeting on 22/05/23.</p> <p>I recommend that this is carried out as planned.</p>	M	Agreed	TH2 & TH7	May 2023
<b>Status: Completed.</b>					
5.1 – Ensure concession agreements signed	<p>I checked to see that prices charged agreed with those set by the Council for a sample of income streams. I found that the prices charged agreed for 75/76 samples (a recommendation was made earlier in the year in relation to the sample that did not agree), but noted that for 2/76 samples, where the</p>	M	Agreed	TH1	July 2023

### Agenda Item 3

#### Update on Action Points from Internal Audit Report 2022/23

Recommendation number	Detail	Priority (Low/Medium / High)	Management Response	Responsible Officer	Due Date
	Council had let beach concessions, the related agreement had not yet been signed. I recommend that the concession agreements are signed as soon as possible in order to ensure that there is clarity over the income due under the agreements.				
<b>Status: Ongoing</b>					
5.2 – Ensure all periodic income included on schedule	I checked to see that the schedule of debtors contains a note of all periodic income (in order to ensure that such income is promptly invoiced). I found that the vast majority of such income is included, but that there are no entries for the Monkey Beach concession, nor the ECVF income. I recommend that both are added in order to ensure that all periodic income is included so that it can be invoiced in a timely manner.	L	Agreed.	TH3 & TH4	Implemented May 2023
<b>Status: Completed.</b>					

FINAL - FULL

Internal audit report 2023/24

Visit 3 of 5

# SWANAGE TOWN COUNCIL

Date: 19<sup>th</sup> March 2024

Report author: R Darkin-Miller  
Email: [r.darkin@darkinmiller.co.uk](mailto:r.darkin@darkinmiller.co.uk)

## **Introduction**

This report contains a note of the audit recommendations made to Swanage Town Council following the carrying out of internal audit testing completed remotely on 23<sup>rd</sup> and 29<sup>th</sup> February 2024, with some later remote work.

The audit work has been carried out in accordance with Appendix 9 of the 2014 'Governance and Accountability for Local Councils: A Practitioners' Guide', as supplemented by the requirements of later AGARs, with additional tests specific to the Council as agreed with the Town Clerk and Finance Manager.

An internal audit covers the review of the operation of the Council's internal control environment. It is not designed to review and give full assurance over every transaction carried out by the Council. Instead it enables the auditor, following the sample testing of a number of different types of transaction, to give an opinion as to whether or not the control objectives are being achieved across a range of financial and governance systems.

## **Audit Opinion**

As this audit report is an interim one, no audit opinion is offered at this stage.

The report issued after the final visit for 2023/24 (which will be in May 2024) will contain the audit opinion and a summary of all the high and medium level findings and recommendations made during the 2023/24 audit year.

The following areas were reviewed during this audit visit (all testing complete except where noted):

1. Risk Management (minute review) – work in progress
2. Payroll
3. Car Park Income (completion)
4. TIC rent (work in progress)

## Audit Recommendations

Recommendations made during the audit are shown in appendix one to this report. Recommendations are graded as follows:

Rating	Significance
High	Either a critical business risk is not being adequately addressed or there is substantial non-conformity with regulations and accepted standards.
Medium	Either a key business risk is not being adequately addressed or there is a degree of non-conformity with regulations and accepted standards.
Low	Either minor non-conformity with procedure or opportunity to improve working practices further.

The number of recommendations made at this audit visit and their priority are summarised in the following table:

Rating	Number
High	1
Medium	0
Low	0
Info	0
TOTAL	1

As per Council's request in 2022/23, the filleted report is provided to Councillors for their information. This contains only the high and medium level recommendations.

The full report (contained all recommendations along with explanations of work done and findings) is provided to Management in order to ensure that all findings are notified to the Council, and to allow actions to be followed-up.

I would like to thank Alison Spencer, Finance Manager; Brigitta Varga, Payroll and Personnel Officer; Daniela Roman, Finance Assistant; Culvin Milmer, Visitor Services Manager; Sarah Tattersall, Visitor Services Assistant Manager; and the Visitor Services team for their assistance during this audit.

**Darkin Miller ~ Chartered Accountants**  
**2023/24 INTERNAL AUDIT OF SWANAGE TOWN COUNCIL**  
**FINAL - FULL REPORT VISIT 3 OF 5: 19<sup>th</sup> MARCH 2024**

**Appendix 1 – Recommendations and Action Plan**

Recommendation number	Detail	Priority (L/M/H)	Management Response	Responsible Officer	Due Date
23.1 – Ensure paperwork retained until end of audit period for the year in which the booking takes place	<p>I checked to see that the correct amount had been charged and VAT treated correctly for a sample of bookings. I found that the gross price and VAT were correct for 9/10 bookings, and that for 1/10 bookings the correct price had been charged at the time of the booking, but no refund was given for a small price difference when the booking was amended (at the Visitor Services Manager's discretion) after the booking had started. I did, however, note that the detailed 2022/23 TIC rental paperwork had already been shredded following the completion of the 22/23 external audit, affecting 3/10 samples which were booked in 22/23 and for which monies were taken by the TIC staff (as opposed to by customers self-servicing via gov.uk pay).</p> <p>There is a limit of 540 days for customers to make a chargeback, and retaining the original paperwork can help to prove that a customer was present when a purchase was made. In addition, HMRC requires that businesses keep financial records for 6 years from the end of the last financial year.</p> <p>I recommend that consideration be given to the paperwork being retained for 6 years in order to ensure the Council is protected against possible chargebacks. Council should also review its compliance with HMRC requirements to ensure that it can comply with any potential HMRC investigations.</p>	H	GDPR considerations need to be taken into account and the councils document retention schedule will be reviewed in light of this recommendation.	TH1, TH3, TIC1 & TIC2	July 2024

**Annual Health & Safety Report – April 2023 – March 2024**

There have been ten incidents or accidents since April 2023. These comprise four slips/trips, two cuts/abrasions, two muscle strains, one incident of insect stings and one collision with office furniture. There have been no RIDDOR reports.

A review of the Council's Worknest system has been undertaken (a database health and safety system) to ensure all relevant compliance activities are accurately recorded, reviewed and that notifications are sent at appropriate intervals.

The Council's Health and Safety Consultant visited in November 2023 and undertook reviews of operations at the boat park and the market. This included site visits and reviews of existing risk assessments and methods of operation. A visit to review operations at the Visitor Information Centre and Beach Gardens 'Tea on the Green' is scheduled for March 2024.

Formal Health and Safety related training completed in the past 12 months has included the following courses. In terms of scale, these have included training of large or small groups of staff and training for individual team members.

- Driving with trailer competence training
- Emergency First Aid at Work
- NPORS Tractor Driving, Towing and Loading
- Protect Act UK
- Chapter 8 Signing and Guarding
- ICCM Memorial Inspection Workshop
- NPORS 360 Excavator Refresher
- Lantra Chainsaw Maintenance, Cross Cutting and Felling trees up to 200mm diameter
- LANTRA Powered Pole Pruning

In-house training has been delivered in the form of toolbox talks.

Hand Arm Vibration Screening has been scheduled for April 2024

The training plan for the forthcoming year is being finalised. This will include refresher training to ensure existing certifications remain valid.

**Action required**

To note the content of this report.

Gail Percival, Assets and Compliance Manager  
March 2024

**Procurement of Utilities – to consider LASER framework options**

The Council contracts its supply of electricity from Ecotricity, via a LASER framework agreement and is contracted until 30<sup>th</sup> September 2024.

Previously, the Council purchased its supply of electricity through a flex basket via a LASER Flexible Energy Framework (Kent County Council). However, due to the lack of a ‘green basket’ option Council agreed to seek alternative suppliers, which could offer a fully renewable energy contract for electricity supply.

LASER have now developed a ‘green basket’ with 3 options with the information regarding each option attached:

- REGO Pure
- REGO Standard
- UK Pure Plus

In order to utilise the LASER framework, the Council would need to confirm with LASER by 31<sup>st</sup> March 2024, for a contract start date of 1<sup>st</sup> October 2024.

