

Notice of The Charter Trustees for Poole



Date: Wednesday, 23 June 2021 at 5.00 pm

Venue: Solent Hall Bournemouth International Centre, Exeter Road,
Bournemouth

Membership:

Mayor:

Cllr J Bagwell

Deputy Mayor:

Cllr M Le Poidevin

Sheriff:

Cllr T Trent

Cllr B Dion
Cllr M Andrews
Cllr S Baron
Cllr J Beesley
Cllr P Broadhead
Cllr M F Brooke
Cllr D Brown
Cllr R Burton
Cllr D Butler
Cllr D Butt
Cllr J J Butt

Cllr M Earl
Cllr L-J Evans
Cllr S Gabriel
Cllr N Greene
Cllr A Hadley
Cllr M Haines
Cllr M Howell
Cllr M Iyengar
Cllr T Johnson
Cllr R Maidment
Cllr C Matthews

Cllr D Mellor
Cllr P Miles
Cllr S Moore
Cllr T O'Neill
Cllr K Rampton
Cllr Dr F Rice
Cllr M Robson
Cllr V Slade
Cllr A M Stribley
Cllr M White

All Members of The Charter Trustees for Poole are summoned to attend this meeting to consider the items of business set out on the agenda below.

The press and public are welcome to view the live stream of this meeting at the following link:

<https://democracy.bcpccouncil.gov.uk/ieListDocuments.aspx?MId=5135>

If you would like any further information on the items to be considered at the meeting please contact: Democratic Services by email at democratic.services@bcpccouncil.gov.uk

Press enquiries should be directed to the Press Office at press.office@bcpccouncil.gov.uk

This notice and all the papers mentioned within it are available at democracy.bcpccouncil.gov.uk

GRAHAM FARRANT
HONORARY CLERK TO THE CHARTER TRUSTEES

15 June 2021



Available online and
on the Mod.gov app



Maintaining and promoting high standards of conduct

Declaring interests at meetings

Familiarise yourself with the Councillor Code of Conduct which can be found in Part 6 of the Council's Constitution.

Before the meeting, read the agenda and reports to see if the matters to be discussed at the meeting concern your interests

Do any matters being discussed at the meeting relate to your registered interests?

Disclosable Pecuniary Interest

Yes

Declare the nature of the interest

Do NOT participate in the item at the meeting. Do NOT speak or vote on the item EXCEPT where you hold a dispensation

You are advised to leave the room during the debate

Local Interest

Yes

Declare the nature of the interest

Applying the bias and pre-determination tests means you may need to refrain from speaking and voting

You may also need to leave the meeting. Please seek advice from the Monitoring Officer

No

Do you have a personal interest in the matter?

Yes

Consider the bias and pre-determination tests

You may need to refrain from speaking & voting

You may also need to leave the meeting. Please seek advice

No

You can take part in the meeting speak and vote

What are the principles of bias and pre-determination and how do they affect my participation in the meeting?

Bias and predetermination are common law concepts. If they affect you, your participation in the meeting may call into question the decision arrived at on the item.

Bias Test

In all the circumstances, would it lead a fair minded and informed observer to conclude that there was a real possibility or a real danger that the decision maker was biased?

Predetermination Test

At the time of making the decision, did the decision maker have a closed mind?

If a councillor appears to be biased or to have predetermined their decision, they must NOT participate in the meeting.

For more information or advice please contact the Monitoring Officer
(susan.zeiss@bcpcouncil.gov.uk)

Selflessness

Councillors should act solely in terms of the public interest

Integrity

Councillors must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships

Objectivity

Councillors must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias

Accountability

Councillors are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this

Openness

Councillors should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing

Honesty & Integrity

Councillors should act with honesty and integrity and should not place themselves in situations where their honesty and integrity may be questioned

Leadership

Councillors should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs

AGENDA

Items to be considered while the meeting is open to the public

- | | |
|---|---------|
| 1. Apologies
To receive any apologies for absence from Charter Trustees. | |
| 2. Declarations of Interest
Charter Trustees are requested to declare any interests on items included in this agenda. Please refer to the workflow on the preceding page for guidance.
Declarations received will be reported at the meeting. | |
| 3. Confirmation of minutes and matters arising
To receive the minutes of the meetings held on 27 January and 21 May 2021 and to consider any matters arising. | 5 - 14 |
| 4. Charter Mayor's Report
The Charter Mayor will report on her recent activities. | |
| 5. Charter Trustees 2020-21 Internal Audit Report
To consider and approve the outcome of the internal audit report and the management responses to the recommendations. | 15 - 22 |
| 6. Budget Outturn Report 2020/21
Due to effects of the pandemic, the Charter Trustees of Poole underspent against their approved budgets by £28,647 for 2020/21. The underspend plus the budgeted contribution to reserves of £19,272 has been added to the opening reserves position of £37,658 to give total reserves carried forward of £85,577 as at 31 March 2021. | 23 - 28 |
| 7. Annual Governance Statement 2020/21
The Charter Trustees are asked to consider and approve the Annual Governance Statement 2020/21.
Please note that the paper attached for this item also relates to item 8 below. | 29 - 36 |
| 8. Statement of Accounts for 2020/21
The Charter Trustees are asked to approve the statement of accounts for 2020/21. | |
| 9. Responsible Financial Officer
That in accordance with the Standing Orders the Responsible Financial Officer from 1 July 2021 following the resignation of Daniel Povey, will be Nicola Webb in a temporary capacity. | |

10. Remembrance Day Events - Poole

This report outlines the current activities supported by the Charter Trustees in relation to Remembrance Services across the former borough and asks Trustee Members to determine the level of support to be provided in future, including the potential financial support to the Broadstone Branch of the Royal British Legion.

11. Flag Flying Arrangements for the Charter Trustees for Poole

The Charter Trustees are asked to consider its flag flying arrangements. It is a matter for the Charter Trustees to adopt its own flag. The Coat of Arms for the former Borough of Poole is in the ownership of the Charter Trustees. There is an opportunity for the Charter Trustees to adopt the Coat of Arms as their flag.

Set out below are the proposed events that will be respected by the Charter Trustees:

Occasion	Flag
Mayor Making	adopted flag of the Charter Trustees
Formal Meeting of the Charter Trustees	adopted flag of the Charter Trustees
Civic Service	adopted flag of the Charter Trustees

The following notes should be considered

1. Flags will also be flown on other occasions on the instructions of the Honorary Clerk who will consult with the Mayor (or in the Mayor's absence with the Deputy Mayor) in appropriate circumstances.
2. The death of a serving civic dignitary will be observed by flying the appropriate flag at half-mast. The death of a former civic dignitary or former Charter Trustee will be observed by flying the adopted flag of the Charter Trustees at half-mast.
3. Remembrance Day events are arranged by both Charter Trustees whilst the flying of appropriate flags in accordance with national guidance is reflected in the BCP Council flag flying policy.

Provision of Flagpoles for The Charter Trustees for Poole

The Charter Trustees currently do not have dedicated flagpoles which allow the flying of their adopted flag for relevant events. It is suggested that options be explored to allow for such a provision subject to necessary approvals.

12. Twinning Association

The Charter Trustees are asked to consider the allocation of funding under the Twinning budget head in 2021/22 to the Twinning Association taking account of 5.8 of the Financial Regulations.

