



21st November 2017

In accordance with Paragraphs 7 & 10(2) (b) of Schedule 12A of the Local Government Act 1972 I hereby summon you to attend a Meeting of **PETERLEE TOWN COUNCIL** to be held in the Council Chamber, Shotton Hall, Peterlee, SR8 2PH, on **Monday 27th November 2017 at 6.30pm**

A handwritten signature in blue ink, appearing to read 'Ian Morris', is centered on the page.

Ian Morris P.S.L.C.C, M.C.I.H.

Town Clerk

(Proper Officer of the Council)

Members of the Committee and members of the public are reminded that the public part of the meeting may be recorded in both audio and video, and photographs may be taken.

BUSINESS TO BE TRANSACTED

1. APOLOGIES FOR ABSENCE

2. PUBLIC PARTICIPATION SESSION

This session is intended to allow members of the public an opportunity to put questions to the Council. This item of business to last no more than 15 minutes, as per Council Standing Orders.

3. To receive declarations of interest

Members are reminded of the need to disclose any interests in items on this agenda, whether pecuniary or otherwise. Please seek advice from the Town Clerk or Deputy Town Clerk **prior to the meeting** if in doubt.

4. POLICE UPDATE

5. TO APPROVE THE MINUTES OF THE COUNCIL MEETING OF THE 23RD OCTOBER 2017

The minutes of the previous meeting are attached for consideration and approval as a true and correct record.

(attached)

6. THE MINUTES OF THE RESOURCES COMMITTEE OF THE 6TH NOVEMBER 2017

The minutes of the previous meeting are attached for consideration and approval as a true and correct record.

(attached)

7. THE MINUTES OF THE COMMUNITY & ENVIRONMENT COMMITTEE OF THE 13TH NOVEMBER 2017

The minutes of the previous meeting are attached for consideration and approval as a true and correct record.

(attached)

8. MATTERS ARISING FROM THE MINUTES

9. ARMED FORCES DAY/ WEEK – EVENT 30TH JUNE 2018

Referred from the Events Working Party held on 25th October 2017

10. ADOPTION OF AMENDED MEMBERS CODE OF CONDUCT

At the meeting of the Resources Committee of 6th November 2017 it was agreed to adopt the new NALC Members Code of Conduct subject to some minor editing to make the document gender neutral. The revised version is attached for Members' information and members are recommended to formally adopt this version with immediate effect.

(revised Members Code of Conduct, attached)

11. REVIEW OF THE TOWN COUNCIL'S RISK REGISTER

Members are asked to consider the Town Clerk's report on the review of internal controls for the management of risk and the review of the Council's Risk Register for 2017/18

(Report of the Town Clerk, circulated)

11. SPOKESPERSON OF THE NEP MEMBER'S REPORT

12. SPOKESPERSON OF THE LABOUR POLITICAL PARTY'S REPORT

PETERLEE TOWN COUNCIL

MINUTES OF THE MEETING OF THE TOWN COUNCIL

HELD IN THE COUNCIL CHAMBER, SHOTTON HALL, PETERLEE

ON MONDAY 23RD OCTOBER 2017 at 6.30PM

PRESENT:- COUN M A CARTWRIGHT(CHAIR)

Mesdames:- V Watson, A C Long, L Fenwick, K Hawley, K J Duffy, S Simpson & K Liddell

Messrs:- A T Wilkinson, A S Meikle, S Kirkup, R Kyle, C Watkins, G Carne, T Duffy, R Moore, S D McGlen, S Miles, S P Franklin, J Robinson & A Watson

The Mayor welcomed Councillor Colin Watkins back onto the Town Council following his election to the Edenhill Ward.

70. Apologies for Absence

Apologies had been submitted from Councillor S McDonnell, (work commitments). **RESOLVED the Council approve the reasons submitted for the absences received on the grounds where given above, and the Councillor's apologies for absence be recorded.**

71. Public Participation Session

A public participation session was held to allow members of the public an opportunity to put questions to the Council. There were no members of the public in attendance.

72. To receive declarations of interest

Members were reminded of the need to disclose any interests in items on this agenda, whether pecuniary or otherwise.

73. Police Update

It was reported figures for the month were as follows:-

Total calls for Peterlee	663
Anti social behavior	91

PETERLEE TOWN COUNCIL MINUTES OF THE COUNCIL MEETING OF THE 23RD OCTOBER 2017

Burglary	20
Theft of a motor vehicle	11
Theft from a motor vehicle	2
Criminal damage	27

Several vehicles that have been used in criminal activity have been seized
Shoplifting is down 12% compared to this time last year. It was suggested that a spreadsheet be kept of the monthly figures. Members reported issues with reporting matters using the 101 telephone number and other matters relating to making contact with the Police were raised.

74. The Minutes of the Council Meeting of the 25th September 2017 a copy of which had been circulated to each Member, were approved.
75. The Minutes of the Resources Committee of the 2nd October 2017 a copy of which had been circulated to each Member, were approved.
76. The Minutes of the Community & Environment Committee of the 9th October 2017 a copy of which had been circulated to each Member, were approved, subject to it being recorded Councillor K Duffy wished to be named as voting against any payment being made to Horden Parish Council in relation to the cemetery.
77. Matters Arising from the Minutes
- There were no matters arising, although a Local Member did raise the matter of regular progress reports on the proposal to build a rain shelter at Thorntree Gill Leisure Gardens allotment site.
78. Appointment of Replacements of Council Representatives on the Sub Committees

RESOLVED the following Members be added onto these sub committees

- **Human Resources Sub (one place – S Simpson)**
- **Health & Safety Sub (two places – G Carne & S Meikle)**
- **Events Sub Committee (one place – S Simpson)**
- **Sports & Well Being Sub Committee (two places – G Carne & K Hawley)**
- **Facilities Sub (two places – S Meikle & R Moore)**
- **Twinning (one place – R Moore)**

79. Audit of Accounts 2016/17

It was reported the notice of conclusion of Audit from BDO Stoy Hayward had still not been received. **RESOLVED the information given be noted.**

80. Review of Council's Risk Register

RESOLVED consideration of this this item be deferred to a future meeting.

81. Spokesperson of the NEP Member's Report

Councillor Watson welcomed Councillor Watkins back onto the Town Council and congratulated him on the result of the election for the vacancy in the Edenhill Ward. He reported that Councillor T Duffy and himself had attended the CDALC AGM on Saturday 21st October 2017 which was interesting. One of the main topics was the changes to the Data Protection Act and he encouraged all members to go along to the training that had been arranged on the subject; several Members expressed an interest in going along. Councillor Watson gave details of recent incidents involving youngsters and motorists with stones and eggs being thrown at cars. **RESOLVED the information given, be noted.**

82. Spokesperson of the Labour Political Party's Report

Councillor Kyle spoke about the issues with anti social behavior with youths in the Town in relation to attacks on vehicles where the Police were advising motorists not to stop their vehicles. **RESOLVED the information given, be noted.**

THE MINUTES OF THE MEETING OF THE
RESOURCES COMMITTEE HELD IN THE COUNCIL CHAMBER, SHOTTON HALL,
PETERLEE ON MONDAY 6TH NOVEMBER 2017 AT 6.30PM

PRESENT: COUN A WATSON (CHAIR)

Mesdames:- A C Long, K Hawley, S Simpson, K Liddell, K Duffy, M A Cartwright & S McDonnell

Messrs:- A Wilkinson, R Moore, S Miles, G Carne, S McGlen, C Watkins, T Duffy & S Meikle

The Chairman advised Members of the committee that part of the meeting may be recorded by both audio and video, and it may be that photographs were taken.