Members may wish to defer any decision to onboard with the LASER green basket for the forthcoming year and refer the options to a future Environment Committee meeting. This would mean that the Council would not be able to utilise this framework for the next procurement cycle, but would be able to use the previous procurement route for another year, pending the assessment of the LASER green basket options.

**Decision required**

- a) To refer the options to the Environment and Green Spaces Committee with a view to onboarding in September 2025; or
- b) To confirm with LASER that the Council would like to on board with the flex green basket and determine the preferred supply out of the three options available.

Alison Spencer  
Finance Manager

March 2024



**Pure**

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Premium, 100% Renewable Electricity  
from Wind, Solar and Hydro sources

Supply Period:

	Electricity Source	CO <sub>2</sub> /kWh emissions	Consumption
<b>A</b>	Renewable	0g	<b>A</b>
<b>B</b>	Low Carbon/CCS	<200g	
<b>C</b>	Gas CHP	<300g	
<b>D</b>	CCGT Gas	<400g	
<b>E</b>	UK Average/Gas	<600g	
<b>F</b>	Coal/Oil	<800g	
<b>G</b>	Coal	>800g	

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**Pure**

# Thank you for choosing UK Renewable Pure.

## What is UK Renewable Pure?

UK Renewable Pure is 100% renewable electricity from UK wind, solar, and hydro sources.

Our Renewable Pure energy provides sustainable power which is fully compliant for zero greenhouse gas (GHG) Scope 2 market-based reporting, and is independently assured by EcoAct.

## How does it work?

The power you consume is matched with the equivalent volume of renewable power supplied to the grid. We evidence this by securing the corresponding number of Renewable Energy Guarantees of Origin (REGO) certificates, which are issued for each megawatt hour (MWh) of renewable generation fed into the UK electricity system.

## What are the benefits?

- UK renewable power sourced from wind, solar, and hydro
- Enables you to clearly demonstrate renewable credentials
- Fully compliant with World Resources Institute (WRI) GHG Protocol Scope 2 Guidance
- EcoAct assurance stamp provides peace of mind that our products and processes are robust and compliant
- Allows you to report zero carbon emissions without any requirement for additional evidence

## About EcoAct

EcoAct is a trusted international climate consultancy and a CDP accredited provider. The EcoAct assurance stamp ensures that the associated electricity in our UK Renewable Pure product is reportable as 'zero carbon' through the market-based methodology outlined in the GHG Protocol Scope 2 Guidance.

## About GHG Protocol Scope 2 Guidance

The GHG Protocol supplies the world's most widely used GHG accounting standards. The Scope 2 Guidance standardises how corporations measure emissions from purchased or acquired electricity, steam, heat, and cooling.

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Mixed-source 100% Renewable Electricity

Supply Period:

	Electricity Source	CO <sub>2</sub> /kWh emissions	Consumption
<b>A</b>	Renewable	0g	<b>A</b>
<b>B</b>	Low Carbon/CCS	<200g	
<b>C</b>	Gas CHP	<300g	
<b>D</b>	CCGT Gas	<400g	
<b>E</b>	UK Average/Gas	<600g	
<b>F</b>	Coal/Oil	<800g	
<b>G</b>	Coal	>800g	

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**Pure Plus**

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<b>B</b>	Low Carbon/CCS	<200g	
<b>C</b>	Gas CHP	<300g	
<b>D</b>	CCGT Gas	<400g	
<b>E</b>	UK Average/Gas	<600g	
<b>F</b>	Coal/Oil	<800g	
<b>G</b>	Coal	>800g	

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**Pure  
Plus**

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UK Renewable Pure Plus is 100% renewable electricity sourced from our wind, solar and hydro PPA generators.

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## What are the benefits?

- 100% renewable energy generated in the UK
- Fully compliant with WRI GHG Protocol Scope 2 Guidance
- Report zero-carbon emissions without any requirement for additional evidence

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**DRAFT**

**Medium Term Financial Plan**  
**2024/25 – 2026/27**

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## **1. Introduction**

Swanage Town Council has prepared this Medium Term Financial Plan for the three year period 2024/25 to 2026/27.

Its purpose is to provide a structure for the management of the Town Council's finances in support of the delivery of the Council's Corporate Plan, adopted in March 2023. Strategic financial planning is essential so that the Council can effectively manage public monies to deliver quality services and ensure that its corporate objectives are met.

The Council is facing a significant demand on its financial resources over the term of this plan, primarily relating to capital expenditure on the council's fixed assets; this will see both balances and reserves diminish over the plan period. This highlights the importance of adopting a robust Medium Term Financial Plan (MTFP) which will ensure that the Council can both deliver on the priorities set out in the Corporate Plan and maintain adequate levels of reserves that will provide the Council with financial resilience so that it can continue to address the community's priorities in the years ahead.

## **2. Corporate Plan Framework**

The Corporate Plan was produced in order to:

- Give clear direction for financial planning and budget setting decisions;
- Assist in prioritising future capital projects;
- Promote transparency by being clear about what the Town Council's priorities are and what actions will be delivered over the plan period;
- Provide a basis for securing funding;
- Guide discussions with the community and partner organisations;
- Aid in the assessment of grant requests from third parties.

Following extensive community engagement, the Council agreed that its corporate objectives as:

- Delivering Good Governance;
- Promoting Sustainable Tourism and Supporting the Local Economy;
- Providing Opportunities to Improve Health and Wellbeing and Enhancing Community Safety;
- Planning for the Future and Preserving our Heritage;
- Protecting the Natural Environment and Addressing the Climate Crisis.

These corporate objectives underpin the development of the Council's Medium Term Financial Plan. It is acknowledged that delivering these objectives whilst balancing the revenue budget will become more difficult throughout the lifespan of this MTFP as inflationary pressures impact on expenditure and lower levels of reserves reduce investment income and the council's ability to internally finance projects. The Corporate Plan acknowledges that 'While the Town Council is committed to delivering on the priorities set out in this document, it can only do so within the constraints of its medium-term financial strategy'.

### **3. Three-Year Financial Planning**

The MTFP does not exist in isolation. It provides the overall framework for the Council's financial policies which together ensure the proactive financial management of the Council. Projecting the financial needs of the Council over a three-year period will identify potential problems in advance so that the Council will be able to adapt to any eventuality. Active risk management plays a pivotal role in ensuring that the Council can adapt to circumstances over which it has no control, but still be able to deliver its corporate objectives.

The MTFP contains details of the Council's revenue and capital spending plans, levels of reserves and treasury management strategy over the term of the next three financial years, identifying areas of risk and how the Council will manage that risk effectively. It incorporates a baseline expectation that the parish precept will increase by 3.5 per cent per annum over this period.

As the MTFP requires forward planning over a number of years, the budget projections are provisional and will be reviewed annually as part of the budget setting process. This will ensure that agreed financial policies remain relevant and enable the Council to navigate challenges in a timely manner.

### **4. Risk Management & Budgetary Control**

The Council, through its system of internal control, has developed a culture of risk management as part of its overall strategic management. The Council aims to identify, quantify and control all risks and put into place arrangements in order to protect the Council and ultimately its stakeholders from the consequences of the risks identified. The Council has compiled a Corporate Risk Register which specifies control measures, identifies the level of risk and allocates action points to relevant officers and council committees. This is reviewed annually.

#### **4.1 Financial Risk Management**

The MTFP does not exist in isolation and is subject to political, economic, and technological influences which may result in unexpected financial pressures. The purpose of forward planning is to mitigate against risks, both known and unknown.

The MTFP has been based on numerous assumptions:

- Inflation rates;
- Interest rates;
- National Living Wage and annual pay awards;
- Long-term restructure of the Local Government Pay Scale;
- Income generated from fees and charges;
- Distribution of grants;
- Potential legal challenges;
- A continued level of service provision.

In developing its revenue and capital budgets and its investment strategy, the Council has considered the financial risks that it faces and has tried to mitigate those risks. The Council has:

- Adopted a prudent approach in its financial forecasting;
- Appointed the services of external treasury management advisors;

- Adopted a Reserves Policy to ensure that the Council has adequate contingent balances so that the MTFP is affordable and deliverable;
- Continued to develop an Asset Management Plan and associated Capital Programme;
- Introduced earmarked reserves to provide a contingency against anticipated future spending requirements.