BOURNEMOUTH, CHRISTCHURCH AND POOLE COUNCIL
THE CHARTER TRUSTEES FOR POOLE

Minutes of the Meeting held on 27 January 2021 at 5.00 pm

Present:-

Cllr M Le Poidevin – Mayor

Cllr B Dion – Deputy Mayor

Present: Cllr J Bagwell (Sheriff), Cllr J Beesley, Cllr P Broadhead,
Cllr M F Brooke, Cllr D Brown, Cllr R Burton, Cllr D Butler, Cllr D Butt,
Cllr M Earl, Cllr L-J Evans, Cllr N Greene, Cllr A Hadley,
Cllr M Haines, Cllr M Howell, Cllr M Iyengar, Cllr T Johnson,
Cllr C Matthews, Cllr D Mellor, Cllr S Moore, Cllr T O'Neill,
Cllr K Rampton, Cllr V Slade, Cllr A M Stribley, Cllr T Trent and
Cllr M White

31. Apologies

Apologies were received from Councillors J Butt and M Andrews.

32. Declarations of Interest

The Honorary Clerk reported that there were no declarations of interest.

33. Confirmation of Minutes and Matters arising

The minutes of the meeting held on 28 October 2020 were confirmed as a correct record.

There were no matters arising from the above meeting.

34. Charter Mayor's Report

The Mayor reported on her activities since the last meeting of the Charter Trustees on 28 October 2020.

Before making her report the Mayor referred to the recent death of Ian Andrews who was the Town Clerk and Chief Executive for the Borough of Poole for 20 years from 1973-1993. She explained that he was a fountain of local knowledge about Poole's history and heritage and had been involved in many local organisations. He wrote several books and articles on Poole and made an immense contribution to Poole.

The Mayor presented her report. She explained that at the time of the last Charter Trustees meeting there was still some uncertainty about the form Poole's commemoration of Remembrance Day would take. The Mayor reported that in the event a short ceremony was held at the War Memorial at 10 am on the Sunday with a limited number of members of the British Legion and the public present. Poppy wreaths were laid there and at the Burma Star memorial. Later in the day the Mayor went alone to lay wreaths in Falkland Square and at the Quay. On 11 November a short ceremony was held on the steps of the Civic Centre at 11 am and although there had

been no publicity a number of people attended in the expectation that the usual practice of the 2 minutes silence would take place.

The Mayor highlighted that the introduction of the 2nd lockdown put an end to further public events but after it was lifted, she was able to go to Upton Bay Care Home in Hamworthy to open the marketing suite. She outlined her attendance at the event and explained that she was interested to be told that the site of the landmark chimney had been marked on the ground to retain links with the former use of the site.

The Mayor reported that it seemed that residents had made an even greater effort to decorate their homes at Christmas, encouraged in some areas by a challenge to 'light up'. The Mayor reported that she had the pleasure of presenting the winners with hampers of goodies, having been asked to judge the competitions in Broadstone and Upper Parkstone from photos. The Canford Heath competition was organised by the Residents Association and the winners (5 of them) were selected in an online poll. The top prize went to a 90-year old resident who had decorated his bungalow and garden for several years, making many exhibits himself from scratch, much to the delight of children passing on their way to school.

The Charter Trustees were informed that the Mayor had attended the Holocaust Memorial Day, taking place this year on Zoom, but following the usual pattern. The Mayor emphasised that the whole event was very meaningful and moving, and at the same time inspiring.

The Mayor reported that just this morning she, the Sheriff and Deputy Mayor had selected the winning photograph in a competition organised by McCarthy and Stone to mark the opening of their new development in Lindsay Road.

35. Budget and Precept 2021/22

The Responsible Financial Officer presented a report on the Budget and Precept 2021/22, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'A' to these Minutes in the Minute Book.

The Charter Trustees were advised that the report set out the recommended budget for the 2021/22 financial year which if approved would result in a council tax requirement of £121,920 as set out in the recommendations. The Responsible Financial Officer reported that the detail of the budget was set out in Appendix A and built on the discussion and guidance from the discussions at the budget workshop held in December 2020. The Charter Trustees were advised of the main features of the budget which included the individual budget heads being maintained at the current levels so that the base budget was fit for purpose as the Charter Trustees emerge from the pandemic and activity returns to normal. The Responsible Financial Officer reported that some of the budget heads had been reviewed such as premises, post and stationery where the budgets had been reduced to reflect savings and the actual costs that would be incurred. In addition, based on the guidance from the workshop, a Twinning budget of £1,500 had been included. Charter Trustees were informed that a significant review of the salary costs and recharges had

been undertaken and the salary recharge had increased to £59,400 with a detailed calculation set out in Appendix B to the report. The Responsible Financial Officer reported that the calculation included time for the Head and Deputy Head of Democratic Services and the percentage allocation of staff time for the Civic Team. The Responsible Financial Officer reported on the review of the accountancy recharges which had increased to £3,400 to reflect the work and support provided by the finance team.

The Charter Trustees were advised that expenditure of £120,600 would be funded from the precept of £121,000 less a modest investment income included this year and a small contribution to reserves. In respect of reserves paragraph 16 refers to £37,000 which was carried into the financial year and because of the pandemic and the reduced activity it was expected that over £50,000 would be added this year from the underspend and therefore it was anticipated at 31 March 2021 the level of reserves would be over £88,000 which would be 73% of the precept. The Responsible Financial Officer reported that a more prudent level of reserves would be 20% and explained that the budget had been constructed removing the base contribution to reserves of £19,000 and replaced with £1,400. He referred to recommendation (c) of the report and forming a working group on how to spend the reserve for one-off activities with the initial focus on the £37,000.

The Responsible Financial Officer reported on the Tax base and explained that this had gone down from 58,609 to 56,971 which was due to the pandemic with the cost of Council Tax Support increasing and amendments to the collection rate which would affect BCP Council as a whole and the Poole Charter Trustees.

The Charter Trustees reported that paragraph 27 of the report set out the actual calculation of the precept of £121,900 which would equate to £2.14 for a Band D property which would be a freeze on any increases on Council Tax.

The Responsible Financial Officer explained that in respect of the draft settlement for local government Charter Trustees were not subject to referendum limits for any Council Tax increases which would need to be confirmed in the final settlement which was expected to be released in February but it would be unusual for this to be changed in the final iteration.

The Charter Trustees were advised that the external audit of last year had been completed and signed off.

The Charter Trustees in considering the budget and proposed precept raised a number of issues including:

- Concerns about the approach to spending the reserves and setting up a working party for that purpose. The Mayor referred to various suggestions that had been made eg bringing the mayoral and sheriff's boards up to date and possibly restoration work. Concern was expressed that such work had not been budgeted for which was disrespectful to the office holders. In addition it was highlighted that the Queens Platinum Jubilee would be held in 2022 and it was expected that there could be a Coronation which should be

considered and budgeted for so that Poole Charter Trustees can determine how to mark these events.