45. Apologies for Absence

Apologies had been submitted and accepted from Councillors L Fenwick, R Kyle, (ill), S Kirkup & J Robinson, (work commitments). **RESOLVED the Council approve the reasons submitted for absence received from the Councillors listed, and their apologies for absence be recorded.**

46. To receive declarations of interest

Members were reminded of the need to disclose any interests in items on this agenda, whether pecuniary or otherwise. Councillors Wilkinson, Long and Moore all declared an interest in item 9(a) on the agenda- request for grant funding from Howletch Lane Primary School. **RESOLVED the information given, be noted and the declarations be recorded.**

47. The Minutes of the Last Meeting

Members approved the minutes of the last meeting of this Committee and they were signed as a true and correct record.

48. Internal Audit Reports

The Chair welcomed Stephen Carter, DCC Audit and Fraud Manager, to the meeting to present a progress report relating to the Council's Internal Audit programme. Mr Carter took Members through the report and answered questions from the floor. The Town Clerk gave a verbal update on the action taken by Officers in response to the audit recommendation relating to the pricing policy and the use of the football pitches. Members thanked Mr Carter for his report and congratulated the Town Clerk and his Team for their hard work and efforts. **RESOLVED Members note the outturn position**

on progress made in delivering the internal audit plan for 2017/18 together with that made by managers in responding to the work of internal audit to gain assurance on the adequacy and effectiveness of the internal control environment.

49. Friends of the Apollo Pavilion

Members were asked to consider a suggestion made by Councillor A Watson that the Town Council join the "Friends of the Pavilion" scheme at £30.00 a year following Alison Lister attending a recent meeting and giving an update on the work of the Apollo Pavilion Community Association. Following a vote it was **RESOLVED the Town Council become a Corporate member of the Friends of the Apollo Pavilion at a cost of £30.00 per year.**

50. Audit of Accounts for the year ended 31 March 2017

The Town Clerk advised that the final notice confirming the closure of the accounts from the external auditors, BDO Stoy Hayward, had still not been received. **RESOLVED the information given, be noted.**

51. Review of the Council's Risk Register

RESOLVED this item be deferred to the Council Meeting for consideration.

52. Replacement of Tent on Rugby Club Veranda with a permanent Structure

Permission was requested from the Town Council to remove the temporary gazebo on the veranda and replace it with a permanent roofed structure to provide a more suitable outside area for the club and community. It was agreed that Members view the area and temporary structure during their visit to the club on Thursday 9th November 2017 and the request be then re considered at the Community and Environment Committee to be held on 13 November 2017. **RESOLVED this course of action be agreed.**

53. Requests for grant funding:-

(a)Howlatch Lane Primary School, £500 requested towards the enhancement of indoor and outdoor resources for the nursery department

(Power: Local Government Act 1972, s137) Councillors S McDonnell and K Liddell informed the Committee that they intended to make an award to the school from their fund held as County Councillors. **RESOLVED no grant award be made by the Town Council.**

(b)Haswell & District Mencap, Club & Social Activity Running Costs, £500 requested

(Power: Local Government Act 1972, s 137). **RESOLVED a grant of £500.00 be made to Mencap.**

54. Request for concessionary use of The Pavilion

Members were asked to consider the following applications for concessionary use of Town Council Facilities:-

(a) The Clarke Lister Brain Haemorrhage Foundation, 25 November 2017, Fundraiser

RESOLVED free use of the Pavilion be granted for this event.

(b) Peterlee Newtown, Boys FC, Presentation Night, 8 October 2017 (retrospective)

RESOLVED free use be granted for this Presentation. FURTHER RESOLVED all applications for concessionary use must be received in advance of the function or they would not be considered.

55. CDALC Revised Code of Conduct June 2017

Members were circulated with and recommended to adopt the revised Model Code of Conduct produced by NALC. Members felt the Code should be gender neutral and asked that it be amended to reflect this. **RESOLVED the revised Model Code of Conduct produced by NALC be adopted by the Town Council, subject to it being amended to be gender neutral.**

56. Minutes of the Health & Safety Sub Committee held on 18 September 2017

Members approved the minutes of this Sub Committee and they were signed as a true and correct record.

57. Policy on the Use of Mobile phones and other hand held Devices

Members are recommended to approve the adoption of a new mobile phone policy for the Town Council. **RESOLVED this item be re considered fully at the next Resources Meeting in December 2017.**

THE MINUTES OF THE MEETING OF THE
COMMUNITY & ENVIRONMENT COMMITTEE HELD IN THE COUNCIL CHAMBER, SHOTTON HALL,
PETERLEE ON MONDAY 13TH NOVEMBER 2017 AT 6.30PM

PRESENT: COUN A WATSON (CHAIR)

Mesdames:- L Fenwick, S Simpson, K Duffy, K Hawley & A C Long

Messrs:- G L Carne, R Moore, S Miles, T Duffy, S McGlen &
S P Franklin

Councillor A Watson was nominated to Chair the meeting.

The Chairman advised Members of the committee that part of the meeting may be recorded by both audio and video, and it may be that photographs were taken.

37. APOLOGIES FOR ABSENCE

Apologies had been submitted and accepted from Councillors V Watson, (on holiday), M A Cartwright, K Liddell, (work commitments), S Meikle, J Robinson, (work commitments), C Watkins, A Wilkinson. **RESOLVED the Council approve the reason submitted for absence received from the Councillors listed, and their apologies for absence be recorded.**

38. To receive declarations of interest

Members were reminded of the need to disclose any interests in items on this agenda, whether pecuniary or otherwise. Councillors K and T Duffy declared an interest in item 12(ii) Thorntree Gill Leisure Gardens, being plot holders at the site.

39. Litter

(a) Dean Henry, Civic Pride Officer, Durham County Council

The Chair welcomed Dean Henry who had agreed to come to the Committee meeting to discuss opportunities for more and better joint working between the Town Council and existing DCC litter campaigns in the area. Mr Henry reported on Durham County Council's current activity and the support they could offer to local programmes including public engagement and education in schools etc. With the appropriate notice given, subject to resource being available he felt the County Council could combine and support the Town

Council with local initiatives on litter. There was a question and answer session and in closing the Chair thanked Mr Henry for his attendance and advice to the Committee. **RESOLVED the information given, be noted.**

(b) 'Show a Litter Respect'

A verbal report was to be given by Cllr Scott Meikle about a potential future litter campaign for Peterlee, unfortunately Councillor Meikle was unable to attend the meeting. **RESOLVED the item be considered at a future meeting.**

40. Introduction of controlled fishing - Shotton Hall Pond

Members were asked to approve the recommendation to introduce controlled fishing at Shotton Hall Pond through a syndicate arrangement and day tickets. There was considerable discussion on the proposal and it was suggested a small working party be established to consider the item further and then report back to a future meeting. Members wishing to be involved were Councillors S P franklin, T Duffy, S Miles, G Carne and R Moore. **RESOLVED a further report from the working party be awaited.**

41. The Minutes of the Last Meeting held on 9th October 2017, a copy of which had been circulated, were approved and signed as a true and correct record.