In addition to normal financial risk, the council faces additional risks in terms of maintaining a large, coastal asset base in a geologically challenging environment. Land slippage and coastal flooding/erosion are proving uniquely challenging. The Council has limited reserves to call upon, and with limited resources and funding sources, the financing of the required works will remain a challenge for the council, especially as they are often required on an unplanned emergency basis.

The Council also owns and manages a number of historic assets that make a significant contribution to the historic character of Swanage, but have complex and costly maintenance requirements.

The Council also has to balance the provision of services for residents and visitors, with each group often having different requirements.

#### **4.2 Budget setting and control**

The annual budget setting process has key stages in its development:

- Monitor the current year budget and spending (through quarterly reporting);
- Establish the spending plans for the next financial year;
- Forecast the income for the next financial year;
- Determine the provision of contingencies and the levels of reserves;
- Approve the budget;
- Confirm the precept requirement.

The Town Council operates in a sound financial control environment. Each member of the management team has a clearly identified accountability for specific budgets and is allocated responsibility for implementing recommendations arising from the internal auditor's reports.

Member scrutiny is provided through the Finance and Governance Committee which has responsibility for overseeing and reviewing the effectiveness of the Town Council's governance framework and system of internal control. It approves the internal auditor's interim reports and plays a key role in budget monitoring by receiving quarterly reports which compare actual net expenditure against forecasted net expenditure and highlight any significant variances. This enables the Council to review on a quarterly basis if it has adequately mitigated risks or whether any further action needs to be taken in-year in order to ensure that the Council is not adversely affected financially and can deliver its MTFP.

#### **5. Revenue Planning**

In delivering the Corporate Plan, the Council's current budget projections over the next three financial years show a widening of the gap between income and expenditure. This must be

addressed during the plan period in order to ensure that a balanced budget is sustainable in the future. Appendix A shows the forecast net operating expenditure 2024/25-2026/27.

## 5.1 Income

The Council is largely reliant upon self-generated income which aims to reduce the burden placed upon the precept. This introduces an increased level of risk to the council with demand driven services accounting for the majority of income streams (e.g. car parking, beach hut bookings and boat park fees). The annual level of income forecast to be received by the Council over the term of this plan is on a downward trajectory, largely due to a significant decrease in investment income as a result of reserves being spent on the delivery of capital projects.

The Council's only sources of income are the charges levied for its service provision, property income, investment income, community infrastructure levy (see paragraph 7.3), grants and precept.

- **Fees and Charges for services:** The Council considers its scale of fees and charges for its services on an annual basis. This includes car park, market, boat park, beach hut and leisure & recreational fees. Fees for the statutory provision of cemeteries and allotments are also considered annually. The Council consults with stakeholders through inviting user group representatives to its committee meetings. The Council will look to achieve the maximum level of income that market forces will allow, where this is compatible with the Council's legal requirements and other considerations such as affordability, elasticity of demand for its services and accessibility.
- **Property Income:** The Council determines the rental charges for its properties through periodic, contractual rent reviews. The Council seeks to maximise income from its assets and will review opportunities for generating additional income from new concessions, leases and licences.
- **Investment Income:** Investment income is projected in line with the Council's Annual Treasury Investment Strategy. Due to the decreases forecast in the Council's investment capacity over the period of this plan, a significant decrease in income is forecast.

## 5.2 Expenditure

The Council continues to face the challenges of increased costs and is committed to proactively controlling its expenditure in order to minimise the impact upon the taxpayer.

- **Efficiency:** Efficiency and value for money are the bedrock of the Council's decision-making process. In formulating its budget the Council, through the Finance & Governance Committee, reviews and challenges whether it is delivering value for money. The Council looks to identify savings and efficiencies that can be made without affecting service delivery.
- **Procurement:** The Council has continued to use framework agreements in order to access value for money when procuring goods and services. During the term of this MTFP the Council will continue to look at accessing greater purchasing power through partnership procurement.

The main areas of expenditure are:

- **Employee Costs:** These are the largest item of expenditure for the Council which has seen a significant increase over the last few financial years. Council approved a revised staffing structure in 2021. In addition to the increase in employee numbers through the restructure,

additional pressures are being placed on staffing budgets due to increases linked to the National Living Wage and inflationary increases. Future issues include potential restructuring of the Local Government Pay Scales and the possibility of an uplift in employers' pension contribution rates, which have been fixed at 22% for the 2024/25 and 2025/26 financial years, but may increase for the three years from 2026/27. Council will review its operational resources on an ongoing basis and look to maintain well controlled employee costs. The Council will also look to optimise the use of its staff across the organisation.

- **Expenditure on Services and General Operations:** The Council has committed to continuing to deliver its existing range of services. The Council has to balance the needs arising from both residents and visitors, with each group often having different requirements. Over the term of this plan costs have been projected with inflationary increases.
- **Repairs & Maintenance Costs:** These costs can fluctuate quite considerably year-on-year, dependent both on the programme of works and emergency responses. This can have a significant impact upon the financing requirement of the revenue account. Through the development of a robust Asset Management Plan, Council will look to smooth the annual expenditure notwithstanding any emergency requirements in-year.
- **Grants and Third Party Funding:** Council allocates an annual grants budget for local groups. Funding of other third parties and organisations, such as the CAB and provision of the Swanage Primary School crossing patrol, is reviewed annually.

### 5.3 Tax Base & Parish Precept

The tax base is a figure that is determined by Dorset Council annually in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 and is the baseline for setting council tax charges.

As a result of the localisation of council tax support as part of the Local Government Finance Act 2012 significant changes were made to the determination of the tax base for 2013/14. For the 2013/14 financial year, this resulted in a tax base of 4,625.58, decreasing from 4,959.87 in 2012/13. 2024/25 will be the first year that the tax base has exceeded that level, at 4,960.7.

With the overriding need to maintain an adequate level of reserves and ensure high standards of service provision, Council agreed a working assumption of 3.5 per cent annual increases in precept as part of the 2024/25 budget setting process. This has been incorporated in table 1 below, although it will continue to be reviewed on an annual basis.

**Table 1: Estimated Precept and Band D figures**

	<b>Actual 2023/24</b>	<b>Estimate 2024/25</b>	<b>Estimate 2025/26</b>	<b>Estimate 2026/27</b>
Total Precept	849,030	878,750	909,500	941,330
% Increase/Decrease	1.08%	3.50%	3.50%	3.50%
Increase £	9,030	29,720	30,750	31,830
Tax Base	4,935.9	4,960.7	4,960.7	4,960.7
% Increase/Decrease	1.08%	0.50%	0.00%	0.00%
Band D Charge	£172.01	£177.14	£183.34	£189.76
% Increase	0.00%	2.98%	3.50%	3.50%
Annual Increase	£0.00	£5.13	£6.20	£6.42

## **6. Capital Planning**

The Council is facing significant pressures to maintain its extensive asset base. As set out in section 4.1, above, the Council faces specific challenges because of unstable geological conditions across much of its seafront landholdings as well as threats from coastal erosion and storm damage, which will increase as climate change continues and sea levels rise. Furthermore, the Council also owns and manages a number of historic assets that make a significant contribution to the historic character of Swanage but have complex and costly maintenance requirements. These include the Town Hall, a Victorian cemetery, numerous public memorials and stretches of Purbeck stone boundary walls.

The Council has a large property portfolio, comprising public offices, car parks, buildings and public conveniences and large areas of open spaces, including play areas, sports facilities, cemeteries and gardens. The Council has invested in its assets over many years and continues to recognise that further substantial capital investment is required so that its estate remains fit for purpose.

Furthermore, the Council has adopted an ambitious Energy Efficiency and Decarbonisation Action Plan that includes a target of reaching carbon neutrality by 2030. That requires significant investment in the Council's buildings and significant annual contributions to Council reserves are planned for the duration of the MTFP to fund such works.

The Council has a lengthy Capital Programme, set out in Appendix B, which has been developed alongside a review of the Council's Asset Management Plan. The programme reflects the Council's priorities that have either been highlighted through a risk assessment or are deemed imperative in achieving the strategic objectives included in the Council's Corporate Plan. The Council must ensure that the capital programme incorporates projects that are deemed to be both achievable and affordable. Council recognises that the demands for investment in the Council's assets, and to transition to net zero, must be managed within the context of the Council's projected financial position.