- A Charter Trustee expressed her extreme disappointment that there was nothing in the budget which allowed for other formal Remembrance Day Events to take place elsewhere in Poole eg Broadstone which has for decades had a parade which was supported by the Council, with attendance by Council Officers, provision of a wreath and that the resources for these events should be included in the budget.
- Suggestion that some of the reserves were spent on helping the people of Poole recover from Covid.
- A Charter Trustee explained that the Mayoral and Sheriff's boards were normally updated every four to five years when there were sufficient names to complete a section of the panel. It was suggested that until it was known where the Boards will be located that may be difficult. In addition, it was suggested that the Mayor and Sheriff and incoming Mayor could identify special items that the reserves can be used for and then put to the Charter Trustees for support.
- The calculation of staffing costs. The Responsible Financial Officer reported that the costs to Poole Charter Trustees was a 40% split
- That the proposed freezing of the precept was welcomed. Acknowledging the proposed budget for 2021-22 was for a full year of activity but that the impact of the pandemic was likely to continue during 2021-22 and there would not be a full year of activity.
- Remembrance Services - A Charter Trustee referred to £4,500 that was included in the budget and asked for clarification on whether that included funding for other Remembrance Events or just the event in Poole Park. He asked that if it was just for the event in Poole Park if a decision could be taken on whether funds for the other events could be identified. It was reported that the British Legion in Broadstone had been advised that they cannot organise these events anymore and if support was not forthcoming these parades would stop. The Responsible Financial Officer confirmed that the budget did not include funding for any other events. He explained that if the Trustees wanted to fund additional services this year one suggestion would be to use some of the reserves and look to address the issue in the base budget next year. The other option was for the £1,400 base budget contribution to reserves to be rebadged as additional Remembrance Service budget which would not change the precept or Council Tax freeze but instead of contributing the £1,400 into reserves it could be directed to Remembrance Parades. A view that the focus of the Charter Trustees should be for the event in Poole Park. A Charter Trustee outlined the costs associated with the event in Broadstone and the associated insurance issues.

In respect of the Remembrance Day Events eg in Broadstone Councillor Brooke moved that the £1420 contribution from reserves be moved to the other events contingency making that budget head £1920 to support other remembrance events.

Charter Trustees discussed the above including waiving the costs associated with such events whilst needing to be consistent across Poole. The Honorary Clerk suggested that it be noted that the Charter Trustees ask the BCP Council to consider where it could waive fees for community-based remembrance events. He indicated that if such costs were waived at Broadstone there would be a number of other events across the BCP area, so it had to be considered on a wider basis. It was highlighted that there was no need for BCP Council to charge its residents for them to be able to honour the dead in the way they have done for decades and the simplest way around this was for the Council to do the right thing and waive the fees knowing that if that takes time there was a reserve that could be used so that parades were not missed this year.

Councillor Brooke withdrew his motion detailed above.

Richard Jones, Head of the Democratic Services reported that there was actual expenditure incurred for the Broadstone Road closures it was not just about the fee for the advert. He suggested that a paper be brought back to the Charter Trustees on the road closures outlining the costs that were incurred. The Head of Democratic Services reported that the Charter Trustees do raise a precept in the same way that other Parish and Town Councils do for that purpose and therefore the Charter Trustees were similar to those authorities and the paper could include the costs and the consequences.

The submission of a paper as suggested above was proposed by the Mayor and Councillor Mike White. Councillor Broadhead as Deputy Leader of the Council indicated he would raise this issue with the Council. Charter Trustees commented on the timeframe for the submission of the paper

RESOLVED that:-

- (a) A report be submitted to the Charter Trustees on the costs and consequences associated with arrangements for Remembrance Day Events other than the event held in Poole Park and that such a report be submitted to the Charter Trustees at a meeting in June 2021 to enable such events to be arranged for 2021.**
- (b) The draft budget for 2021/22 as set out in Appendix A to the report be approved.**
- (c) The council tax requirement and precept of £121,920 be approved.**
- (d) The Charter Trustees form a working party to identify how best to utilise reserves in excess of the recommended prudent level.**
- (e) The Charter Trustees note the conclusion of the external audit of the 2019/20 Annual Governance and Accountability Return.**

Voting: Agreed

5 Councillors voted against the decision at d above

The Mayor requested that Charter Trustees be asked for expressions of interest to serve on the Working Party. The Mayor reported that key people that should be involved were the budget signatories, her as the Mayor, the deputy Mayor and Sheriff plus any interested Charter Trustees.

Councillor Mike Brooke left the meeting at 18.02

36. Mayor's Award

The Mayor reported that during the last few months she had been developing proposals for the Mayor's Award. She reported that she had worked with the Deputy Mayor and Sheriff to draw up draft criteria which she had circulated for comment.

The Mayor reported that five Charter Trustees had responded to her request for comments on the draft criteria: of these one gave wholehearted support and the other four made suggestions or raised queries. The Mayor reported that no Charter Trustees had argued against the principle of the awards and she had since re-drafted the criteria document incorporating the points raised.

The Mayor explained that she had contacted potential suppliers for the Mayor's Award which was proposed to be dolphin lapel badges and had now received costings. The Mayor reported that as there would be a lead-in time of at least 6 weeks she was keen that the order was placed at the earliest opportunity. Charter Trustees were informed that the budget signatories had already agreed to the purchase of 250 badges at a unit cost of £5.25 including a set-up charge of £195, making a total of £1,507.50. The Mayor moved that the Charter Trustees of Poole also give their consent for this expenditure from reserves.

RESOLVED that in support of the Mayor's Award the expenditure for the lapel badges of £1,507.50 be funded from reserves.

Voting: Unanimous

Councillors Mellor and Rampton left at 18.08

37. Financial Regulations

The Responsible Financial Officer presented a report on bespoke Financial Regulations for the Charter Trustees, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'B' to these Minutes in the Minute Book.

The Charter Trustees were advised that the Financial Regulations which govern the financial conduct, internal control and financial management of the Charter Trustees apply equally to the Trustees and the Officers who were supporting the Charter Trustees. The Responsible Financial Officer reported that since their establishment on 1 April 2019 the Charter Trustees had used the BCP Council's financial regulations and accounting systems. The Responsible Financial Officer outlined key elements of the proposed Regulations as detailed at Appendix A to the report, including appointment of officers and responsibilities of Charter Trustees and Officers, which would be supported by the scheme of delegation set out at Appendix B to the report. The scheme of delegation was derived from the authorities which were set out in the financial regulations which defines what officers can do and what were reserved matters for the Charter Trustees and sought to separate duties to ensure sound internal controls. The Responsible Financial Officer explained that Appendix C set out the banking arrangements. The Charter Trustees were referred to paragraph

11 of the report. The Responsible Financial Officers reported that instead of using the BCP Council bank account the Charter Trustees would have their own bank account and part of the BCP Ledger so that they were separately identified which would aid transparency and reporting whilst balancing cost efficiencies by being under the BCP Council Banking umbrella.

RESOLVED that:-

- (a) The Charter Trustees approve the financial regulations as presented in Appendix A to this report.**
- (b) The Charter Trustees approve the scheme of delegation presented in Appendix B to this report.**
- (c) The Charter Trustees approve the bank mandate as presented in Appendix C to this report.**
- (d) The Charter Trustees note the other arrangements being made to further improve financial processes and procedures.**

Voting: Unanimous.

38. Risk Register

The Deputy Head of Democratic Services reported that an initial draft of the risk register was submitted to the Charter Trustees in August 2020 as part of the outcome of the internal audit report. The Charter Trustees had agreed to establish a small group to look at the risks facing the Charter Trustees. The Deputy Head of Democratic Services reported that this work had been undertaken and comments from the Charter Trustees inserted into the updated document. The Deputy Head of Democratic Services highlighted that the risk register was an evolving document which needed to be kept under regular review and if there were future risks or changes the Charter Trustees would be updated.