42. Minutes of the Events Working Parties of the 11th October & 25th October 2017

The Minutes from these working parties, copies of which had been previously circulated to each member, were considered. **RESOLVED the contents of these minutes be noted and approved.**

43. Minutes of the Sports & Well Being Sub Committee of the 16th October 2017

The Minutes of the Sports and Well Being Sub Committee, a copy of which had been circulated to each Member, were considered. **RESOLVED the contents of these minutes be noted and approved.**

44. Proposed de-Illumination – Various sites

Members were asked to comment on Durham County Council's proposed de-illumination sites. Several Members had already submitted their concerns on the proposals and there was discussion on the item. **RESOLVED the Town Councils concerns in relation to safety, potential for the increase in crime and anti social behavior be forwarded to Durham County Council on these proposals.**

45. Feedback & Activity Update

The Sports Development Officer's gave a verbal report on several items, including the red bag litter scheme for the sports fields, the community use being provided by the Horden and Peterlee Rugby Club, a carol event organised for 14th December 2017, and the success of the Big Pink Event raising £330 for breast cancer. **RESOLVED the information given be noted.**

46. Durham Skill Mill

The verbal report of the Parks & Horticultural Supervisor on progress with working with the Durham Skill Mill initiative on clearing areas of the Dene Parks was given. This work had been well received by local residents in particular hand and had proved a very positive partnership, one which it was hoped would be developed further with future projects in Peterlee. **RESOLVED the information given, be noted.**

47. Update of the Yoden Quarry Site

The verbal report of the Parks & Horticultural Supervisor on progress with the Yoden Quarry Site initiative was given. **RESOLVED the information given, be noted.**

48. Updates on outstanding items

(i) Cricket Fencing Helford Road

Members were given an update with this project where feedback was awaited from the Safety Officer and the Durham & Darlington Fire Service on the proposed fencing specification. As soon as the feedback had been received the specification would be submitted to Council for approval and then the contract would be given to the open market to price. **RESOLVED the information given, be noted and progress be awaited.**

Councillor K & T Duffy declared an interest in the following item and took no part in the discussion which ensued.

(ii) Thorntree Gill Leisure Gardens

A basic specification for the appointment of an architect/design consultant along with a shortlist of suppliers had been sourced via BLOOM/NEPO as previously agreed by Council, prices would then be sought a reported back to council for consideration. **RESOLVED the information given, be noted and progress be awaited.**

(iii) Lowhills Road Leisure Gardens

The Town Clerk advised he had met with three gardeners from the site and had a very positive meeting, and was now awaiting a draft constitution to be submitted to the Council for endorsement. **RESOLVED the information given, be noted and progress be awaited.**

49. Woodhouse Park - various items including access issues, vandalism, updating of the play areas and increasing community use

This item had been requested by Councillors A Long and R Moore. The Members asked about the status of the public toilets in the Park, the condition of the community building and improving the play equipment in the Park, amongst other items. The Howlatch Residents Association had expressed an interest in supporting and being involved with the Park. Local Ward Members felt it was important that the Park was not only a priority for them as it was in their ward but also for it to be recognised as a Town Park and Facility. **RESOLVED a report be made back to the next meeting on the refurbishment of public toilets in the park. FURTHER RESOLVED a working party be formed, with members of the Residents Association being invited to take part and they come back to Council with suggestions for improvements to the Park.**

50. Replacement of Tent on Rugby Club Veranda with a permanent Structure & Request to upgrade the kitchen equipment

Members gave further consideration of the request received for permission to remove the temporary gazebo on the veranda and replace it with a permanent roofed structure to provide a more suitable outside area for the club and the community. The Club also asked for land lords consent to kitchen equipment, (a new range and kitchen units), being upgraded, at no cost to the Town Council. **RESOLVED the Town Council give formal landlord's approval to the Horden and Peterlee Rugby Club for the works to be undertaken for a roofed structure and improved kitchen facilities.**



PTC MEMBERS' CODE OF CONDUCT

Adopted November 2017

INTRODUCTION

Pursuant to section 27 of the Localism Act 2011, Peterlee Town Council has adopted this Code of Conduct to promote and maintain high standards of behaviour by its members and co-opted members whenever they conduct the business of the Council, including the business of the office to which they were elected or appointed, or when they claim to act or give the impression of acting as a representative of the Council. This Code of Conduct is based on the principles of selflessness, integrity, objectivity, accountability, openness, honesty, and leadership.

PETERLEE TOWN COUNCIL

Model Code of Conduct for Local Councils

Introduction

Pursuant to section 27 of the Localism Act 2011, Peterlee Town Council ('the Council') has adopted this Code of Conduct to promote and maintain high standards of behaviour by its members and co-opted members whenever they conduct the business of the Council, including the business of the office to which they were elected or appointed, or when they claim to act or give the impression of acting as a representative of the Council.

This Code of Conduct is based on the principles of selflessness, integrity, objectivity, accountability, openness, honesty, and leadership.

Promotion and Maintenance of Standards

A member shall:

- familiarise themselves with the Council's Code of Conduct and any other policies or standing orders of the council which relate to members' conduct.
- support the council in the promotion of high standards, and in ensuring access by the public to the Council's records regarding the registration and declaration of member's interests.

Nothing in this Code shall prevent a member from disclosing any other interest if the individual wishes to do so.

Definitions

For the purposes of this Code, a 'co-opted member' is a person who is not a member of the Council but who is either a member of any committee or sub-committee of the Council, or a member of, and represents the Council on any joint committee or joint sub-committee of the Council, and who is entitled to vote on any question that falls to be decided at any meeting of that committee or sub-committee.

For the purposes of this Code, a 'meeting' is a meeting of the Council, any of its committees, sub-committees, joint committees or joint sub-committees.

For the purposes of this Code, and unless otherwise expressed, a reference to a member of the Council includes a co-opted member of the Council.

Member obligations

When a member of the Council acts, claims to act or gives the impression of acting as a representative of the Council, they have the following obligations:-

1. They shall behave in such a way that a reasonable person would regard as respectful.
2. They shall not act in a way which a reasonable person would regard as bullying or intimidatory.
3. They shall not behave in a manner which a reasonable person would regard as likely to bring the Council, or their office as a member of the Council into disrepute.
4. They shall not seek to improperly confer an advantage or disadvantage on any person.
5. They shall use the resources of the Council in accordance with its requirements.
6. They shall not disclose information which is confidential or where disclosure is prohibited by law.
7. They will be required to declare an interest at the meeting, even though that interest may already appear on their Register of Interests. This is to make fellow-members, the press and the public aware of a member's interest, if that member does not articulate it when the council are discussing a relevant matter which affects that interest.

Registration of interests

8. Within 28 days of this Code being adopted by the Council, or the member's election or the co-opted member's appointment (where that is later), they shall register with the Monitoring Officer the interests which fall within the categories set out in Appendices A and B.
9. Upon the re-election of a member or the re-appointment of a co-opted member, they shall, within 28 days re-register with the Monitoring Officer any interests in Appendices A and B.
10. A member shall register with the Monitoring Officer any change to interests or new interests (including sensitive interests) in Appendices A and B within 28 days of becoming aware of it.

A member need only declare the existence but not the details of any interest which the Monitoring Officer agrees is a 'sensitive interest'. A sensitive interest is one which, if disclosed on a public register could lead the member or a person connected with the member to be subject to violence or intimidation.