### **6.1 Capital Expenditure**

Over the period of this plan, the forecast expenditure on capital projects is significant. The major capital project due to be undertaken by the Council is the green seafront stabilisation scheme, with the Council estimating a contribution from reserves of £4m. This project is scheduled to take place over the three-year period of this plan.

Table 2, below, illustrates the level of spending and the forecast sources of financing. Presently the funding requirement is greater than the Council's internal resources available for funding the entirety of the programme, although it is recognised that these forecasts are subject to change over the lifespan of this plan. It is anticipated that funding from the redemption of investments will contribute significantly towards the costs of delivering the programme, however, the requirement to identify grant funding and the possible need to enter into borrowing has also been recognised.

**Table 2: 3 year Capital Expenditure Summary**

	<b>Forecast 2023/24</b>	<b>Estimate 2024/25</b>	<b>Estimate 2025/26</b>	<b>Estimate 2026/27</b>
Capital Expenditure	386,035	420,000	2,447,000	1,985,000
Expenditure capital in nature	0	70,000	70,000	80,000
	<b>386,035</b>	<b>490,000</b>	<b>2,517,000</b>	<b>2,065,000</b>
<b>To Be Financed by:</b>				
Usable Capital Receipts Reserve	229,270	235,000	750,445	977,545
Earmarked Reserves	30,000	150,000	1,756,555	396,405
CIL	57,765	105,000	0	155,880
Borrowing/Grants/Contributions	64,000	0	0	326,575
Realised Capital Gain	0	0	0	200,000
Contributions from the General Fund	5,000	0	10,000	8,595
<b>Total Financing</b>	<b>386,035</b>	<b>490,000</b>	<b>2,517,000</b>	<b>2,065,000</b>

## 6.2 Capital Receipts

The Council has constituted a Property Panel which will assess the availability of surplus assets that may be suitable for disposal in order to meet future capital expenditure and make relevant recommendations. This process will streamline the Council's asset portfolio and ensure that the asset base is fit for purpose.

## 7. Reserves and Balances

The Council is required, under statute, to maintain adequate financial reserves in order to meet the needs of the organisation. Section 49A of the Local Government Finance Act 1992, as amended, requires that local precepting authorities in England have regard to the level of reserves needed to meet estimated future expenditure when calculating the budget requirement. Consideration should also be given to the Joint Panel on Accountability & Governance (JPAG) Practitioners' Guide.

### 7.1. The General Fund

The General Fund Balance, commonly termed the "working balance", is a balance on the Council's revenue account which is not held for any specific purpose other than to cushion the Council's finances against any unexpected short-term problems in the Council's cash flow. It is the account where all the Council's day-to-day income and expenditure in the provision of its statutory and discretionary services is recorded, details of which are included in the Budget Book and annual Financial Review.

In determining an appropriate level for the General Fund, consideration is given to the Joint Panel on Accountability and Governance (JPAG) *Practitioners' Guide* for Town and Parish Councils which states that 'an authority should adopt a General Reserve Policy to set a level appropriate to their size, situation and risks. They should plan their budget so as to ensure that the adopted level is maintained. Authorities with significant self-generated income (other than the precept or levy) should take into account situations that may lead to a loss in revenue as well as increased costs and adapt their general reserve accordingly.'

Due to the demand led nature of the income for this authority, a General Reserve is to be maintained at a level based upon a risk assessment carried out annually by the Responsible Finance Officer as part of the budget setting process for the forthcoming year. The risk assessment is included as an appendix to the annual budget report. For the 2024/25 financial year a risk assessment has determined that a minimum of £570,900 should be maintained as the general fund balance so that the Council may mitigate any financial risks that may materialise within the year.

The General Fund projections over the next three financial years are detailed in table 3 below. In reviewing this table, it can be seen that a deficit is forecast for each of the three financial years, with the general fund decreasing by c. £200k as a result to £583k, just above the risk assessed minimum level for 2024/25. It may be assumed that this level will increase over the period of the plan, as it is calculated as a % of income and expenditure. This highlights the need to address the gap between income and expenditure during the first half of the plan period, otherwise the general fund may fall to a level below a risk-assessed minimum level.

**Table 3: General Fund Balance projections**

	Forecast 2023/24 £	Estimate 2024/25 £	Estimate 2025/26 £	Estimate 2026/27 £
General Fund Balance b fwd	865,560	797,565	790,825	771,860
Surplus/(Deficit) for year	(67,995)	(6,740)	(18,965)	(188,235)
<b>General Fund Balance Carried Forward</b>	<b>797,565</b>	<b>790,825</b>	<b>771,860</b>	<b>583,625</b>

## 7.2. Earmarked Reserves (EMR)

In addition to the general fund, the Council also maintains reserves that are earmarked for a particular purpose. The Council has, through the review of its Asset Management Plan and development of a Reserves Policy, highlighted future capital expenditure requirements and established earmarked reserves in order to finance the expenditure when it is required. The 'setting aside' of funds to meet known future expenditure reduces the impact of meeting the full expenditure in one year and is a core element of strategic financial planning. Details of the projected balances on the earmarked reserves are given in table 4 below.

Although there is a natural fluctuation in the levels of EMRs due to the save and spend aspect of revenue reserves, it can be seen that some strategic EMRs are depleted in the final year of this plan. There is a planned reduction of levels in the Green Seafront Enhancement Scheme, public conveniences and beach huts reserves. Furthermore, the ability to recharge the beach huts and public convenience reserves, as well as the play area EMRs is limited, with agreed contributions to the environmental projects EMR accounting for the majority of 'affordable' transfers from the general fund. The low level of EMRs in year 3 is a result of the inability to charge movements to the reserves from the general fund balance if it reduces as projected in Table 3. It is recognised that this must be reviewed during the term of this plan with the ambition to increase reserves to improve the Council's financial resilience and deliver future projects in line with the Council's corporate objectives.

**Table 4: Earmarked Reserve projected balances**

<b>Earmarked Reserve</b>	<b>Forecast 31/03/2024 £</b>	<b>Forecast 31/03/2025 £</b>	<b>Forecast 31/03/2026 £</b>	<b>Forecast 31/03/2027 £</b>
Vehicle & Plant Replacement	25,000	40,000	0	10,000
King Georges Play Area & Skate Park	67,095	52,095	52,095	52,095
Play Equipment-General Areas	31,405	41,405	51,405	0
Car Park Machines	44,250	44,250	44,250	44,250
Tennis Courts Refurbishment	18,310	6,310	9,310	12,310
Green Seafront Enhancement Scheme	1,364,555	1,244,555	0	0
Community Sea Defence Project	450,000	450,000	0	0
Public Conveniences	130,000	145,000	160,000	0
Beach Huts Reserve	85,000	95,000	105,000	0
Football Club Facilities	3,120	3,120	3,120	3,120
De Moulham Back Roads	25,405	27,405	29,405	31,405
Insurance & Contingency Reserve	19,000	0	0	0
IT Equipment Reserves	28,165	22,665	665	665
Environmental Projects	42,000	67,000	92,000	117,000
Treasury Risk Management Reserve	80,000	80,000	80,000	0
Committed revenue expenditure c fwd	0	0	0	0
Community Infrastructure Levy	260,880	155,880	155,880	0
<b>Reserves carried forward</b>	<b>2,674,185</b>	<b>2,474,685</b>	<b>783,130</b>	<b>270,845</b>

The Council will continue to monitor the adequacy and relevance of its earmarked reserves on an annual basis.

### **7.3. Community Infrastructure Levy Reserve**

CIL is a tariff-based planning charge that enables the Council to raise funds from development to contribute towards local infrastructure. CIL receipts are collected by Dorset Council which passes on 15% of receipts to STC twice yearly. These funds are held in an EMR and can be used to fund capital or revenue expenditure on infrastructure assets. The Council has determined that this reserve will be drawn upon in the first instance for works to 'infrastructure' as defined in Section 216 of the Planning Act.