A Charter Trustee suggested that an additional column be added to the register to identify what date the issue was actioned/completed. Other authorities use red, amber, green.

The Health and Safety Risks were highlighted and the associated risk score emphasising that the mitigation does not reduce that hugely. It was suggested that consideration be given to the lone working policy and any equipment that may be needed to mitigate the risk. The Deputy Head of Democratic Services reported that the existing lone working policy would be regularly reviewed and adapted as appropriate to see how the risk can be mitigated further.

RESOLVED that the risk register as submitted to the Charter Trustees be agreed subject to the above suggestion and the comments on lone working with the register being reviewed on a regular basis as appropriate.

Voting: Agreed

39. Poole Civic Centre - Civic Space

The Charter Trustees were asked to approve the establishment of a workshop comprising of Charter Trustees to consider options and provide feedback to the project team on requirements for the civic space at the Poole Civic Centre.

RESOLVED that the establishment of the workshop be agreed comprising of the Mayor, Councillors Bagwell, Butler, D Butt, J Butt, Howell, Moore and Trent.

Voting: Unanimous

The meeting ended at 6.23 pm

MAYOR

BOURNEMOUTH, CHRISTCHURCH AND POOLE COUNCIL
THE CHARTER TRUSTEES FOR POOLE

Minutes of the Meeting held on 21 May 2021 at 11.00 am

Present:-

Cllr J Bagwell – Mayor

Cllr M Le Poidevin – Deputy Mayor

Present: Cllr B Dion, Cllr M Andrews, Cllr S Baron, Cllr J Beesley,
Cllr M F Brooke, Cllr D Brown, Cllr R Burton, Cllr D Butler, Cllr D Butt,
Cllr J J Butt, Cllr M Earl, Cllr S Gabriel, Cllr M Haines, Cllr M Iyengar,
Cllr D Mellor, Cllr S Moore, Cllr T O'Neill, Cllr K Rampton,
Cllr Dr F Rice, Cllr M Robson, Cllr V Slade, Cllr A M Stribley,
Cllr T Trent (Sheriff) and Cllr M White

40. Apologies

Apologies were received from Councillors L-J Evans, Mark Howell and May Haines.

The Honorary Clerk reported that a number of Charter Trustees were in attendance in person. In addition, those Charter Trustees who had joined online via microsoft teams whilst not able to vote would be recorded as in attendance.

Note – Councillor Haines subsequently joined the meeting via microsoft teams.

41. Declarations of Interest

The Honorary Clerk reported that no declarations of interests had been received for this meeting.

42. Election of Charter Mayor

RESOLVED that Councillor Julie Bagwell be elected Charter Mayor for the ensuing Municipal Year 2021/22.

The Mayor made and signed the Declaration of Acceptance of Office and took the Chair.

Voting: Unanimous

43. Election of Deputy Charter Mayor

RESOLVED that Councillor Marion Le Poidevin be elected Charter Deputy Mayor for the ensuing Municipal Year 2021/22.

The Deputy Mayor made and signed the Declaration of Acceptance of Office.

The Mayor reported that she had appointed her husband David as her Deputy Mayor's Consort. She also paid tribute to her Chaplain.

Voting: Unanimous

44. Election of the Sheriff of Poole

RESOLVED that Councillor Tony Trent be elected Charter Sheriff of Poole for the ensuing Municipal Year 2021/22.

Voting: Unanimous.

45. Appointment of one representative and substitute to the Association of Charter Trustees

RESOLVED that Councillor Tony Trent be appointed as a representative to the Association of Charter Trustees with Councillor Daniel Butt as his substitute for the ensuing Municipal Year 2021/22.

Voting: Unanimous

46. Appointment of Budget Signatories

RESOLVED that Councillors Marcus Andrews and Tony O'Neill be appointed as budget signatories for the ensuing Municipal Year 2021/22.

Voting: Unanimous

47. Calendar of Meetings for 2020/21

RESOLVED that the following calendar of meetings for the Charter Trustees be agreed:

23 June 2021 at 5 pm

27 October 2021 at 5 pm

26 January 2022 at 5 pm

20 May 2022 at 11.00 am

Voting: Unanimous

48. Any other business deemed necessary by the Clerk to the Charter Trustees

There were no items of any other business.

The meeting ended at 12.00 pm

CHAIRMAN



POOLE CHARTER TRUSTEES 2020/21

Internal Audit

Author: Jon Cockeram, Auditor
Ruth Hodges, Audit Manager

Version: Final

Date: May 2021

Distribution: Richard Jones, Head of Democratic Services
Karen Tompkins, Deputy Head of Democratic Services
Dan Povey, Assistant Chief Finance Officer
Graham Farrant, Honorary Clerk to the Charter Trustees
Bournemouth Charter Trustees
Poole Charter Trustees
Simon Milne, Audit Manager (Deputy CIA)
Nigel Stannard, Head of Audit & Management Assurance

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A. Executive Summary

The control framework is the system of risk management, internal control and governance put in place by management to ensure that objectives are achieved, waste and inefficiency is minimised and to prevent and detect fraud and corruption.

The objectives of the audit were to provide assurance that the control framework is appropriate and that the controls and processes are operating effectively in the Bournemouth & Poole Charter Trustees as outlined in the Annual Governance & Accountability Return (AGAR) 2020/21 for the internal control objectives detailed on the following page.

For the avoidance of doubt, reference in this paper to Charter Trustee is to be interpreted as reference to the Charter Trustee body.

Where weaknesses in the control framework are identified, recommendations have been made for improvement and are detailed in Section B of this report.

It should be noted that whilst Bournemouth and Poole Charter Trustees are separate entities from each other as well as separate from BCP Council, the issues identified apply to both Trustees and so one single report has been written.

Following the 2019/20 Internal Report, a great deal of work has been undertaken to implement recommendations. Due to timing issues, some results have not been in place for all or part of the 2020/21 financial year, which is reflected in the internal control opinion and the AGAR. The AGAR requires an opinion to be given on the controls in place during the financial year, not specifically as at the time of the audit.

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We undertake our work on a risk and sample basis in line with Public Sector Internal Audit Standards and as such we do not test all internal controls nor identify all areas of control weakness, fraud or irregularity, however, any issues identified during the course of our work are reported to management.

Audit Opinions:	
Substantial Assurance	Controls were in place for the full financial year and were operating consistently and effectively. There is a sound control framework which is designed to achieve the service objectives, with key controls being consistently applied.
Reasonable Assurance	Controls were in place for the full financial year and were generally operating effectively. Whilst there is basically a sound control framework, there are some weaknesses which may put service objectives at risk.
Partial Assurance	Controls were only operating effectively for part of the financial year. There are weaknesses in the control framework which are putting service objectives at risk.
Minimal Assurance	Controls were not operating during the financial year. The control framework is generally poor as such service objectives are at significant risk.