Failure without reasonable excuse to register a Disclosable Pecuniary Interest (Appendix A Interest) is a criminal offence under the Localism Act 2011 as well as a breach of the Code

Declaration of interests at meetings

11. Where a matter arises at a meeting which relates to an interest in Appendix A the member shall:-

- Declare what their interests are;
- not participate in a discussion or vote on the matter (Localism Act s31(4)).
- If the councils Standing Orders dictate, the member shall leave the room while the matter is being discussed and voted on.

If it is an interest which has not already been disclosed to the Monitoring Officer, the member shall disclose the nature of it and let the Monitoring Officer know of the existence of a new interest within 28 days

12. Subject to the above, where a matter arises at a meeting which relates to an interest in Appendix A which is a sensitive interest, the member shall:-

- Declare an interest but not the nature of it
- not participate in a discussion or vote on the matter (Localism Act s31(4))
- If the councils Standing Orders dictate, the member shall leave the room while the matter is being discussed and voted on.

If it is a sensitive interest which has not already been disclosed to the Monitoring Officer, the member shall disclose they have an interest but not the nature of it and let the Monitoring Officer know of the existence of a new sensitive interest within 28 days.

13. Where a matter arises at a meeting which relates to an interest in Appendix B, the member shall:-

- Declare what their interests are
- They may speak on the matter only if members of the public are also allowed to speak at the meeting.
- not vote on the matter.
- If the councils Standing Orders dictate, once the member has spoken they shall leave the room while the matter is being discussed and voted on.

If they hold an interest in Appendix B which is a sensitive interest not already disclosed to the Monitoring Officer, they shall declare the interest but not the nature of the interest.

14. Where a matter arises at a meeting which relates to a financial interest of a friend, relative or close associate (other than an interest of a person in Appendix A), the member shall

- disclose the nature of the interest.

- They may speak on the matter only if members of the public are also allowed to speak at the meeting.
- not vote on the matter.
- If the councils Standing Orders dictate, once the member has spoken they shall leave the room while the matter is being discussed and voted on.

Dispensations

15. On a written request made to the Council's proper officer, prior to the relevant item being discussed the Council may grant a member a dispensation to participate in a discussion and vote on a matter at a meeting even if they have an interest in Appendices A and B if the Council believes
 - that the number of members otherwise prohibited from taking part in the meeting would impede the transaction of the business; or
 - it is in the interests of the inhabitants in the Council's area to allow the member to take part or
 - it is otherwise appropriate to grant a dispensation.

Appendix A Disclosable Pecuniary Interests

Interests defined by regulations made under section 30 (3) of the Localism Act 2011 and described in the table below. They include interests which are held by the member; their spouse or civil partner, a person with who they are living as husband and wife; or a person with whom they are living as if they are civil partners, and the member is aware that the other person has the interest.

Interests described in the table below.

Subject	Description
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain by the member or by their spouse or civil partner or by the person with whom the member is living as if they were spouses/civil partners.
Sponsorship	Any payment or provision of any other financial benefit (other than from the Council) made to the member during the 12 month period ending on the latest date referred to in paragraph 6 above for expenses incurred by them in carrying out their duties as a member, or towards their election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992 .
Contracts	Any contract made between the member or their spouse or civil partner or the person with whom the member is living as if they were spouses/civil partners (or a firm in which such person is a partner, or an incorporated body of which such person is a director* or a body that such person has a beneficial interest in the securities of*) and the Council — (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.
Land	Any beneficial interest in land held by the member or by their spouse or civil partner or by the person with whom the member is living as if they were spouses/civil partner which is within the area of the Council. 'Land' excludes an easement, servitude, interest or right in or over land which does not give the member or their spouse or civil partner or the person with whom the member is living as if they were spouses/civil partners (alone or jointly with another) a right to occupy or to receive income.

Licences	Any licence (alone or jointly with others) held by the member or by their spouse or civil partner or by the person with whom the member is living as if they were spouses/civil partners to occupy land in the area of the Council for a month or longer.
Corporate tenancies	Any tenancy where (to the member's knowledge)— (a) the landlord is the Council; and (b) the tenant is a body that the member, or their spouse or civil partner or the person with whom the member is living as if they were spouses/civil partners is a partner of or a director* of or has a beneficial interest in the securities* of.
Securities	Any beneficial interest held by the member or by their spouse or civil partner or by the person with whom the member is living as if they were spouses/civil partners in securities* of a body where— (a) that body (to the member's knowledge) has a place of business or land in the area of the Council; and (b) either— (i) the total nominal value of the securities* exceeds £25,000 or one hundredth of the total issued share capital of that body; or (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the member, or their spouse or civil partner or the person with whom the member is living as if they were spouses/civil partners has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

*'director' includes a member of the committee of management of an industrial and provident society.

*'securities' means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

Appendix B

An interest which relates to or is likely to affect:

- (i) any body of which the member is in a position of general control or management and to which they are appointed or nominated by the Council but only when the item under discussion involves potential funding or transfer of assets from the Council to that body.
- (ii) any body—
 - (a) exercising functions of a public nature;
 - (b) directed to charitable purposes; or
 - (c) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union)

of which the member of the Council is a member or in a position of general control or management;

any gifts or hospitality worth more than an estimated value of £50 which the member has received by virtue of their office.

Item 11: Review of the Town Council's Approach to Risk and Risk Register

Report to: Peterlee Town Council

Date: 27th November 2017

Subject: Review of the Town Council's approach to risk and Risk Register

Report of: Ian Morris, Town Clerk

Purpose: This report is intended to provide Members with an overview of the Council's approach to managing risk, outline the key internal risk controls, and to carry out the annual review of the Council's Risk Register as required by regulation.

Introduction: The document 'Governance and Accountability for Smaller Authorities in England: A Practitioner's Guide to Proper Practices to be applied in the preparation of statutory annual accounts and governance statements' (March 2017)¹ defines risk and risk management thus:

"Risk is an uncertain event or condition that, if it occurs, will have an effect on the achievement of an authority's objectives. Risk management is the process whereby authorities methodically address the risks associated with what they do and the services which they provide. The focus of risk management is to identify what can go wrong and take proportionate steps to avoid this or successfully manage the consequences. Good risk management allows stakeholders to have increased confidence in the authority's corporate governance arrangements and its ability to deliver its priorities.

*Risk management is not just about financial management; it is about protecting the achievement of objectives set by the authority to deliver high quality public services. The failure to manage risks effectively can be expensive in terms of litigation and reputation, and can impact on the ability to achieve desired outcomes. The authority generally and members individually are responsible for risk management."*²

In the Annual Governance Statement (AGS) that the Council submits each year as part of its annual financial returns, the Council is required to make an assertion about Risk Management as follows:

Assertion 5: Risk Management

We carried out an assessment of the risks facing this smaller authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.

¹ see: <https://www.nalc.gov.uk/library/publications/2405-governance-and-accountability-for-smaller-authorities-in-england-2017-sections-1-5/file>

² Governance and Accountability for Smaller Authorities in England)March 2017), ss5.87-5.88

This report is intended to provide information to Members about the current assessment of risks facing the authority and the controls that are in place to manage those risks.