Since 2014, when the former Purbeck District Council adopted a CIL charging schedule, the Council has received a total of £609,791 in CIL receipts and financed £348,909 of works from this reserve.

The Town Council is currently working to develop a Neighbourhood Plan, as stated in the Corporate Plan. Once adopted the Council will receive a 25% share of CIL monies as opposed to 15% currently. It is difficult to estimate any future income that may be derived from this source and as such only known levels are used when forecasting income and expenditure.

#### 7.4. Statutory Reserves – Capital Receipts Reserve

Local Authorities also hold reserves that arise out of the interaction of legislation and proper accounting practices. At STC this is a Capital Receipts Reserve which holds the proceeds from the sale of assets and can only be used for capital purposes in accordance with regulations.

Capital receipts are derived from the sale of a fixed asset, subject to a de minimus level of £10,000, and can only be used to fund capital expenditure. Accordingly capital receipts are usually the first reserve used to finance capital expenditure, as the use of the reserve is limited in its application. Table 5 below shows that this reserve is forecast to be depleted over the lifetime of this plan, primarily due to the financing requirement of the Green Seafront Enhancement Scheme.

**Table 5: Estimated Usable Capital Receipts Reserve**

	<b>Forecast</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Opening Balance</b>	2,192,260	1,962,990	1,727,990	977,545
<b>Applied</b>	(229,270)	(235,000)	(750,445)	(977,545)
<b>Generated</b>	0	0	0	0
<b>Closing Balance</b>	1,962,990	1,727,990	977,545	0

#### 8. Treasury Management

The Council defines its treasury management activities as:

“The management of the Council’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks”.

The Council reviews its Treasury Management and Investment Strategy on an annual basis and monitors performance on a quarterly basis. The strategy is underpinned by the capital expenditure plans. All capital expenditure must be financed either from the Authority’s own resources (revenue, reserves and capital receipts), external sources (grants and other contributions) or debt (borrowing).

##### 8.1 Investment Strategy

The Council’s estimated reserve levels are shown in table 6 below. This figure has been derived from projecting the council’s income and expenditure forward over the next three financial years. These projections have incorporated all the essential elements outlined within the MTFS such as budgeted revenue balances, appropriations to and from earmarked reserves, treasury investments and the capital programme. The funds that the Council holds for investment purposes are expected to decrease significantly over the term of this plan due to the financing of the Council’s capital programme.

**Table 6: Reserves - Summary and Forecast**

	<b>Forecast 31-Mar-24 £m</b>	<b>Estimate 31-Mar-25 £m</b>	<b>Estimate 31-Mar-26 £m</b>	<b>Estimate 31-Mar-27 £m</b>
General Reserves	0.79	0.79	0.77	0.58
Earmarked reserves	2.67	2.47	0.78	0.27
Capital Receipts	1.96	1.73	0.98	0.00
<b>Reserves</b>	<b>5.44</b>	<b>4.99</b>	<b>2.53</b>	<b>0.85</b>

When revenue and capital reserves are used to finance capital expenditure there is a direct effect upon the revenue budget, resulting from a reduction in interest earned on investments. In applying reserves to fund capital expenditure consideration should therefore be given to any resulting loss of revenue from the Council's investments. In financing its capital programme over the forthcoming 3 financial years, the council will reduce its income from investments significantly. This is forecast to significantly impact the general reserve, with income set to decrease by approximately £200,000 over this period.

## **8.2 Borrowing Strategy**

The Council's approach to borrowing is set out in its Treasury Management and Investment Strategy. As indicated in table 2, above, although the Authority is currently debt free, its capital expenditure plans imply an external borrowing requirement in 2026/27. Council has previously affirmed that external borrowing would only be considered where it has been identified that the cost of the loan will have a nil effect on the precept requirement i.e. the annual revenue cost of a loan repayment can be met from additional income generated by the asset financed by the loan. This assertion may need to be reviewed during the next few years leading up to the approval of the Green Seafront Stabilisation Scheme.

## **9. Review of Medium Term Financial Plan**

Following the Town Council election in May 2024, both the Corporate Plan and MTFP will need to be reviewed to ensure that these policies continue to reflect the policy of the newly elected Council. Thereafter, the Medium Term Financial Plan will be reviewed annually on a rolling programme.

## Appendix A

### Revenue Account Summary – 3 year forecast 2024/2025-2026/27

	Estimate 2024/25	Estimate 2025/26	Estimate 2026/27
<b>Expenditure</b>			
Employees (all areas)	1,300,650	1,347,400	1,379,040
Rates (all areas)	207,145	229,040	243,285
Utilities (all areas)	118,995	124,110	129,115
Repairs & Maintenance (all areas)	211,200	146,410	216,440
Car Parks	189,150	182,675	184,200
Boat Park/Fishermen's Huts	3,030	3,220	22,060
Public Conveniences	84,970	85,505	85,985
Cemeteries	1,550	1,600	1,650
Parks & Operations	163,110	145,920	144,580
Beach Gardens	25,125	22,200	27,475
Beaches & Foreshore	59,950	63,085	65,810
Beach Bungalows	8,475	7,175	7,575
TIC	57,125	56,700	57,275
Allotments	675	710	745
Grants & Donations	16,250	16,250	16,250
Contributions to Third Party Services	49,900	40,200	19,300
Corporate, Democratic & Central Services	174,055	143,700	146,980
King Georges Field	1,250	1,250	1,250
Misc Grounds	4,340	3,830	3,920
Interest Payable & Bank Charges	4,600	4,700	4,800
<b>Total Expenditure</b>	<b>2,681,545</b>	<b>2,625,680</b>	<b>2,757,735</b>
<b>Income</b>			
Investment Interest	240,000	175,000	60,000
Car Parks	934,310	936,450	938,250
Boat Park/Fishermen's Huts	77,615	79,130	80,660
Public Conveniences	11,675	12,675	13,675
Cemeteries	35,440	36,440	37,440
Parks & Operations	90,475	91,025	91,575
Beach Gardens	57,870	59,420	60,720
Beaches & Foreshore	46,270	47,570	48,940
Beach Bungalows	174,425	150,325	156,625
TIC	31,810	32,185	32,535
Allotments	9,400	9,500	9,600
Other Buildings (inc C Park)	100,455	100,555	100,655
Corporate, DRM & Central	17,300	17,400	21,500
King Georges Field	9,100	9,100	9,100
Misc Grounds	12,410	12,440	12,490
<b>Total Income</b>	<b>1,848,555</b>	<b>1,769,215</b>	<b>1,673,765</b>
<b>NET OPERATING EXPENDITURE</b>	<b>832,990</b>	<b>856,465</b>	<b>1,083,970</b>

## Appendix B

### Capital Programme

Project Ref:	Project	2023/24 Approved Budget	2023/24 Forecast Outturn	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
		£	£	£	£	£
1	<b>Play Areas/Skate Park</b> King Georges Skate Park	15,000	0	15,000		
2	<b>Parks</b> Days Park- Footpath Lighting Installation	37,000	57,765			
3	<b>Station Approach</b> Infrastructure Improvements	50,000	0	120,000		
4	<b>Downs</b> Pevevil Point Stabilisation Scheme	95,000	50,000	150,000		
5	<b>Depot</b> External Shelter	15,750	15,750			
6	<b>Green Seafront Scheme</b> Stabilisation & Regeneration	300,000	30,000	120,000	1,925,000	1,925,000
7	<b>Environmental</b> Carbon Neutral 2030 Implementation	50,000	128,000			
8	<b>Capital Grants</b> Swanage & Herston Football Club redevelopment	70,000	0	70,000	70,000	80,000
9	<b>Vehicles</b> Electric Flatbed Truck	45,000	50,000			
10	<b>Car Parks</b> Main Beach- Phase 3 & EVCP Installation	20,000	0			
11	<b>Roads</b> Panorama Rd/Quarry Close - Upgrade/Improvement		54,520			
12	<b>Beach Gardens</b> Installation of Astroturf on Courts 4 & 5			15,000		
13	<b>Seafront Coastal Defence Projects</b> Seafront Coastal Defence Works				450,000	
14	<b>Vehicles</b> Electric Flatbed Truck				50,000	
15	<b>IT-All departments</b> Desktop				22,000	
16	<b>Play Areas/Skate Park</b> Days Park Play Area and Gym					60,000
	<b>Total Capital Expenditure</b>	<b>697,750</b>	<b>386,035</b>	<b>490,000</b>	<b>2,517,000</b>	<b>2,065,000</b>

## **Civility and Respect Pledge and Dignity at Work Policy – Update**

### **Background**

At the Extraordinary Council Meeting held on 26<sup>th</sup> September 2022, information was provided regarding an initiative being promoted by the National Association of Local Councils and the Society of Local Council Clerks to encourage councils to demonstrate their commitment to measures which support civil and respectful conduct. It was noted that prior to signing the pledge councils were being asked to consider introducing a Dignity at Work Policy. It was noted that this would be considered at a forthcoming meeting of the Personnel Committee.