AGAR Internal Control Objective	2020/21 Internal Audit Opinion on the operation of the control framework throughout the financial year	2020/21 AGAR opinion	2020/21 recommendations made
Appropriate accounting records have been properly kept throughout the financial year	Substantial	Yes	None
The Trustee complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for	Reasonable	Yes	1 Medium 2 Low
The Trustee assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these	Partial	No	None
The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate	Substantial	Yes	None
Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for	Substantial	Yes	None
Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for	Not applicable	N/A	N/A
Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied	Substantial	Yes	None
Asset and investments registers were complete and accurate and properly maintained	Reasonable	Yes	None
Periodic and year-end bank account reconciliations were properly carried out	Substantial	Yes	None
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	Not applicable	N/A	N/A
If the authority certified itself as exempt from a limited assurance review in 2019/20, it met the exemption criteria and correctly declared itself exempt	Not applicable	N/A	N/A
The authority has demonstrated that during summer 2019 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations	Substantial	Yes	None
Trustee funds (including charitable) – The council met its responsibilities as a trustee	Not applicable	N/A	N/A
Internal Control Objectives outside the AGAR requirements			
Other issues – Consideration of Service Level Agreement			1 Low
Total recommendations			4

Summary of Findings:	
High Priority	
None identified	
Medium Priority	
<u>Expenditure</u> : Evidence was not provided for all credit card transactions	
Low Priority	
<u>Expenditure</u> : Not all expenditure relates to the current financial year and accruals have not been in place	
<u>Budget signatories</u> : Roles and responsibilities are not included in the Charter Trustees' Standing Orders	
<u>Other Issues</u> : No service level agreement between BCP Council and the Charter Trustees has been put in place.	

Recommendation Priority Ratings:	
High Priority	<p>High Priority recommendations have actual / potential critical implications for the achievement of the Charter Trustee's objectives and/or a major effect on delivery.</p> <p>Agreed actions should be urgently implemented by the Charter Trustee and the associated risk(s) added to the Charter Trustee Risk Register.</p> <p>Recommendations will be followed-up by Internal Audit as part of the next audit review.</p>
Medium Priority	<p>Medium Priority recommendations have actual / potential significant implications for the achievement of the Charter Trustee's objectives and/or a significant effect on delivery.</p> <p>Agreed actions should be implemented by the Charter Trustee and formal consideration should be given to adding the associated risk(s) to the Charter Trustee Risk Register.</p> <p>Recommendations will be followed-up by Internal Audit as part of the next audit review.</p>
Low Priority	<p>Low Priority recommendations have actual / potential minor implications for achievement of the Charter Trustee's objectives and/or a minor effect on delivery.</p> <p>Recommendations will be followed-up by Internal Audit as part of the next audit review.</p>

B. Findings & Recommendations

Rec No.	Finding	Recommendation	Priority	Status / Management Response	Responsible Officer	Target Date
1. Appropriate accounting records have been properly kept throughout the financial year					Substantial	
The Charter Trustees use BCP Council's financial management system, Oracle Fusion, to record transactions. Each Trustee has an individual cost centre to ensure that the transactions of the Trustee are clearly identifiable and separate from those of the Council.						
2. The Trustee complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for					Reasonable	
R1	Credit Card Issue: The corporate credit card returns did not always contain appropriate evidence, which is a requirement of the Charter Trustee Financial Regulations. As a result of this VAT could not be reclaimed on these transactions. Risk: The Charter Trustees do not have an effective system of control over credit card expenditure	It is recommended that all credit card transactional evidence is provided with the returns to support VAT to be reclaimed	Medium	All credit card transaction must include appropriate evidence.	Deputy Head of Democratic Services	Immediate effect
R2	Accruals Issue: The list of 2020/21 financial transactions for each Trust includes ones that relate to the 2019/20 financial year which were not accrued for. Whilst these are not material (£263 in total for Bournemouth Charter Trustees, £838 in total for Poole Charter Trustees), they do not relate to the current financial year. This is not in line with good accounting practice. Risk: The Charter Trustee financial statements are incorrect and do not comply with good accounting practice	It is recommended that financial transactions are reviewed before and after the financial year end to ensure that accruals are correctly raised	Low	This issue has been raised and action taken to ensure compliance with the recommendation.	Deputy Head of Democratic Services	Effective for all financial years

Rec No.	Finding	Recommendation	Priority	Status / Management Response	Responsible Officer	Target Date
R3	Standing Orders Issue: Budget Signatory responsibilities were approved in the October 2020 meetings; however, they have not been included in the Charter Trustee standing orders. Risk: New budget signatories may not be aware of their responsibilities	It is recommended that Budget Signatory responsibilities are included in the Charter Trustee Standing Orders	Low	The Responsibilities of the Budget Signatories have been agreed and will be included in the Charter Trustees as recommended	Deputy Head of Democratic Services	May 2021
3. The Trustee assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these					Partial	
The 2019/20 Internal Audit report recommended that the Charter Trustees should have their own risk registers. Work has progressed on this during 2020/21 and the Charter Trustees agreed risk registers at the meetings in January 2021, however the registers have not been in place throughout 2020/21.						
4. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate					Substantial	
The 2019/20 Internal Audit report recommended that the budget setting process for 2021/22 was reviewed and that Budget Signatories were involved in setting the budget. These have both been implemented during 2021/22, and as such Internal Audit are satisfied that the control objective has been met.						
5. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for					Substantial	
The main source of income for the Trustees is the annual precept. No other sources of income have been identified beyond Trustees repaying the Trustee for a luncheon at the Mayor Making Ceremonies. This is appropriate and as expected – the Trustees are not collecting income for charities, so there should be no other sources of income.						
6. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for					Not applicable	
The Trustees themselves do not have petty cash floats nor do any of the staff appointed by the Council to work on the trustees. The Council staff have access to payment cards which are included in the expenditure section above.						
7. Salaries to employees and allowances to members were paid in accordance with this authority’s approvals, and PAYE and NI requirements were properly applied					Substantial	
Trustees do not receive allowances for their role on the Charter Trusts. BCP Council’s payroll system is subject to periodic review by Internal Audit.						

Rec No.	Finding	Recommendation	Priority	Status / Management Response	Responsible Officer	Target Date
Issues for BCP Council: The 2019/20 Internal Audit report recommended that costs for all BCP Council employee time relating to the Trustees are recharged to the Trustees. This will not take place for 2020/21, however the reviewed budget setting process has taken this into account and costs will be fully recharged in 2021/22.						
8. Asset and investments registers were complete and accurate and properly maintained					Reasonable	
The 2019/20 Internal Audit report recommended that regular asset verification exercises are carried out, and this has been done during 2020/21. A further recommendation was raised relating to the reserves of the Trust being invested by the Council and any income from the interest. This has not been implemented during 2020/21, however this investment income has been included in the 2021/22 budget.						
9. Periodic and year-end bank account reconciliations were properly carried out					Substantial	
The Trusts do not have individual bank accounts – instead, their funds form part of BCP Council's bank balance. Internal Audit has carried out work separately on this to confirm that bank reconciliations are carried out periodically throughout the year with no issues identified.						
10. 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					Not applicable	
Formal financial statements are only produced at year end, and these are considered by the external auditor as part of their annual audit process. In-year budget monitoring has been considered in section 4 of this report, and as such Internal Audit considers that this part of the Annual Internal Audit Report is not applicable to the Trustees.						
11. If the authority certified itself as exempt from a limited assurance review in 2019/20, it met the exemption criteria and correctly declared itself exempt					Not applicable	
The Trustees did not certify themselves as exempt from a limited assurance review in 2019/20. Internal Audit considers this part of the Annual Internal Audit Report not to be applicable to the Trustees at this point in time.						
12. The authority has demonstrated that during summer 2020 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations					Substantial	
The Trustees have notices on the relevant sections of the BCP Council website advertising the public's right to inspect the accounts for the 2019/20 accounting statements. Due to the current pandemic, these have been modified in accordance with the relevant guidance. As such, Internal Audit considers that there are no issues at this point in time within this control objective which need to be brought to the attention of the Trustees.						