The Town Council identifies, records, controls and manages risk through multiple activities that include:

What we do	What this does
Maintaining and reviewing a Strategic Risk Register	Identifies the key risks facing the council and the controls in place to mitigate those risks
Providing Strategic Risk Management training for managers of council services	Makes sure that our Managers have an up to date appreciation of risk and risk management
Deploying an annual internal audit programme that is predicated on risk and risk controls	Adds two layers of risk control: the first layer being that the annual internal audit programme is planned on key risk areas; the second layer is that each individual internal audit goes through a 'Control Risk Assessment (CRA) process that is based on detailed risk assessment of each service activity/process being audited.
Including identification of risk in all key decisions including budget setting.	Ensures that Officers and Members take account of risk when making key decisions about the council's resources and services.
Basing our Insurance arrangements of key risk areas to the Council	Ensures that the Council adequate insurance cover for the financial impact of key risks as well as access to specialist risk advice, for instance Risk Engineering assessments of Shotton Hall.
Outsourcing specialist advice on specific risk areas: DCC (Health & Safety; Internal Audit & Risk); Zurich (Risk Engineering); Hutton Fire (Building specific fire risk assessments & plans)	Provides access to specialist H&S advice and support from trained professionals for service managers. Can also be utilised for specific risk controls eg advising on risk approach to opening up of parks & play areas or fire plans for our main buildings

Risk Register: A copy of the Council's Corporate Risk Register is attached as Appendix 2 to this report.

The risk register was initially developed in conjunction with a risk specialist from the Council's insurers in 2015. The Town Council's SMT has reviewed the risk matrix and recommends that Members take this opportunity to review and adopt the matrix in the form presented here.

The risk assessment will be reviewed by SMT on a regular basis and any significant deviations will be reported to Council and/or Resources Committee.

Audit: Members will recall from the recent presentation by the DCC Internal Audit Manager that the entire internal audit process is predicated on the identification, control and monitoring of risk.

The annual audit plan is based on identified risk areas for Council in terms of finance, governance and service delivery. A summary copy of the Town Council’s internal audit plan for 2017/18 is provided in appendix 3 to this report.

Each separate Internal Audit is then subject to a separate detailed Critical Risk Assessment (CRA) which looks at specific risks to the service area and suitable evidenced controls. An example of a CRA is attached as appendix 4 to this report.

Training: In July 2017 the DCC Internal Audit & Risk team delivered a bespoke risk training session for the Council’s Management Team. The full day session incorporated structured activities including the nature of risk; risk management processes; a worked risk assessment example; risk management frameworks; a review of the Town Council risk register; and tools and techniques for dealing with operational risk.

Outsourcing: The Town Council is a relatively small public sector organisation and does not have the resources to directly employ qualified risk specialists. Instead the Council has taken a pragmatic approach and established formal SLAs/contracts with specialist providers to advise the council on specific risk areas. Current SLA/contracts in place include:

Organisation	Services
Durham County Council	Internal Audit & Risk Health & Safety Human Resources Corporate Procurement
Zurich Municipal	Insurance, including insurance-related risk engineering
Hutton Fire	Building-specific fire risk assessments and fire plans

Insurance: The Town Council reviewed and renewed its insurance arrangements with one of the largest local authority insurance providers in March 2017, with support from . Current insurance cover includes:

- Public Indemnity
- Pollution/products Indemnity
- Employers' Liability
- Motor Insurance
- Business travel insurance
- Local Council insurance (includes: material damage; business interruption; play equipment; civic regalia; CCTV; lighting; hired plant; IT equipment; furniture; cash on premise; fidelity guarantee; libel and slander; legal expenses and uninsured loss recovery)

Conclusion: Regulations require that the Town Council adopt, deliver and review a system of internal controls for the identification and control of risk. This report has provided a summary of some of the different ways that the Council meets the requirement, from a high-level corporate register of key risks and controls, through to detailed investigation of risk controls at the internal audit level.

The Council continues to bring in external support to enable it to control and mitigate risk, including formal SLAs in a number of specialist areas and through comprehensive insurance provision.

The Council also routinely reviews and amends its key governance documentation including Standing Orders, Financial Regulations, Code of Conduct (for Officers and Members), Scheme of Delegation and a wide range of operational policies and procedures.

Recommendation: Members are recommended to note the contents of this report and to review and approve the Council's corporate risk matrix (as provided in appendix 2 to this report).

APPENDIX 1: IMPLICATIONS

Finance – none

Staffing – none

Risk – This report sets out the Town Council’s approach to identifying and managing risk

Equality and Diversity, Cohesion and Integration – none

Crime and Disorder – none

Consultation & Communication – none

Procurement – none

Legal – none

APPENDIX 2: RISK MATRIX

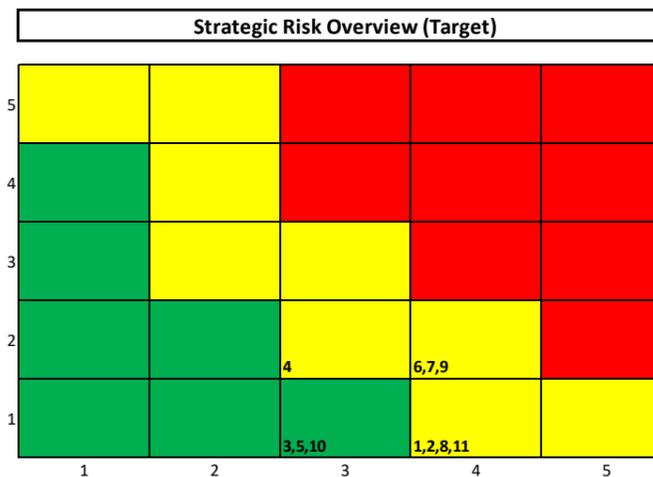
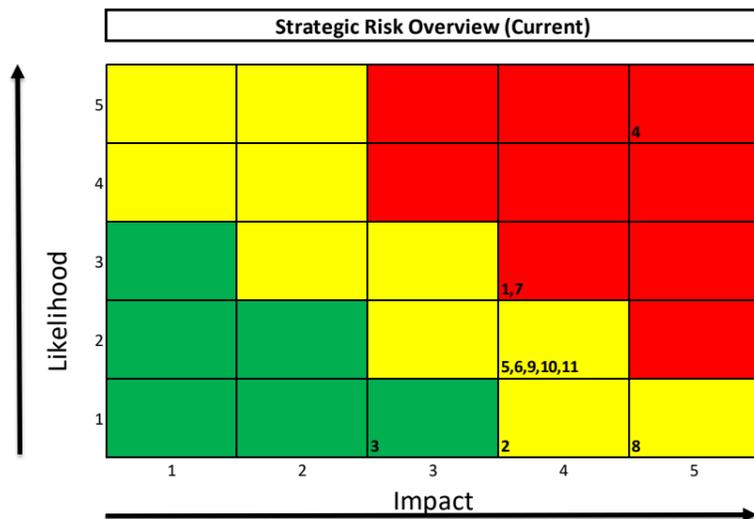
REF	RISK TITLE (HEADLINE)	CAUSE	CONSEQUENCE	GROSS RISK RATING			CURRENT WORKING CONTROLS	CURRENT RISK RATING			FURTHER ACTION REQUIRED	TARGET COMPLETION DATE(S)	TARGET RISK RATING			RISK LEAD (initials)
				LIKELIHOOD	IMPACT	RISK RATING (LxI)		LIKELIHOOD	IMPACT	RISK RATING (LxI)			LIKELIHOOD	IMPACT	RISK RATING (LxI)	
1	Corporate Strategy	The Council fails to develop, implement and monitor a suitable Corporate Strategy.	Lack of focus, no clear sense of direction; Priorities not defined/understood; Prevents effective business planning; Inappropriate resource allocation; Wasted resource; No measure of success; Poor public perception			0	There is no Corporate Plan in place.	3	4	12	Members have agreed that the Council will develop a new Corporate Strategy during 2017/18, following the staffing restructure.	Mar-18	1	4	4	IM
2	Successful Events	The Council fails to employ a suitable number of experienced and competent staff to deliver successful events; Events are held at short notice with allowing sufficient time to suitably plan and resource the event; The Council are unaware of or have insufficient resource to monitor and review "third party" events taking place on Council land.	Poorly organised events that fail to attract visitors; Financial impact - loss of income; cost overruns; Accident or injuries; Negative publicity - seen as wasting public money; Unsuitable events take place on Council land			0	The Council has employed an events coordinator who has robust processes and controls for major town events. Controls include health and safety, risk assessment, appointment of competent contractors, Safety Advisory Group membership. Etc the 2017 internal audit of events returned a 'substantial assurance' report.	1	4	4	work is ongoing to better coordinate Town Events with wider events such as social events at Shotton Hall and sporting/wellbeing events e.g. at the Helford Road Pavilion. Specific provision is to be made in the new Council structure for capacity for marketing and communications.	Mar-18	1	4	4	IM/JH
3	Sports funding	The Council fails to respond to reductions in Sports funding due to government and governing body cuts.	Opportunities to identify additional funding streams missed; Continue to try and deliver the same service with less financial resource - resulting in reduction in quality of existing service; Increased pressure on staff; Lack of focus - "trying to achieve everything"			0	The Sports Development Officer and Town Clerk have fortnightly 1:1s that include reviewing current and potential future sports funding opportunities. In2016/7 the department has exceeded budget targets for attracting funding. New funding opportunities are routinely identified.	1	3	3	Continuing work by the SDO to identify new opportunities for sustainable sports funding in line with agreed priorities.	ongoing	1	3	3	SP