Given the proximity of the Council elections, this matter is being brought before the Finance and Governance Committee to ascertain whether the signing of the pledge should be taken forward for consideration at the March Council meeting.

### **Signing up to the Civility and Respect Pledge**

NALC provides the following information about the pledge on its website:

Throughout the sector, there are growing concerns about the impact bullying, harassment, and intimidation are having on local (parish and town) councils, councillors, clerks and council staff and the resulting effectiveness of local councils.

The National Association of Local Councils (NALC), One Voice Wales, the Society of Local Council Clerks (SLCC) and county associations have responded to this by setting up a Civility and Respect Working Group to oversee the Civility and Respect Project.

NALC, SLCC, and OVW believe now is the time to put civility and respect at the top of the agenda and start a culture change for the local council sector.

The Civility and Respect Pledge is being introduced because there is no place for bullying, harassment and intimidation within our sector. The pledge is easy for councils to sign up for and it will enable councils to demonstrate that they are committed to standing up to poor behaviour across our sector and to driving through positive changes which support civil and respectful conduct.

We invite all councils to take the Civility and Respect Pledge.

By signing the Pledge, your council is agreeing that the council will treat councillors, clerks, employees, members of the public, and representatives of partner organisations and volunteers with civility and respect in their roles and that it:

- Has put in place a training programme for councillors and staff.
- Has signed up to the Code of Conduct for councillors.
- Has good governance arrangements in place including staff contracts and a dignity at work policy.
- Will seek professional help at the early stages should civility and respect issues arise.
- Will commit to calling out bullying and harassment if and when it happens.

- Will continue to learn from best practices in the sector and aspire to be a role model/champion council through for example the Local Council Award Scheme.
- Supports the continued lobbying for change in legislation to support the Civility and Respect Pledge including sanctions for elected members where appropriate.

In terms of fulfilling the Pledge criteria, the following matters are relevant:

- The Council's Corporate Risk Register acknowledges the importance of equality and respect and states that relevant training will be arranged for all staff and councillors after the election in May 2024. This was last undertaken in 2019. Staff training needs are regularly assessed through the appraisal process and councillors are made aware of training via DAPTC.
- The Council adopted a revised Councillor Code of Conduct in December 2021.
- The Council's Staff Handbook was implemented in January 2022, and contains an officer Code of Conduct, Bullying & Harassment Policy and related Complaints Procedure.
- The Council adopted a revised Members and Officers Protocol in September 2022.
- Contracts of employment are in place for all staff.

If the Town Council commits to the pledge and informs NALC that it has done so it will issue a certificate and the Town Council will be listed alongside others on an interactive national map, showing the councils that have signed up. 1,448 councils have done so to date, although only a relatively small number in Dorset. Within the former Purbeck district those are Wareham, Corfe Castle and Lytchett Minster & Upton.

### **Dignity at Work Policy**

In October 2022 the Personnel Committee gave consideration to the adoption of the NALC/SLCC model Dignity at Work policy. However, it was noted that many of the points were already covered in the recently adopted Bullying and Harassment Policy, which was commended for its clarity (see copy at Appendix A). The Town Clerk was asked to review both documents to see if any elements of the Dignity at Work Policy could be integrated into the Bullying and Harassment Policy. That remains an outstanding action point for the Personnel Committee.

In the interim it is suggested that to meet the criteria for the Civility and Respect pledge, the Bullying and Harassment Policy should be renamed the Dignity at Work: Bullying and Harassment Policy, together with the related Complaints Procedure.

One element of the model document which is absent from the existing policy, is clarity about how complaints by officers about councillor conduct should be dealt with. Given that this was the subject of a legal case, known as the Ledbury case, it would seem sensible to take steps to address this. It is, therefore, suggested that the following wording should be incorporated into the Bullying and Harassment Policy. This would build on the Members and Officers Protocol which sets out the expectations for positive and respectful engagement from both parties.

### **Complaints against Councillors**

If you are being bullied or harassed by a councillor, please raise this with the Town Clerk or the chairman of the council in the first instance. They will then decide how best to deal with the situation, in consultation with you. There are two possible avenues for you, informal or formal. The Informal Resolution is as set out in Stage One of the Council's Bullying and Harassment Complaints Procedure. In certain circumstances the Council may be able to involve a neutral third party (a mediator) to facilitate a resolution of the problem. The Town Clerk will discuss this with you if it is appropriate.

Formal concerns regarding potential breaches of the Councillors' Code of Conduct must be investigated by the Monitoring Officer. Following the Ledbury case, the law is clear that any formal complaint about a councillor regarding a breach of the code of conduct must be referred to the Monitoring Officer for investigation (either by the complainant, or the Council with agreement of the complainant). During the investigation, it is critical to ensure that where an employee of the council has made the complaint, that the council agrees reasonable measures with the employee to protect their health and safety. Such measures may include a temporary change in duties, change of work location, not attending meetings with the person about whom the complaint has been made etc.

### **Decisions Required**

To consider recommending to Council that it should sign up to the Civility and Respect Pledge.

To consider recommending to Council that it should rename the Bullying and Harassment Policy as the Dignity at Work: Bullying and Harassment Policy and incorporate the above wording regarding 'Complaints about Councillors' into that document, which forms part of the Staff Handbook.

Martin Ayres  
Town Clerk

March 2024



# **Appendix A:**

## **Bullying and Harassment Policy**

### **Swanage Town Council**

#### **1. Policy Statement**

Employees are Swanage Town Council's most valuable and important resource, and the Council has a legal, moral, and ethical duty to ensure that the environment in which they work enables them to contribute to their fullest potential and that they feel confident and comfortable about that working environment.

As well as considering the welfare of its employees, there is a strong business case for ensuring the elimination and prevention of harassment and bullying such as; the financial impact (e.g. cost of reduced performance), health and safety (e.g. physical and emotional effects on employees), and recruitment and retention (e.g. people will not wish to join us or to remain with us).

Swanage Town Council believes that all its employees have the right to be treated with dignity and respect, and that harassment and bullying is totally unacceptable. The Council will deal effectively with any form of harassment or bullying and take any steps it sees fit to either stop or prevent it. This may include taking disciplinary action, up to and including dismissal.

#### **2. Scope Of The Policy**

This policy should be read in conjunction with other Council policies and procedures such as: the Equal Opportunities Policy, Disciplinary Procedure and Grievance Procedure.

The policy covers harassment and bullying by Officers and Members of the Council. It does not cover harassment and bullying from the public or contractors. However the Council has a duty of care towards its employees and, in these cases, employees should report any such behaviour to their line manager who will decide upon the appropriate action.

#### **3. Aims Of The Policy**

The information given below shows how harassment and bullying can affect both individuals and the Council, and demonstrates the need for a policy. The aims of having a harassment and bullying policy are as follows:

- To ensure that all of the Council's employees are treated with dignity and respect;
- To ensure that harassment and bullying is prevented and, if it does occur, that action is taken to stop it;
- To ensure that the working environment is such that each employee feels confident and comfortable about the way they will be treated whilst at work;
- To ensure that all of the Council's employees know what harassment and bullying is and what the Council's policy is;

- To explain the responsibilities of Members, management, and employees; and
- To explain the procedures for dealing with harassment and bullying.