Rec No.	Finding	Recommendation	Priority	Status / Management Response	Responsible Officer	Target Date
13. Trustee funds (including charitable) – The council met its responsibilities as a trustee					Not applicable	
BCP Council is not one of the Charter trustees but supports the Trusts in several ways.						
14. Other Issues - Consideration of Service Level Agreement						
R4	<p>Consideration of a Service Level Agreement</p> <p>Issue: The Service Level Agreement which was agreed in principle at the last audit has not yet been fully implemented.</p> <p>As part of the agreement for the 2021/22 budget there has been explanation for how recharges have been arrived at. For accountancy there is an implied level of service built into the recharges, however there is no such implicit breakdown for the salary costs.</p> <p>Risk: The Trustees may be paying for services they do not require or do not have the level of service needed to support the efficient operation of the Charter Trustees</p> <p>BCP Council Risk: <i>The Council is subsidising the Charter Trustees</i></p>	<p>It is recommended that Service Level Agreements or equivalents are put in place between the Council and the Trustees to formally set out what is being provided by the Council.</p>	Low	<p>The Service Level Agreements between the Council and the Trustees are currently being drafted. This will take account of the budget and recharges set for 2021/22.</p>	<p>Deputy Head of Democratic Services</p>	<p>September 2021</p>

THE CHARTER TRUSTEES FOR POOLE



Report subject	Budget Outturn Report 2020/21
Meeting date	23 June 2021
Status	Public Report
Executive summary	Due to effects of the pandemic, the Charter Trustees of Poole underspent against their approved budgets by £28,647 for 2020/21. The underspend plus the budgeted contribution to reserves of £19,272 has been added to the opening reserves position of £37,658 to give total reserves carried forward of £85,577 as at 31 March 2021.
Recommendations	It is RECOMMENDED that: The Charter Trustees note the budget outturn position for 2020/21.
Reason for recommendations	To inform the Charter Trustees of the budget outturn position for the 2020/21 financial year.
Report Authors	Dan Povey, Responsible Financial Officer
Classification	For Recommendation

Background

1. In accordance with the Accounts and Audit Regulations 2015, the Charter Trustees are required to approve the Annual Governance and Accountability Return (AGAR) 2020/21 by 30 June 2021. The AGAR contains a summarised accounting statement that complies with statutory requirements. This report provides the Charter Trustees with a detailed analysis of the budget outturn position in order to facilitate the approval of the AGAR that is on the agenda elsewhere today.

Budget outturn position 2020/21

2. The Charter Trustees of Poole approved the 2020/21 budget at their meeting of 29 January 2020. Total expenditure of £125,222 was approved which included a £19,272 contribution to reserves.
3. Budget monitoring reports during the 2020/21 financial year informed the Charter Trustees that the budget would be significantly underspent across civic budget headings due to the effect of covid-19 and the associated restrictions on activity during the year. The position reported in January 2021 was a forecast underspend of £31,657, resulting in a contribution to reserves of £50,929.
4. The final outturn position for the financial year is an underspend of £28,647, resulting in a total contribution to reserves of £47,919.
5. Appendix A provides the detail of the expenditure incurred during 2020/21 against the detailed budget headings. The total spend, excluding the contribution to reserves, of £77,303 shown in this detailed expenditure analysis reconciles to the statutory summary accounting statements that the Charter Trustees are asked to approve elsewhere on the agenda today. The summary accounting statements form part of the Annual Governance and Accountability Return 2020/21.
6. In the main the Charter Trustees have only incurred expenditure relating to staff and premises recharges plus support service recharges from BCP Council. The final outturn expenditure is £3,000 higher than forecast in January, mainly due to the purchase of the past mayor's badge under the civic regalia budget heading and the purchase of the civic award badges

Reserves

7. As a result of the in-year underspend, the Charter Trustees will carry forward reserves of £85,577 into the 2021/22 financial year. The reserves position is summarised in Figure 1 below.

Figure 1: Reserves Position 31 March 2021

	2020/21 Actual £	2021/22 Budget £
Opening Balance 1 April	37,658	85,577
Movement In Year	47,919	1,420
Closing Balance 31 March	85,577	86,997
Percentage of 2021/22 Precept	70%	71%

8. The Charter Trustees will therefore have significant reserves in comparison to the 2021/22 precept of £121,920, forecast to be 71% of the precept by 31 March 2022 once the budgeted £1,420 contribution from the revenue budget is accounted for.
9. The 2021/22 budget report recommended reserve levels of 20% of the precept, which would equate to £25,000. This level is thought prudent to cover unforeseen expenditure because of the nature of the Charter Trustee budget where 66% of expenditure is on an agreed recharge basis with BCP Council and so not subject to volatility (for example salary costs and premises costs).
10. Therefore there is the opportunity for the Charter Trustees to determine whether they wish to utilise any of the reserves above the prudent level to support one off initiatives or expenditure. The Charter Trustee meeting of 27 January 2021 approved the formation of a working party to determine how best to utilise reserve balances in excess of the recommended prudent level.

Summary of financial implications

11. As detailed in this report.

Summary of legal implications

12. None.

Summary of human resources implications

13. None.

Summary of sustainability impact

14. None.

Summary of public health implications

15. None.

Summary of equality implications

16. None.

Summary of risk assessment

17. The report sets out the level of reserves at the disposal of the Charter Trustees and defines the minimum prudent balance to cover unforeseen expenditure.

Background papers

Charter Trustee Budget 2020/21 – Published works, Charter Trustees of Poole meeting 29 January 2020.

Appendices

Appendix A – Budget outturn position 2020/21

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Poole Charter Trustee - Budget Outturn 2020/21

2020/21 Budget	2020/21 Jan Forecast	Description of expenditure and income	2020/21 Outturn
Expenditure			
		Civic Budget	
12,000	500	Hospitality	936
3,000	0	Civic Regalia	1,627
100	0	Travel and Subsistence	0
1,000	0	Training and Conferences	0
3,000	0	Out of Pocket Expenses	393
500	0	Photography	0
1,000	0	Flowers	0
		Civic Events	
1,500	1,000	Mayor Making	0
4,500	0	Remembrance	0
2,000	0	Civic Service	0
1,500	0	Civic Awards	1,574
1,500	0	War Commemoration	0
500	0	Special Anniversarial Events	0
500	0	Other Events Contingency	0
0	0	Twinning Budget	0
		Premises	
17,450	17,383	Room & Premises	17,450
		Staffing Recharges	
46,900	50,600	Salaries, NI and Pensions	50,600
		Administration and Running Costs	
400	0	Postages	0
50	100	Printing & Photocopying	508
500	0	Stationery	0
250	0	Subscriptions - Organisations	150
		Supplies and Services	
500	0	Clothing & Uniforms	0
600	660	Insurance	600
2,000	400	External Audit	400
0	1,250	Internal Audit	1,250
500	1,100	Accountancy	600
1,000	1,100	ICT Provision	1,200
500	0	Telephony	0
200	0	Laundry	0
		Transport	
1,250	100	Fuel	16
750	100	Vehicle Hire - General Use	0
500	0	Vehicle Maintenance & Repairs - Workshop	0
105,950	74,293	Total Expenditure	77,303
Income & Reserves			
(125,222)	(125,222)	Council Tax Precept	(125,222)
0	0	Investment Income	
0	0	Use of Reserves	
19,272	50,929	Contribution to Reserves	47,919
(105,950)	(74,293)	Total Income & Reserves	(77,303)
0	0	Net Position	0

