

PORTLAND TOWN COUNCIL

Council Offices
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22nd June 2016

Dear Councillor

You are hereby summoned to attend an **ADDITIONAL TOWN COUNCIL MEETING**, to be held in **PETER TRIM HALL, ST. GEORGE'S CENTRE, REFORNE**, on **WEDNESDAY, 29TH JUNE 2016**, commencing at **6.30 pm** when the business set out below will be transacted.

It should be noted that it is the Council's intention that all meetings of the Council and its Committees be recorded aurally.

Yours faithfully

Ian Looker
Town Clerk

AGENDA

- 1. Chairman's Welcome**
- 2. Prayers**
- 3. Apologies for Absence**
- 4. Declarations of Interest** – to receive any declarations from Councillors or Officers of personal or prejudicial interests regarding matters to be considered at this meeting, together with a statement on the nature of those interests.
- 5. Open Forum**
Public Question Time
- 6. Financial Matters**
 - a) Annual Return, 2015/16** – to approve (see attached)
 - b) Auditor's Final Report, 2015/16** – to consider (to follow)
- 7. Exclusion of Press & Public** (discretionary)
“That pursuant to the provisions of Section 1(2) of the Public Bodies (Admission to Meetings) Act 1960, the press and public be excluded from the meeting for Agenda Item(s) ... by reason of the confidential nature of the business to be transacted.”
- 8. Date of Next Meeting**
The next scheduled meeting of the Town Council is due to take place at the Peter Trim Hall on Wednesday, 13th July 2016, starting at 7.00 pm.

Section 1 – Annual governance statement 2015/16

We acknowledge as the members of:

Enter name of

smaller authority here:

PORTLAND TOWN COUNCIL

our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2016, that:

	Agreed		'Yes' means that this smaller authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.			prepared its accounting statements in accordance with the Accounts and Audit Regulations.
2. We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.			made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and proper practices that could have a significant financial effect on the ability of this smaller authority to conduct its business or on its finances.			has only done what it has the legal power to do and has complied with proper practices in doing so.
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.			during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.
5. 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.			considered the financial and other risks it faces and has dealt with them properly.
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.			arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.
7. We took appropriate action on all matters raised in reports from internal and external audit.			responded to matters brought to its attention by internal and external audit.
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this smaller authority and, where appropriate have included them in the accounting statements.			disclosed everything it should have about its business activity during the year including events taking place after the year-end if relevant.
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	NA
			has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.

This annual governance statement is approved by this smaller authority and recorded as minute reference:

dated

Signed by:

Chair

dated

Signed by:

Clerk

dated

*Note: Please provide explanations to the external auditor on a separate sheet for each 'No' response. Describe how this smaller authority will address the weaknesses identified.

Section 2 – Accounting statements 2015/16 for

Enter name of
smaller authority here:

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	Year ending		Notes and guidance
	31 March 2015 £	31 March 2016 £	
1. Balances brought forward	64,641	67,886	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.
2. (+) Precept or Rates and Levies	50,222	50,723	Total amount of precept or (for IDBs) rates and levies received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	7,692	11,610	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
4. (-) Staff costs	23,033	30,333	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on the smaller authority's borrowings (if any).
6. (-) All other payments	31,636	34,997	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	67,886	64,889	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6)
8. Total value of cash and short term investments	67,886	64,889	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.
9. Total fixed assets plus long term investments and assets	81,988	81,988	The original Asset and Investment Register value of all fixed assets, plus other long term assets owned by the smaller authority as at 31 March
10. Total borrowings	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	The Council acts as sole trustee for and is responsible for managing Trust funds or assets. N.B. The figures in the accounting statements above do not include any Trust transactions.
		✓	

I certify that for the year ended 31 March 2016 the accounting statements in this annual return present fairly the financial position of this smaller authority and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer

Date

I confirm that these accounting statements were approved by this smaller authority on this date:

and recorded as minute reference:

Signed by Chair of the meeting approving these accounting statements.

Date

Annual internal audit report 2015/16 to

Enter name of
smaller authority here:

PORTLAND TOWN COUNCIL

This smaller authority's internal audit, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ended 31 March 2016.

Internal audit has been carried out in accordance with this smaller authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this smaller authority.

Internal control objective	Agreed? Please choose only one of the following		
	Yes	No*	Not covered**
A. Appropriate accounting records have been kept properly throughout the year.	✓		
B. This smaller authority met its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This smaller authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	N/A		
G. Salaries to employees and allowances to members were paid in accordance with this smaller authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.		✓	
I. Periodic and year-end bank account reconciliations were properly carried out.		✓	
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
			✓

For any other risk areas identified by this smaller authority adequate controls existed (list any other risk areas below or on separate sheets if needed)

Name of person who carried out the internal audit ROSIE BRACKIN-MILLER LLG(HWS) FEA

Signature of person who carried out the internal audit [Signature] Date 14/06/2016

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned, or, if coverage is not required, internal audit must explain why not (add separate sheets if needed).