#### **4. Harassment**

There are various definitions of harassment, but there are three key questions which help to define 'Harassment'. They are: 'Is the behaviour unwanted?' 'Does it undermine the dignity of the individual?' and 'Is it related to a protected characteristic?'

Harassment is defined by ACAS as 'unwanted conduct related to a relevant protected characteristic, which has the purpose or effect of violating an individual's dignity or creating an intimidating, hostile, degrading, humiliating or offensive environment for that individual'. The protected characteristics are age; disability; sex or gender; gender reassignment; marriage/civil partnership; pregnancy or maternity; race (including ethnic origin, skin colour, nationality and national origin); religion or belief; and sexual orientation.

It is also unacceptable to harass any individual:

- Based on their association with another individual with a protected characteristic (e.g. an employee married to someone of a different ethnic origin); or
- Based on a perception that they have a protected characteristic (e.g. a heterosexual employee who is made fun of because his colleagues believe he is homosexual).

A definition of bullying is given in the next section of this policy, but harassment and bullying are closely linked.

Examples of harassment include:

##### Sexual harassment:

- Ridiculing someone because of their sex or sexual orientation by looks, remarks, sexual innuendo or jokes of a sexually explicit nature;
- Unnecessary touching or unwanted physical conduct.

##### Sexual orientation harassment:

- Homophobic remarks, innuendo, jokes;
- Offensive actions and physical attack.

##### Racial harassment:

- Embarrassing or derogatory remarks such as racist jokes, name-calling or nicknames;
- Deliberate isolation or different treatment.

##### Harassment on the grounds of disability:

- Name calling;
- Uninvited, patronising or unnecessary assistance.

##### Harassment on the grounds of religion or belief:

- Ridicule and religious jokes;
- Scorning of belief.

#### Age harassment:

- Negative comments generalising about the age group of the individual;
- Exclusion from informal groups such as social events.

## **5. Bullying**

ACAS states that bullying can be characterised as ‘offensive, intimidating, malicious or insulting behaviour, an abuse or misuse of power through means that undermine, humiliate, denigrate or injure the recipient’.

It must be clearly understood that it is a manager's responsibility to set targets and review work performance. It is also the manager's role when individuals do not reach targets to ensure that corrective processes are put in place. These discussions are sometimes difficult for both parties but need to take place to ensure employees work competently. In this context bullying will only occur when a manager abuses his or her authority.

It should be noted that bullying does not just occur in manager/subordinate relationships, it can occur when there is unacceptable peer pressure or pressure by others in a position of ‘authority’, e.g. Members.

Examples of bullying behaviour can include:

- Spreading malicious rumours;
- Making the employee the butt of jokes;
- Aggressive, insulting and uncooperative attitude;
- Destructive innuendo and sarcasm;
- Constant unjustified criticism;
- Unjustifiably removing responsibilities and replacing them with trivial tasks to do instead;
- Shouting at employees;
- Unreasonable use of disciplinary/competence procedures;
- Unreasonable refusal of requests (e.g. leave or training) ;
- Deliberately ignoring or excluding individuals from activities;
- Imposing unreasonable workloads and/or unjustifiably reducing deadlines;
- Constantly undermining an employee in terms of their professional or personal standing;
- Undervaluing an employee's efforts;
- Seeking to make an employee appear incompetent, or intentionally creating an unacceptable working environment, with the object of either achieving a dismissal or of making them resign.

Swanage Town Council recognises the fact that employees may initially submit to a particular instance of harassment or bullying, but this does not mean that they find the behaviour acceptable. For example, an employee who is the butt of jokes may not wish to object initially, but this should not prevent them from addressing the issue once they feel able to do so.

## **6. Victimisation**

Any employee who makes a complaint or supports another employee who has done so must not be subjected to any victimisation or less favourable treatment as result. Swanage Town Council will not tolerate any such behaviour and will take appropriate action to stop/prevent this, which may include disciplinary action.

## **7. Responsibilities Of Managers, Employees, And Members**

### **7.1. Managers**

Managers will have the following responsibilities:

- Compliance with the Policy;
- Creating/ensuring that there is a supportive working environment;
- Making sure that their employees know the details of this policy and ensuring compliance with it;
- Making sure that their employees know what standards of behaviour are expected of them;
- Taking allegations of harassment and/or bullying seriously and dealing with them as quickly as possible;
- Ensuring that victims of harassment and/or bullying receive appropriate support which might include counselling. (Note: consideration should be given as to whether the harasser/bully should also be given access to counselling, as the employee who has been accused of bullying/harassment can find this a stressful situation);
- Dealing with complaints under the Bullying and Harassment Complaints Procedure (see below);
- Ensuring that matters are dealt with confidentially and impartially;
- Ensuring that their employees attend any training requirement; and
- Liaising with the Town Clerk on how to deal with cases that arise.

### **7.2. Employees**

Employees will have the following responsibilities:

- Compliance with the policy;
- Treating their colleagues with dignity and respect;
- Having an awareness of their own standards of behaviour;
- Making it clear that they find harassment and bullying unacceptable;
- Reporting harassment and supporting management with the investigation of complaints; and
- Intervening to stop harassment and/or bullying and give support to victims.

### **7.3. Members**

Members will have the following responsibilities:

- Compliance with the Policy; and
- Treating employees with dignity and respect.



# **Bullying and Harassment Complaints Procedure**

**Swanage Town Council**

## **1. Introduction**

No employee need put up with bullying or harassment. Swanage Town Council recognises that making a complaint may be a distressing experience, but all complaints will be taken seriously and dealt with in a sympathetic and sensitive manner.

If you feel that you are being bullied/harassed, the decision about how to pursue this will, in the first instance, rest solely with you. You have the right to redress through either the informal or formal procedure.

Only if the matter is brought to the attention of the alleged harasser/bully or your manager can action be taken to stop the behaviour.

In the interests of natural justice a complaint should be made as close as possible to the date when the incident occurred. In a situation where, in your view, an accumulation of incidents merit a bullying/harassment complaint, this should be done as close as possible to the date when the 'final straw' incident took place.

## **2. Stage One**

If it is possible and appropriate to do so, you should ask the person who you feel is harassing or bullying you to stop such behaviour, making it clear that you find it offensive and it is unwelcome. This can be done face-to-face or in writing.

If you feel that you cannot approach the alleged harasser/bully alone then you may wish to ask a work colleague or trade union representative to accompany you.

It is possible that some people may not have realised that their behaviour was offensive and alerting them to it will alter their behaviour.

## **3. Stage Two**

If you feel unable to use the approach set out in Stage 1, or you feel that this is not appropriate, or if Stage 1 action fails to resolve your complaint then you can raise this formally if you wish.

In this case you will need to put your complaint in writing to your Departmental Manager, giving details of the specific actions/incidents about which you are complaining.

Once you have done this the matter will be investigated under the Council's Grievance Procedure.

The Departmental Manager will discuss your complaint with you. In line with the informal resolution stage set out in the Grievance Procedure, the Departmental Manager will, if appropriate, explore with you whether there are any informal measures that you feel able to pursue in order to attempt to resolve the situation before requesting that formal action is taken. These could include meetings with the alleged harasser/bully facilitated by your line manager or the Town Clerk, or more structured mediation.

The formal process must, however, be followed if the particular 'offence' brought to the Council's attention is so serious that criminal prosecution may result.

If informal measures are not appropriate/successful or you wish to proceed straight to the formal process, the Town Clerk, or his/her representative, will thoroughly investigate the complaint in accordance with the Grievance Procedure.

The usual representation will apply to the alleged bully/harasser and you can be supported throughout the process by a work colleague or trade union representative.

In accordance with Swanage Town Council's Grievance Procedure you will be invited to attend a hearing. You will be given written notification of the outcome of this hearing and will have the right of appeal.

Decisions will be made at/after the hearing about the appropriate actions to be taken. These could include taking disciplinary action against the bully/harasser; issuing management instructions; arranging mediation if both parties are willing to participate; making changes to working arrangements; or taking no further action.

It should be noted that if disciplinary action is taken against the alleged bully/harasser, you will be informed that disciplinary action is being taken, but will not be informed of the outcome of this or have a right of appeal against the decision of the disciplinary panel. Nor do you have the right to raise a grievance about any decision affecting the harasser/bully following a disciplinary hearing or investigation.