4	Asset Management	The Council fails to develop a suitable asset management strategy;	Poor asset condition; Inappropriate and/or wasteful investment; Inappropriate decisions on asset sales leading to loss of revenue; Negative community impact; Reputation damage;			0	The Council does not have an asset management strategy in place	5	5	25	Town Clerk has commenced negotiations with Durham County Council assets team for support with Asset Register and Asset Management Strategy	Mar-18	2	3	6	IM
5	Workforce	The Council fails to effectively manage the ageing workforce profile; The Council fails to effectively manage key person dependencies; The Council fails to implement suitable workforce development programmes;	Loss of valuable knowledge, skills and experience; Negative impact on employee health and wellbeing; Increased sickness absence; Reduced morale; Reduced productivity; Increased staff turnover; Unable to attract new staff			0	during 2016/17 basic training was carried out for all staff including food safety (for relevant staff), COSHH and manual handling. All staff have also received absence management and code of conduct training. Regular Team meetings are in place across the council structure. Significant progress has been made on reviewing and adopting a range of new policies including absence management, no smoking, mental health and wellbeing, code of conduct, etc.	2	4	8	Restructure in 2017 should address existing shortfalls in staffing numbers and realign workforce with existing and future priorities. The introduction of a formal Appraisal and Personal Development process will also enable improved morale and management capability.	Mar-18	1	3	3	IM & SMT
6	Partnership Working	The Council fails to fully embrace and develop partnership working; The Council fails to manage risks associated with partnership working	Missed opportunities; Misalignment of objectives and outcomes - Council v Partner - conflict of interest; Drain on Council resources - time and effort in building partnerships; Additional costs arise through lack of implementation planning; Negative reputation impact - failure of partner = failure of Council			0	Opportunities for partnership working are routinely discussed at the Council's SMT meetings and in Management 1:1s. The Council also scrutinises formal proposals for partnership working, e.g. a new arrangement to work with CAB East Durham in 2016/17 with additional funding and a clear SLA; new partnership with Skill Mill Durham for environmental improvements Oct-18; etc	2	4	8	n/a		2	4	8	IM & SMT

7	Sports and Play	The Council fails to develop and implement a suitable Sports and Play Strategy;	Lack of clear direction and focus and priorities not identified; Misdirected resources; Additional funding opportunities missed; Sports/Play provision fails to meet the needs or expectations of the community; Under used sports and play facilities; Sports and [play environments deteriorate			0	The Council does not have a sports and play strategy in place	3	4	12	The Council's Scrutiny Committee has considered a set of reserves policy that includes provision for a substantial Parks & Play Area Strategy in 2017/18 that will mitigate elements of this risk. The Council has formed a Play Area Working Party to lead on this work and it met for the first time in August 2017.	Mar-18	2	4	8	IM, BA, SO
8	Financial Management	The Council fails to implement robust financial management and control of budgets; The Council sets budgets based on historical data and anticipated spend but with little room for unforeseen changes	Poor use of finances; Budget over/under spend; Service provision reduced; Increased Council Precept; Reliance on income investment to balance budget			0	The Council reviewed its Financial Regulations and Scheme of Delegation in 2016/17 in consultation with Internal Audit and DCC Corporate Procurement. They were reviewed again in July 2017. In Addition, Internal Audit review of Financial Controls has resulted in many significant improvements to internal processes including control of debit card, cash collection, and various areas of record keeping, and these have been implemented, resulting in an improvement from 'limited' to 'moderate ' assurance levels	1	5	5	Ongoing use of Internal Audit to review key services and systems, with regular updates on progress reported to Council. SMT to continue to monitor budget expenditure on 1/4ly basis, with exception reports to Council/Resources Committee as appropriate.	Mar-18	1	4	4	IM
9	Legal Challenge	A governance review of the Town Council is undertaken (by the County Council) in response to a petition from the local community or on the County's own initiative.	Additional time spent by officers responding to review Uncertainty for staff Additional cost to implement recommendations Merger with another Town Council			0	The Town Clerk and SMT work to ensure that all decisions that go in front of the Council and its committees are lawful and appropriate.	2	4	8	n/a		2	4	8	IM

10	Commerciality	<p>The Council fails to actively promote its services and facilities with the local Community.</p> <p>The Council fails to actively identify potential/additional income streams and/or fails to maximise revenue generation.</p>	<p>Community fails to recognise the benefits/support provided by the Town Council</p> <p>Services/facilities not used</p> <p>Missed opportunities to generate additional income</p> <p>Over reliance on public funding (precept)</p>			0	<p>during 2016/17 more resources have been put into development of new packages and promotions for Shotton Hall, in conjunction with our catering partners Oldfields. This has resulted in increasing levels of bookings and income.</p>	2	4	8	<p>The councils catering contract will be reviewed during 2017/18 and go out to procurement for a new arrangement to be in place by October 2018. The staffing restructure in 2017 will include additional resource for marketing and communication for the council's commercial activity. Work has also begun to explore the budgetary treatment of the Council's commercial operations - i.e. Shotton Hall and the Pavilion - with a view to getting greater clarity of the net contributions of these facilities in the 2018/19 financial year.</p>	Mar-18	1	3	3	IM
11	Health and Safety	<p>The Council fails to ensure an effective safety management system.</p>	<p>Accident or Injuries</p> <p>Lost time following accidents</p> <p>Increased costs - investigation costs, fines, compensation claims.</p> <p>Enforcement action</p>			0	<p>Health and Safety and other forms of risk assessments in place for main council functions; Health and Safety committee in place to review H&S incidents/issues; Insurance contract reviewed in 2016/17 included review of key risks and exposure.</p>	2	4	8	<p>ongoing need to review risk assessments on a regular basis; new structure to more clearly identify H&S and other risk responsibilities;</p>	<p>Fire Risk Assessments complete by end Dec -18; Park & Play Area by end Dec-18</p>	1	4	4	IM & SMT

Risk Summary:





Very High

Consideration to be given to whether the risk can be accepted, transferred or avoided. If accepted swift action required.



High

Consideration to be given to whether the risk can be accepted, transferred or avoided - if accepted requires a SMART action plan to implement mitigating actions.



Low

Consideration required challenging whether risk is "over controlled". Some controls may require removing or resources redirected to focus on high priorities.

APPENDIX 3 : PTC INTERNAL AUDIT PLAN 2016 - 2019

INTERNAL AUDIT SERVICES	Yr 1	Yr 2	Yr 3
STRATEGIC AUDIT PLAN	2016/17	2017/18	2018/19
Corporate Governance Risks			
Corporate Governance Arrangements	X	X	X
Risk Management Arrangements	X	X	X
Financial Management			
Key Financial Systems e.g. Accounts Payable, Accounts Receivable, Payroll, Income Collection and Banking, Main Accounting and Budgetary Control.	X	X	X
Pavilion	X		X
Parks General (including lettings)	X		X
Bar and Catering (Shotton Hall only)		X	
Capital		X	
Activities and Events		X	
Allotments Allotments Follow Up	X	X	
Cemetery			X
Management			
Service Support	X	X	X

APPENDIX 4: EXAMPLE CONTROL RISK ASSESSMENT FOR INTERNAL AUDIT

Risk Ref	Obj.	Risk	Risk Type(s)	Potential Impact	I	L	R	Expected Controls	In Scope Y/N	Actual Controls	Control Adequate Y/N	Improvement Identified	Assurance Source & Date Reviewed
INCOME AND DEBTORS													
01	1,4	Income is not accounted for/misappropriated.	Financial Management	Loss of monies.	Major	Possible	Medium	There is a list of charges to cover all services provided that has been formally agreed and is regularly reviewed.	Y				
			IT	Fraud/theft.				Debtor accounts are raised promptly following the receipt of an authorised request, are in accordance with agreed charges and are supported by the relevant paperwork.	Y				
			Fraud and Corruption	Reputational damage.				There is a debt recovery process in place for unpaid accounts and this is adhered to.	Y				
				Non compliance with Financial policies and procedures.				Uncollectable debts are written off in accordance with procedures and are appropriately authorised.	Y				
				All income received is appropriately recorded inc cash and cheques by post and in person, dr/cr cards etc				Y					
				Income is securely held prior to banking.				Y					

Risk Ref	Obj.	Risk	Risk Type(s)	Potential Impact	I	L	R	Expected Controls	In Scope Y/N	Actual Controls	Control Adequate Y/N	Improvement Identified	Assurance Source & Date Reviewed
								Income is banked in a timely manner.	Y				
								There are secure banking arrangements in place.	Y				
								Income is appropriately reconciled to GL and bank account.	Y				
ORDERING AND PAYMENTS													
02	2,4	Unauthorised orders and payments are made.	Financial Management IT Fraud and Corruption	Overspent budgets. Inappropriate spend. Fraud/theft. Poor VFM. Loss of monies.	Major	Possible	Medium	Orders are authorised by the budget holder prior to being raised	Y				
								Delivery notes are held on file for all goods received.	Y				
								Creditor invoices are matched to purchase orders, to delivery notes, and are appropriately authorised prior to being paid.	Y				
								All orders are made in line with contract procedure rules and financial thresholds.	Y				

Risk Ref	Obj.	Risk	Risk Type(s)	Potential Impact	I	L	R	Expected Controls	In Scope Y/N	Actual Controls	Control Adequate Y/N	Improvement Identified	Assurance Source & Date Reviewed
								A record is held detailing all petty cash spend.	Y				
								<p>The payment card is held in the safe when not in use and a control record is maintained for the issuing of the card to the employee.</p> <p>Access to the safe is restricted to authorised personnel.</p> <p>Appropriate maximum spending limits have been pre-set on each card for</p> <p>a) each transaction</p> <p>b) each billing cycle</p> <p>Receipts are presented for each transaction and reconciled to the monthly statement.</p>	Y				
								A record of all floats is maintained, balances are checked, and monitored for correct use and appropriateness.	Y				

Risk Ref	Obj.	Risk	Risk Type(s)	Potential Impact	I	L	R	Expected Controls	In Scope Y/N	Actual Controls	Control Adequate Y/N	Improvement Identified	Assurance Source & Date Reviewed
PAYROLL													
03	3,4	Staff are unaware of the payroll procedures to follow.	Performance management	Loss of staff motivation.	Major	Possible	Medium	The organisation's financial regulations/rules define payroll responsibilities.	Y				
			Financial management	Inconsistencies in treatment.				The organisation has established written payroll procedures for all areas of operation.	Y				
			People	Confusion over duties and responsibilities.				Payroll procedures ensure that payments are not made unless specified employee information has been provided.	Y				
			IT	Employees under- or overpaid.				Payments in respect of mileage are only made to staff insured for business use, upon receipt of a suitably detailed and authorised claim, supported by receipts.	Y				
				Reputational damage				Travel, subsistence, and civic expenses claim are made on appropriate documentation, supported by receipts and appropriately authorised before payment.	Y				
								Payroll procedures have been communicated to all staff.	Y				

Risk Ref	Obj.	Risk	Risk Type(s)	Potential Impact	I	L	R	Expected Controls	In Scope Y/N	Actual Controls	Control Adequate Y/N	Improvement Identified	Assurance Source & Date Reviewed
								Staff are aware of, and appropriately trained in Data Protection Act (DPA), equalities and diversity, health and safety, the DCC officers code of conduct, declarations of interest, dealing with complaints, whistle blowing arrangements, etc.	Y				
								Procedures are reviewed on a regular basis to confirm they are up to date.	Y				
04	3,4	Payroll payments are not in accordance with the authorised establishment	Financial management Fraud & Corruption	Fraudulent payments are made. Incorrect and unauthorised payments Reputation Damage	Major	Possible	Medium	The organisation's establishment is authorised by the managing body.	Y				
								Procedures ensure that data is only processed where authorised posts exist.	Y				
								Post gradings are controlled independently of payroll.	Y				
								All data changes are approved by an authorised signatory.	Y				
								Exception reports are regularly produced and independently examined.	Y				
								Payments made against permanent adjustment codes periodically reviewed.	Y				

Risk Ref	Obj.	Risk	Risk Type(s)	Potential Impact	I	L	R	Expected Controls	In Scope Y/N	Actual Controls	Control Adequate Y/N	Improvement Identified	Assurance Source & Date Reviewed
05	3,4	Payroll transactions are not initiated and recorded promptly	Performance management	Employees receive late payments	Major	Possible	Major	Timetables have been established for the payroll process and are adhered to.	Y				
			Financial management	Leavers continue to be paid.				All staff have been made aware of deadline dates.	Y				
			Fraud & corruption	New employees are not paid.				All documentation received is input onto the payroll system in a timely manner.	N				DCC Payroll Audit 2015/16
				Reputational damage				Checklists have been developed covering all required tasks that need to be carried out and are utilised by all staff	N				DCC Payroll Audit 2015/16
06	3,4	Payroll payments are incorrectly calculated	Performance management	Over or underpayments occur.	Major	Possible	Medium	All salary payments correspond to authorised documentation received from Peterlee Personnel.	Y				
			Financial management	Loss of monies.				Where employees start/leave during the month, appropriate pay calculations have been undertaken.	Y				
			Fraud & corruption	Fraudulent payments are made.				Authorised documentation is on file for all non-statutory deductions to pay.	Y				