Poole Charter Trustee - Reserves

(37,658)	(37,658)	Opening Balance	(37,658)
(19,272)	(50,929)	In year movement	(47,919)
0	0	Amount utilised to fund one-off expenditure	
(56,930)	(88,587)	Closing Balance	(85,577)

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Annual Governance and Accountability Return 2020/21 Part 3

To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities*:

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but that:
 - are unable to certify themselves as exempt (fee payable); or
 - have requested a limited assurance review (fee payable)

Guidance notes on completing Part 3 of the Annual Governance and Accountability Return 2020/21

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Part 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with *Proper Practices*.
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
 - The **Annual Internal Audit Report must** be completed by the authority's internal auditor.
 - **Sections 1 and 2 must** be completed and approved by the authority.
 - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published on the authority website/webpage **before 1 July 2021**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both) **no later than 30 June 2021**. Reminder letters will incur a charge of £40 +VAT:
 - the Annual Governance and Accountability Return Sections 1 and 2, together with
 - a bank reconciliation as at 31 March 2021
 - an explanation of any significant year on year variances in the accounting statements
 - notification of the commencement date of the period for the exercise of public rights
 - Annual Internal Audit Report 2020/21

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the limited assurance review and is able to give an opinion, the Annual Governance and Accountability **Section 1, Section 2 and Section 3 – External Auditor Report and Certificate** will be returned to the authority by email or post.

Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website/webpage:

Before 1 July 2021 authorities **must** publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2020/21**, approved and signed, page 4
- **Section 2 - Accounting Statements 2020/21**, approved and signed, page 5

Not later than 30 September 2021 authorities **must** publish:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 and 2 of AGAR** including any amendments as a result of the limited assurance review.

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

**for a complete list of bodies that may be smaller authorities refer to schedule 2 to the Local Audit and Accountability Act 2014.*

Guidance notes on completing Part 3 of the Annual Governance and Accountability Return (AGAR) 2020/21

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this AGAR. *Proper Practices* are found in the *Practitioners' Guide** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the AGAR is complete (no highlighted boxes left empty), and is properly signed and dated. If the AGAR contains unapproved or unexplained amendments, it may be returned and additional costs will be incurred.
- The authority **should** receive and note the Annual Internal Audit Report before approving the Annual Governance Statement and the accounts.
- Use the checklist provided below to review the AGAR for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2021.
- The Annual Governance Statement (Section 1) must be approved on the same day or before the Accounting Statements (Section 2) and evidenced by the agenda or minute references.
- The Responsible Financial Officer (RFO) must certify the accounts (Section 2) before they are presented to the authority for approval. The authority must in this order; consider, approve and sign the accounts.
- The RFO is required to commence the public rights period as soon as practical after the date of the AGAR approval.
- Do not send the external auditor any information not specifically requested. However, **you must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chairman, and provide relevant authority owned generic email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the AGAR covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (**Section 2, page 5**). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide**.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or variances are not fully explained, additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2020) equals the balance brought forward in the current year (Box 1 of 2021).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the commencement date for the exercise of public rights of 30 consecutive working days which **must** include the first ten working days of July.
- The authority **must** publish on the authority website/webpage the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2021**.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?		
	Has all additional information requested, including the dates set for the period for the exercise of public rights , been provided for the external auditor?		
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?		
Section 1	For any statement to which the response is 'no', has an explanation been published?		
Section 2	Has the authority's approval of the accounting statements been confirmed by the signature of the Chairman of the approval meeting?		
	Has an explanation of significant variations from last year to this year been published?		
	Has the bank reconciliation as at 31 March 2021 been reconciled to Box 8?		
	Has an explanation of any difference between Box 7 and Box 8 been provided?		
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? NB: do not send trust accounting statements unless requested.		

**Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices*, can be downloaded from www.nalc.gov.uk or from www.ada.org.uk

Annual Internal Audit Report 2020/21

ENTER NAME OF AUTHORITY

ENTER PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

During the financial year ended 31 March 2021, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2020/21 has been carried out in accordance with this 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 authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.			
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.			
C. This 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.			
G. Salaries to employees and allowances to members were paid in accordance with this 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 bank account reconciliations were properly carried out during the year.			
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. If the authority certified itself as exempt from a limited assurance review in 2019/20, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2019/20 AGAR tick "not covered")</i>			
L. If the authority has an annual turnover not exceeding £25,000, it publishes information on a website/webpage up to date at the time of the internal audit in accordance with the Transparency code for smaller authorities.			
M. The authority, during the previous year (2019-20) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations <i>(evidenced by the notice published on the website and/or authority approved minutes confirming the dates set)</i> .			
N. The authority has complied with the publication requirements for 2019/20 AGAR <i>(see AGAR Page 1 Guidance Notes)</i> .			
O. (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 authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

Name of person who carried out the internal audit

DD/MM/YYYY

DD/MM/YYYY

DD/MM/YYYY

ENTER NAME OF INTERNAL AUDITOR

Signature of person who carried out the internal audit

Jonathan Cockeram

Date

DD/MM/YYYY

*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, the annual internal audit report must explain why not (add separate sheets if needed).

Section 1 – Annual Governance Statement 2020/21

We acknowledge as the members of:

ENTER NAME OF AUTHORITY

our responsibility for ensuring that there is a sound system of internal control, including arrangements for 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 2021, that:

	Agreed		
	Yes	No*	'Yes' means that this authority:
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.			<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.			<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>
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 authority to conduct its business or manage its finances.			<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>
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.			<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.			<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.			<i>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.</i>
7. We took appropriate action on all matters raised in reports from internal and external audit.			<i>responded to matters brought to its attention by internal and external audit.</i>
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 authority and, where appropriate, have included them in the accounting statements.			<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
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	N/A
			<i>has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.</i>

*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

DD/MM/YY

and recorded as minute reference:

MINUTE REFERENCE

Signed by the Chairman and Clerk of the meeting where approval was given:

Chairman

SIGNATURE REQUIRED

Clerk

SIGNATURE REQUIRED

ENTER PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

Section 2 – Accounting Statements 2020/21 for

ENTER NAME OF AUTHORITY

	Year ending		Notes and guidance
	31 March 2020 £	31 March 2021 £	
			<i>Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.</i>
1. Balances brought forward			<i>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.</i>
2. (+) Precept or Rates and Levies			<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>
3. (+) Total other receipts			<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>
4. (-) Staff costs			<i>Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.</i>
5. (-) Loan interest/capital repayments			<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
6. (-) All other payments			<i>Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
7. (=) Balances carried forward			<i>Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).</i>
8. Total value of cash and short term investments			<i>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.</i>
9. Total fixed assets plus long term investments and assets			<i>The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.</i>
10. Total borrowings			<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	<i>The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets.</i>
			<i>N.B. The figures in the accounting statements above do not include any Trust transactions.</i>

I certify that for the year ended 31 March 2021 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

SIGNATURE REQUIRED

Date

DD/MM/YY

I confirm that these Accounting Statements were approved by this authority on this date:

DD/MM/YY

as recorded in minute reference:

MINUTE REFERENCE

Signed by Chairman of the meeting where the Accounting Statements were approved

SIGNATURE REQUIRED

Section 3 – External Auditor’s Report and Certificate 2020/21

In respect of

ENTER NAME OF AUTHORITY

1 Respective responsibilities of the auditor and the authority

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02) as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/>.