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Bank Reconciliation as at 31.3.16

Bank Balances at 1.4.15

Current	500.00
Premier Interest	38,995.62
Fixed Term	27,000.00
Nationwide 900 Years	2,463.41
	<u>68,959.03</u>

Less cheques for 14/15 presented in 15/16	1,073.15
	<u>67,885.88</u>

Plus receipts	62,333.33
	<u>130,219.21</u>

Less payments	65,329.74
	<u>£64,889.47</u>

Bank and Other Balances at 31.3.16

Current	500.00
Premier Interest	39,257.58
Fixed Term	28,000.00
Nationwide 900 Years	2,468.35
	<u>70,225.93</u>

Less cheques drawn but not presented

Cheque no. 3408	19.80	
Cheque no. 3410	1.50	
Cheque no. 3462	43.98	
Cheque no. 3463	25.50	
Cheque no. 3470	5,245.68	
	<u>5,336.46</u>	
		<u>£64,889.47</u>

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RECEIPTS

2014/15		2015/16
£		£
50,222	Precept	50,723.00
4,751	Discount Grant	3,390.00
2,000	Fair	1,375.00
-	Hire of Hall Refund	801.25
238	Interest	73.74
0	Neighbourhood Plan	2,500.00
81	Other	70.00
622	VAT	3,400.34
57,914		62,333.33

PAYMENTS

2014/15		2015/16
£		£
23,033	Salaries	30,332.78
358	Advertising	219.40
1,234	Audit	1,376.76
1,525	Civic Expenditure	955.97
636	Computer Equipment	0.00
21	Computer Software	39.44
295	IT Support	175.00
0	Contingency	0.00
-	Council Offices	162.50
5,850	Elections	4,210.00
513	Furniture & Equipment	895.10
-	Hire of Halls	1,108.00
100	Honorarium	100.00
1,298	Insurance	1,308.68
-	Legal Fees	1,896.00
700	Mayoral Allowance	700.00
0	Miscellaneous	0.00
739	Postage	944.61
18	Publications	4.68
786	Stationery	719.36
1,468	Subscriptions	1,471.44
605	Telephone	598.45
95	Training / Conferences	388.50
57	Travel Expenses	89.45
-	Cheyne Weares	4,608.05
50	Gifts and Donations	70.00
0	Grants	2,231.99
3,884	Maintenance / Caretaker	52.33
6,335	Neighbourhood Plan	3,677.62
1,216	Projects	1,375.00
35	Town Crier	35.00
1,200	Website	2,650.98
2,618	VAT	2,932.65
54,668		65,329.74

Explanation of Differences Between 2014/15 and 2015/16

RECEIPTS

1) Discount Grant

These sums are at the discretion of the government and our overseeing Borough Council.

2) Portland Fair

Last year's figure comprised payment for two autumn fairs, this year's for one autumn fair and a goodwill donation in respect of a spring fair, which the promoters decided not to hold this year.

3) Hire of Hall Refund

We have started hiring community halls on the Island after the Council decided it could no longer hold public meetings in the Council Chamber because of its lack of disability access. The Borough Council agreed to refund our hiring costs since they own our Council Offices and accept responsibility for the lack of the necessary facilities.

4) VAT

There were reimbursements from HMRC for two financial years in 2015/16.

PAYMENTS

1) Salaries

Council this year accepted the recommendations of a staffing review to increase staff hours and salaries and reappoint a third member of staff.

2) Advertising

With fewer special events this last year there has been less need to give notice.

3) Audit

The internal auditor spent more time than might be expected for a comparable authority, because (1) not all the source documents for the audit were available when necessary and (2) the auditor was asked to attend a Council meeting to explain certain aspects of her report.

4) Civic Expenditure

The 2014/15 figure includes invoices for the hire of halls, whereas in 2015/16 they were allocated to a separate budget heading. Otherwise expenditure was relatively the same over the two years.

5) IT Support

Some of the higher costs in 2014/15 was related to the acquisition of a new computer.

6) Council Offices

The Council has been forced to move premises and will incur much higher costs in the future. Since the Borough owned and paid for our old offices this did not need budget provision previously.