#### **4. Confidentiality**

Any complaint received, either formally or informally, will be treated with as much confidentiality as possible. However in order to enable your complaint to be investigated and/or resolved the individuals concerned will have to be made aware of your complaint, and it may not be possible to do this without identifying you.

The knowledge that a complaint has been made will be restricted to the minimum number of people necessary to investigate what happened. All those involved in any complaint must respect this and ensure that they are sensitive to the needs of both the complainant and the alleged harasser/bully.

All involved in investigating a complaint will do so impartially and make no inferences that either party is at fault until the investigation is complete. Breaches in confidentiality may result in disciplinary action.

## **5. Complaints About Other Parties**

If the matter involves a complaint against the Town Clerk, you should inform the Chairman of the Council or the Chairman of the Personnel Committee, who will seek advice and determine the most appropriate means of dealing properly with the complaint.

If the matter involves a complaint against a Member, you should inform the Town Clerk.

## **6. Malicious/Unfounded Complaints**

This procedure is designed to protect individuals who raise their concerns. It is accepted that some allegations may arise from genuine misunderstandings. However making a malicious and unfounded complaint may itself constitute harassment and be dealt with under the disciplinary procedure.



## SWANAGE TOWN COUNCIL

# VEXATIOUS CORRESPONDENCE AND COMPLAINTS POLICY

### Introduction

The great majority of people who contact Swanage Town Council do so politely and with respect to Council employees. The Town Council welcomes feedback and encourages people who feel that they have grounds for complaint to contact the Council so that their concerns can be investigated in accordance with the Council's Complaints Procedure, which is designed to provide complainants with a thorough and fair means of redress.

There are, however, exceptional circumstances where behaviour can present a challenge to the wellbeing of staff or councillors, resulting in unacceptable stress. Furthermore, some correspondence will result in a disproportionate amount of resource being spent in response, preventing the Council from efficiently fulfilling its wider duties.

Swanage Town Council does not expect its staff or councillors to tolerate unreasonable behaviour from members of the public or other points of contact. The organisation has a direct duty of care to its employees and also a responsibility to any associated organisations and/or partners it works alongside.

This procedure is designed to address vexatious correspondence and complaints. It should assist the Council to manage inappropriately demanding or unreasonable behaviour from vexatious correspondents. Where the correspondence in question can be interpreted as a request or requests for information, this policy should be read in conjunction with the Information Commissioner's guidance on dealing with vexatious requests, issued in connection with s.14 (1) of the Freedom of Information Act 2000.

It is important that the application of this policy does not prevent people from accessing services to which they have a statutory entitlement, and it is designed to ensure that the rights of service users are protected. However, Council resources are limited, and the Council has an obligation to ensure that these are used fairly and effectively. The Council must also ensure that the Clerk and Councillors receive a reasonable degree of protection from the stress that can be caused by vexatious correspondence and complaints.

This procedure is not designed to address violent or threatening behaviour which needs an urgent response.

### 1 Defining vexatious correspondence or complaints

Vexatious complaints and correspondence can be characterised in one or more of the following ways:

1.1 Behaviour which is obsessive, persistent, harassing, prolific, repetitious.



- 1.2 Displays an insistence on pursuing unmeritorious issues and/or unrealistic outcomes beyond all reason.
- 1.3 Displays an insistence upon pursuing meritorious complaints or issues in an unreasonable manner.
- 1.4 Forms part of a 'scatter gun' approach, with copies of letters being sent to several recipients on a regular basis, often including various council officers, the media, the MP, the Mayor, other Councillors and external regulators; and/or is part of a completely random approach, lacking any clear focus, or seeming to have been solely designed for the purpose of 'fishing' for information without any idea of what might be revealed.
- 1.5 Repeated and/or frequent requests for information, whether or not those requests are made under the access to information legislation.
- 1.6 Repeated use of social media to criticise Council members or officers could also be judged as vexatious conduct, as this could amount to cyber-bullying.

Guidance issued by the Information Commissioner recommends that four broad themes are considered when assessing whether a request for information is vexatious, and these factors may be more broadly applied to other correspondence:

1. the burden (on the public authority and its staff);
2. the motive (of the requester);
3. the value or serious purpose (of the request); and
4. any harassment or distress (of and to staff and councillors).

## **2 Procedure for determining whether correspondence is vexatious**

- 2.1 If the Clerk or Councillors identify behaviour that they think exhibits the characteristics set out in Section 1, and which they believe may be vexatious, they should consult the Vexatious Correspondence sub-committee, consisting of the Mayor and/or Deputy Mayor and two members of the Finance & Governance Committee. An officer who has not been dealing with the correspondence in question should act as minute taker.
- 2.2 If the sub-committee agrees with the assessment, they should prepare a brief statement of why the sub-committee considers the complaint or correspondence to be vexatious, including its effect upon the Clerk, Councillors and/or the Town Council as a corporate body. This should be accompanied by a list of correspondence over the last 6 months via email, telephone, letter and social media, including information about whom the correspondence was addressed to, how many people/organisations it was copied to on each occasion, and a one-line description of each piece of correspondence.

## **3 Handling correspondence and complaints that have been assessed as vexatious**

- 3.1 The first step will be for the Mayor/Deputy Mayor to write to the correspondent advising them that their complaint and/or correspondence has been determined to be vexatious



and giving the reason for that decision. The letter should state that any future correspondence will be passed direct to the sub-committee who will consider whether it raises any substantive new issue(s) and whether or not it is also considered vexatious. The correspondent should be advised that if it is considered to be vexatious, any future correspondence will not receive a response, unless the Council is obliged to do so under the terms of the Freedom of Information Act or other legislative provision. They should be advised that the decision will be reviewed in six months from the date of the letter advising them that their complaint/correspondence has been determined to be vexatious. There is no route of appeal against the decision that a complaint or correspondence is vexatious.

- 3.2 Any future correspondence should be passed to the sub-committee for consideration. If they decide that it raises no genuinely new and substantive issues, and/or is considered to be otherwise vexatious, no response is required. If they consider it to be appropriate, they may acknowledge the first 2 or 3 pieces of correspondence, referring the correspondent to the letter advising them of the decision that their correspondence has been determined to be vexatious. After that, however, no response or acknowledgement should be sent.
- 3.3 If future correspondence does raise significant new issues, and does not meet the criteria for vexatious correspondence set out in Section 1 above, it should be responded to. It may be appropriate for the response to be routed via the Mayor/Deputy Mayor in order to prevent the renewal of 'scattergun' correspondence.

#### **4 Reviewing the decision**

- 4.1 Six months after the correspondent has been advised that their complaint and/or correspondence is vexatious, they can request a review. If such a request is received, the sub-committee should meet to consider whether there has been any improvement in the vexatious behaviour over that time. The Mayor/Deputy Mayor should write to the correspondent advising them of the outcome of the review. If the behaviour has improved, future correspondence can be treated in the normal way. If there has not been a significant improvement, the correspondence will continue to be treated as vexatious with the correspondent being able to request a review after a further six month period.

#### **5 Further advice and guidance**

- 5.1 Defining complaints and/or correspondence as vexatious is a very serious step and will only be undertaken as a last resort. For that reason, it is essential that the decision to treat correspondence or complaints as vexatious is evidence-based and reviewed regularly.

For further information:

Information Commissioner's Office:

<https://ico.org.uk/for-organisations/foi-eir-and-access-to-information/freedom-of-information-and-environmental-information-regulations/section-14-dealing-with-vexatious-requests/>



Local Government and Social Care Ombudsman:

<https://www.lgo.org.uk/information-centre/information-for-organisations-we-investigate/councils/guidance-notes/guidance-on-managing-unreasonable-complainant-behaviour>

5.2 Any concerns about a particular correspondent should be discussed with the Mayor/Deputy Mayor in the first instance.

## 6 Document change history

Date	Changes made
2 <sup>nd</sup> February 2024	Template policy amended for Swanage Town Council.
20 <sup>th</sup> March 2024	Draft Policy presented to Finance & Governance Committee for recommendation to adopt.
	Policy adopted by Full Council.