Risk Ref	Obj.	Risk	Risk Type(s)	Potential Impact	I	L	R	Expected Controls	In Scope Y/N	Actual Controls	Control Adequate Y/N	Improvement Identified	Assurance Source & Date Reviewed
			IT	Reputation Damage				Controls are in place to ensure that any requests for additional payments/variations to pay are only actioned if they are on official forms and have been properly authorised.	Y				
								All leavers forms are promptly received and actioned, including all additional payments in lieu/deductions from pay.	Y				
								Appropriate manual checks are carried out when calculating maternity/paternity pay to ensure that any outstanding enhancements (relating to the previous month) are paid when due.	Y				
								Checks and reconciliations are undertaken to ensure the validity of the system and data.	Y				
								All amendments to standing data (e.g. Pay Awards/Tax/NI/Increments) are input by one officer and checked by a second independent officer. Notification passed to DCC for input	Y				
07	3,4	Payroll payments are not made	Staff do not receive payment	Employees receive late payments	Major	Possible	Medium	Submission of BACS files verified by an independent employee. The production of cheque runs are checked by an independent officer.	Y				
				Reputational damage				Timesheets are batched and entered promptly.	N				DCC Payroll Audit 2015/16

Risk Ref	Obj.	Risk	Risk Type(s)	Potential Impact	I	L	R	Expected Controls	In Scope Y/N	Actual Controls	Control Adequate Y/N	Improvement Identified	Assurance Source & Date Reviewed
								Appropriate contingency arrangements are in place in the event of a system failure.	Y				
08	3,4	Inadequate financial management within the service	Performance management Financial management	Budget overspent leading to inadequate performance within the service. Impact on service provision.	Major	Possible	Medium	The payroll budget is allocated to a nominated budget holder.	Y				
								The Payroll system is reconciled to the financial management system and bank account to ensure that all payment details have been correctly transferred to the general ledger	Y				
								The payroll suspense account is regularly reviewed and cleared.	N/A				DCC Payroll Audit 2015/16
								Data exported from the Payroll system cannot be amended prior to upload into the GL	N/A				DCC Payroll Audit 2015/16
09	3,4	The organisation does not comply with HMRC, Department for Work and Pensions and superannuation scheme requirements.	Legislation	Fines incurred for non-compliance with legislation and regulations. Statutory deductions made incorrectly. Deductions not paid over to relevant	Critical	Possible	High	Tax parameters have been correctly input into the payroll system.	N				DCC Payroll Audit 2015/16
								Correct tax/pay periods are used.	Y				
								Sufficient information is received to ensure that appropriate tax /NIC legislation is applied to the complex areas of payments, for example termination payments	N				DCC Payroll Audit 2015/16
								Appropriate systems are in place to identify any self-employed contractors, contractors paid off payroll, appointees, personal service companies.	Y				

Risk Ref	Obj.	Risk	Risk Type(s)	Potential Impact	I	L	R	Expected Controls	In Scope Y/N	Actual Controls	Control Adequate Y/N	Improvement Identified	Assurance Source & Date Reviewed
				organisations on time. Confusion over superannuation fund membership. Reputation Damage				A timetable has been developed to document key dates of submission of information to HMRC, including end of year information, and providing information to employees and this is adhered to.	Y				
								Accurate payments of PAYE are made to HMRC by the due date.	Y				
								P35 (Year end) totals are balanced to payments made to HMRC	Y				
								EAS and FPS information is sent to HMRC for each pay run using EDI and confirmation of submission is received.	Y				
BUDGETARY CONTROL													
10	4	Budgets are not allocated in accordance with the priorities of the council.	Financial Management Performance Management	Stakeholder expectations are not met. Resources are not allocated in accordance with stakeholder expectations.	Critical	Possible	High	Financial procedure rules stipulate responsibilities for budget setting and approving of the budget. (Financial Regulations June 2014, Section 4 – Budgetary Control and Authority to Spend)	Y				
								The approved budget is appropriately disaggregated under delegated powers to each service grouping by way of identified cost codes.	Y				

Risk Ref	Obj.	Risk	Risk Type(s)	Potential Impact	I	L	R	Expected Controls	In Scope Y/N	Actual Controls	Control Adequate Y/N	Improvement Identified	Assurance Source & Date Reviewed
				Impact on ability to deliver key priorities. Restricted ability to deliver resources. Link between resources and outputs aren't identified.				Virements are made only with prior approval in line with corporate policy. Adequate reserves are maintained to allow for unexpected expenditure in line with the needs of the council.	Y Y				
11	4	Budget and actual financial information is inaccurate.	Financial Management Performance Management	Budget is likely to be overspent. Committed expenditure is not in line with priorities. Reputational damage.	Major	Possible	Medium	Timetables are in place to ensure relevant financial information is recorded on the FMS in a timely manner. Validation checks on the FMS to ensure correct coding of income/expenditure. Reconciliation of the approved budget to the budget on FMS to ensure accurate entry. Access to amend budget information is restricted to authorised officers. Regular budget monitoring meetings with responsible budget holders.	Y Y Y				
12	4	Budget performance is not monitored.	Financial Management	Budget is likely to be overspent.	Major	Possible	Medium	Budgets are broken down to an appropriate level to allow adequate monitoring to take place.	Y				

Risk Ref	Obj.	Risk	Risk Type(s)	Potential Impact	I	L	R	Expected Controls	In Scope Y/N	Actual Controls	Control Adequate Y/N	Improvement Identified	Assurance Source & Date Reviewed
			Performance Management	Committed expenditure is not in line with priorities.				Disaggregated budgets are assigned to individual budget holders in line with the management structure.	Y				
				Restricted ability to transfer resources between activities				Budget targets are communicated to budget holders.	Y				
				Reputational damage.				Staff have the necessary skills and support to undertake budget monitoring responsibilities on a monthly basis.	Y				
								Consistent budget information is provided to all budget holders on a monthly basis to allow effective monitoring to take place.	Y				
								Appropriate action taken to remedy adverse variances.	Y				
								The financial position and any financial issues are regularly reported to council.	Y				
								The short and long term financial position and financial issues are regularly reported to council.	Y				
ASSET REGISTER													
13	5	Asset and Investment registers are inaccurate.	Financial Management Performance Management	Qualification of final accounts	Critical	Possible	High	An Asset and Investment policy is in place and includes the treatment of acquisitions, disposals, and depreciation, and complies with the Cipfa code of practice.	Y				

Risk Ref	Obj.	Risk	Risk Type(s)	Potential Impact	I	L	R	Expected Controls	In Scope Y/N	Actual Controls	Control Adequate Y/N	Improvement Identified	Assurance Source & Date Reviewed
								The asset and investments registers are reviewed on a periodic basis for completeness and accuracy.	Y				
								Acquisitions and disposals are reported to finance to ensure that they are appropriately recorded in the register.	Y				
								The asset register is updated with capital/fixed asset expenditure where appropriate.	Y				
								Appropriate documentation to support ownership, value, terms etc is retained for assets and investments where necessary.	Y				