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2021; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor’s limited assurance opinion 2020/21

(Except for the matters reported below)* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the authority:

(continue on a separate sheet if required)

3 External auditor certificate 2020/21

We certify/do not certify* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2021.

*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YY

Charter Trustees for Poole

Addendum to Annual Governance and Accountability Return 2020/21

Annual Internal Audit Report: Responses to Weaknesses Identified in Internal Control

Internal Control Objective / Assurance Given	Finding	Implication	Action Taken
<p>This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.</p> <p>Partial assurance given.</p>	<p>The 2019/20 Internal Audit report recommended that the Charter Trustees should have their own risk registers. Work has progressed on this during 2020/21 and the Charter Trustees agreed risk registers at the meetings in January 2021, however the registers have not been in place throughout 2020/21.</p>	<p>The registers have not been in place throughout 2020/21.</p>	<p>None required as the registers are now in place.</p>

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THE CHARTER TRUSTEES FOR POOLE



Report subject	Remembrance Day Events - Poole
Meeting date	23 June 2021
Status	Public Report
Executive summary	This report outlines the current activities supported by the Charter Trustees in relation to Remembrance Services across the former borough and asks Trustee Members to determine the level of support to be provided in future, including the potential financial support to the Broadstone Branch of the Royal British Legion.
Recommendations	<p>It is RECOMMENDED that:</p> <ul style="list-style-type: none"> (a) The Charter Trustees continue to organise and fund the Remembrance and Armistice Day events at the Mayoral Office and Poole Park; (b) A single wreath be supplied upon request to ward trustee members to lay at local events on behalf of the Charter Trustees; (c) The Charter Trustees determine whether to allocate the sum of £2,000 in the 2022/23 base budget and from the 2021/22 in-year unallocated reserves to provide financial support towards the Remembrance activities in Broadstone.
Reason for recommendations	The recommendations will provide clarity on the activities supported by the Charter Trustees in relation to the Remembrance events held within the former borough boundary of Poole.
Honorary Clerk	Graham Farrant
Report Authors	Richard Jones, Head of Democratic Services
Wards	Not applicable
Classification	For Decision

Background

1. The Charter Trustees at their meeting on 27 January 2021 requested a report outlining the options for Remembrance and Armistice Day events within the Charter Trustee boundary area.
2. Remembrance services take many forms in different towns and parishes, including very large processional parades, church services, formal wreath laying at war memorials and local memorial gardens.
3. Prior to the last decade or so, remembrance events involving processions on the highway were typically organised by local British Legion Branches and supported locally by volunteers marshalling and temporarily stopping traffic, with the occasional assistance of local police officers at major traffic junctions. However, increases in traffic volumes, constraints on police budgeting, increased awareness and challenges by drivers regarding rights of way and some incidents of processions breaching highway rules and risks to public safety, formal road closure orders were required to be made for such events. Associated risk assessments, public liability insurance and trained marshalls were also required at all closure points.
4. Although there is no legislation dictating who should organise remembrance events, major community events, akin to those organised in Poole Park, are often organised by the relevant local authority*, whilst other more localised events are typically organised by local British Legion Branches.
5. The *relevant local authority is the lowest level of authority for the given area (e.g., the parish, town or charter trustee where they exist, district or borough in a two-tier arrangement, or a unitary authority).
6. Since most local processions associated with Remembrance and Armistice Day events are organised by local branches of the British Legion, the cost of funding road closures fell to the British Legion. This led to a significant dent in the fund raising activities and as a consequence the British Legion, in association with the Government, recommended that the relevant authority for the given area, should consider funding the costs associated with enabling formal remembrance processions organised by British Legion Branches.
7. There are currently two local British Legion Branches within the Charter Trustee boundary, Broadstone and Poole. The Mayoralty team liaises closely with both branches but predominantly the Poole Branch for events within Poole Park.

Current Activities Supported

8. The Charter Trustees currently support and fund the following activities in relation to Remembrance events:-
 - Observation of the two minutes silence on Armistice Day at Civic Centre
 - Remembrance event in Poole Park including the laying of wreaths at the War Memorial
 - Attendance and laying of wreaths upon request at other local remembrance services in settlements throughout the former borough. Currently this includes events in Broadstone and Hamworthy.
9. Where local remembrance services are held, ward trustee members are provided with wreaths to lay on behalf of the Charter Trustees, however, it is anticipated that some events take place at which the Charter Trustees are not currently represented.

It is suggested that where such events are held within a ward, a single wreath shall be supplied upon request to the ward members collectively on behalf of the Charter Trustees.

Broadstone Remembrance Activities

10. The Broadstone Branch of the British Legion organises all activities relating to the remembrance activities including the procession on the public highway. Historically the road closure was managed informally as detailed above, however, over time this has evolved to comply with the requirements for formal road closures, insurance and trained marshalls, etc.
11. During the transition period of Local Government Reorganisation, BCP Council provided additional assistance in 2019 to allow events to continue, however, it is for the Charter Trustees to determine whether to formally support events in Broadstone as the relevant authority.
12. If the Charter Trustees were minded to provide financial support for the Broadstone British Legion Remembrance events, it is estimated that the annual budget will need to be increased by £2,000 to cover the costs associated with the formal road closure, etc. Payments would be made against valid invoices for costs incurred. The costs for 2021/22 could be met by in-year reserves.

Conclusion

13. The Charter Trustees are asked to review the Remembrance activities financially supported and consider whether to allocate an annual budget to support the Broadstone British Legion. Whilst Charter Trustees may be concerned that this could set a precedent for other areas, such a policy could be limited to events organised by established Branches of the British Legion of which there are only two (Poole and Broadstone).

Summary of financial implications

14. If the Charter Trustees determined to support the Broadstone British Legion Remembrance events an annual budget would be required to the sum of £2,000. In 2021/22 this cost could be met from unallocated in-year reserves.

Summary of legal implications

15. There is no legal requirement for the Charter Trustees (or any local authority) to organise or fund any Remembrance Service activities, however, such events are seen as important community occasions and civic attendance is traditionally expected.
16. There is a risk of reputational damage and negative media attention if remembrance services are not supported.

Summary of human resources implications

17. There are no direct human resource implications arising from this report.

Summary of sustainability impact

18. There are no sustainability or environmental implications arising from this report.

Summary of public health implications

19. There are no public health implications arising from this report.

Summary of equality implications

20. There are no equality implications arising from this report.

Background papers

None

Appendices

There are no appendices to this report.