7) Elections

Spending under this heading fluctuates wildly from year to year depending on the number of elections held. Because 2015/16 was an election year for this council actual costs were over £8,000, but the Borough agreed to accept split payments across two years, this one and 2016/17.

8) Furniture & Equipment

The increase in 2015/16 is due to higher photocopying charges, greater use of the photocopier than in 2014/15 and a PAT testing exercise on all our equipment.

9) Hire of Halls

See Receipts (3) and (4) Civic Expenditure.

10) Legal Fees

This has been unexpected and unbudgeted expenditure this year in having to deal with a dispute raised by an outside source.

11) Postage

The two primary reasons for higher expenditure in 2015/16 appear to be less delivery of members' post by hand and a greater number of mayoral invitations to commemorative events.

12) Training / Conferences

Costs have risen through new councillors being elected in May 2015 and there being a greater willingness to undergo member training.

13) Cheyne Weares

Council decided to undertake significant landscape works on site, which had not been previously done.

14) Grants

Delays in procedure occurred to the 2014/15 batch that caused them to be made in 2015/16 as well as those normally given out.

15) Maintenance / Caretaker

An "Island Caretaker" was not appointed when the previous postholder left.

16) Neighbourhood Plan

This is a fluctuating expenditure item. Nearly £3,500 more was spent on work by consultants in 2014/15.

17) Projects

This is expenditure due to one-off items bearing no relation to each other. 2014/15, for example, included the cost of the staffing review.

18) Website

The main annual maintenance charge is made around the end of March and beginning of April. 2015/16 included two such charges.

19) VAT

Two significant charges arose in 2015/16 attracting VAT, one for a replacement mayoral badge, the other for the work at Cheyne Weares.

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Register of Assets at 31.3.16

(The basis of valuation of these assets is cost or replacement value at 31.3.10)

ITEM	VALUE
	£
Office Equipment	10,464
Hearing Aid Equipment	586
Civic Regalia	12,126
One remaining of a collection of local prints / watercolour drawings by J W Upham formerly in the possession of the Town Council	80
A late Victorian oak library bookcase	750
A "Jacobean" style oak desk	1,286
A Victorian oak wall clock	270
English School, 20 th Century (portrait of Sir Winston Churchill)	270
Commemorative (Loyal Address to Queen Victoria's Golden Jubilee)	750
Remaining Contents (including safe, wing back armchairs, coffee tables, bookcase, engravings, carpets and curtains)	1,822
A pair of late Victorian oak library bookcases	1,500
A collection of ten oak "smokers bow" armchairs	1,288
The oak Council Chamber furnishings	12,863
A collection of twenty four late Victorian upright chairs	1,288
A Victorian pitch pine library table	857
A similar smaller library table	321
Commemorative (plaques and scrolls)	3,217
Three Edwardian oak hat stands	214
Remaining contents (oak settles, benches, tables, chairs, curtains etc)	1,608
Kitchen contents (refrigerator, kitchen units, photographs etc)	428
Gateway to Portland Pillars	30,000
Total	<u><u>£81,988</u></u>

PORTLAND TOWN COUNCIL

SUPPORTING STATEMENT TO THE RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR END 31ST MARCH 2016

ASSETS

At 31st March 2016 the following assets were held:-

	VALUE	BASIS OF VALUATION
	£	
Office equipment	10,464	Replacement
Hearing aid equipment	586	Cost
Civic regalia	12,198	Replacement
Paintings, drawing and furniture in the Mayor's Parlour	5,156	Replacement
Furniture and other contents of the Council Chamber	23,156	Replacement
Kitchen contents	428	Replacement
Gateway to Portland Pillars	30,000	Cost
Total	81,988	

LEASE

The Council has a 30 year lease in operation on the Cheyne Weares viewing area at a £1.00 per annum rent from Hanson, Bath & Portland Stone Ltd, expiring in October 2025.

BORROWINGS

At the close of business on 31st March 2016 the Council had no outstanding borrowings.

RECEIPTS

No comment to make

SECTION 137 PAYMENTS

Section 137 of the Local Government Act 1972 enables local councils to spend up to the product of £7.20 per elector for the benefit of people in the area on activities or projects not specifically authorised by other powers.

The maximum authorised sum was therefore £7.36 x 8813 electors = £64,863,68.

During the year of account the following payments were made:-

	£
Drop In, Portland	500.00
Grove Prison Museum	250.00
Portland Community Partnership	1,000.00
Portland Parish PCC	389.99
Portland Parish PCC	452.00
Read Easy	300.00
Royal British Legion	20.00
Royal British Legion	50.00
Victim Support	340.00
TOTAL	3,301.99

Signed

Chairman

Responsible Financial Officer

Date:

Date:

