

## THE CHARTER TRUSTEES OF POOLE

Minutes of the Meeting held on 26 August 2020 at 5.00 pm

Present:-

Cllr M Le Poidevin – Mayor

Cllr B Dion – Deputy Mayor

Present: Cllr J Bagwell (Sheriff), Cllr M Andrews, Cllr S Baron,  
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 A Hadley, Cllr M Haines,  
Cllr M Iyengar, Cllr C Matthews, Cllr D Mellor, Cllr S Moore,  
Cllr K Rampton, Cllr Dr F Rice, Cllr A M Stribley, Cllr T Trent and  
Cllr M White

### 13. Apologies

Apologies were received from Councillors J Beesley, P Broadhead and V Slade.

The Honorary Clerk reported that Councillors K Rampton and M Howell were expected to join the meeting later.

Note – Apologies were received after the meeting from Cllr Tony O'Neill.

### 14. Declarations of Interest

There were no declarations received for this meeting.

### 15. Confirmation of minutes and matters arising

The Minutes of the meetings held on 29 January 2020 and 22 July 2020 were confirmed as a correct record.

There were no matters arising from the above meetings.

### 16. Charter Mayor's Report

The Mayor reported on her activities since her last report in January 2020. She explained that when Covid-19 resulted in lockdown across the UK the same applied to the Mayoralty. The Mayor reported that one of her last engagements before lockdown was at the Senior Awards presentation at Parkstone Grammar School. The Charter Trustees were informed that since lockdown she had recorded a message to residents to celebrate the 75<sup>th</sup> Anniversary of VE Day on 8 May 2020, sent flowers to 2 residents who had celebrated their 100<sup>th</sup> birthday and spoken to one of them on the phone. On 15 August 2020 the Mayor attended the commemoration of the 75<sup>th</sup> Anniversary of VJ Day which took place at the Burma Star Memorial in Poole. She explained that the ceremony was attended by two survivors of the conflict who were both 99 years old.

The Mayor explained that she had also been requested along with other Mayors by the High Sheriff of Dorset to nominate people who had given

outstanding service during the pandemic so that they could receive an award from him. She explained that after much thought she had decided not to submit any names this was not because no one deserved to be honoured quite the opposite. She felt that the people of Poole had shown great strength, resilience and compassion and done so much to help their neighbours and communities and continue to do so that it would be invidious to pick out a few just because she had heard about them. The Mayor took the opportunity to thank all those who had provided such service and help and highlighted that they all deserved our gratitude and were all worthy of an award.

In conclusion she referred to a Ceremony she had been invited to attend at Poole Hospital to plant a tree for those affected by Covid-19.

17. Charter Trustees 2019-20 Internal Audit Report

The Charter Trustees considered the Internal Audit Report, which had been circulated to each Trustee and a copy of which appears as Appendix 'A' to these Minutes in the Minute Book.

The Head of Democratic Services reported that BCP Council's internal audit team had undertaken an audit on behalf of the Charter Trustees for the period to 31 March 2020 to provide an assurance opinion on each of the internal control objectives as set out in the Annual Governance and Accountability Return which was included as a separate item on the agenda.

Charter Trustees noted that of the 10 applicable internal control objectives 1 was assessed with a minimal assurance, 4 with partial assurance and the remaining assessed with reasonable or substantial assurance. The Head of Democratic Services reported that each of the recommendations had a management response and target date for resolution. He highlighted that the control objective with minimal assurance and a high priority related to the establishment of a risk register which was the subject of separate item on the agenda.

A Charter Trustee referred to recommendation 8 relating to the disposal of assets and asked for clarification on implications of the recommendation. The Head of Democratic Services reported that internal audit had identified that there was no recorded process if the Charter Trustees wished to dispose of assets. The recommendation allows the Trustees to have a formal process in place and set it out in the Handbook. The Head of Democratic Services, in response to a question, explained that the first part of the recommendations required an asset check to be undertaken in October with recommendations to be submitted in January 2021.

**RESOLVED that the Charter Trustees receive the internal audit report, approve the management responses and the target dates for resolution.**

Voting – Agreed

Councillor Trent abstained from the above decision.

18. Development of Risk Register

The Charter Trustees considered a draft risk register, which had been circulated to each Trustee and a copy of which appears as Appendix 'B' to these Minutes in the Minute Book.

The Deputy Head of Democratic Service presented the draft risk register which required further work and reported on options for its development. She explained that the register was an initial draft that provided an opportunity for the Charter Trustees to consider and take ownership for the risks that may be facing them. She suggested that one option was to ask the Budget Signatories together with a small group of Trustees to look into the development of the register in more detail and present a draft final document to a future meeting of the Charter Trustees for approval.

A Charter Trustee made an observation relating to the dates in the draft risk register in light of what was intended for the future use of the Poole Civic Centre. He highlighted the need for the dates to link with proposals for the Poole Civic Centre. The Charter Trustee indicated that the dates at the end of the year did not give him confidence that actions were being done on time and he requested that the suggested working group meets quickly highlighting that all of these dates and the management of the risks needed to be in cinque with the proposals for Poole Civic Centre.

Councillor Butler referred to the risk relating to assets, risk 3 and risk 4 and in particular who was identified as the risk owners. She highlighted risk 4 relating to Covid 19 and suggested that the wording should be altered to read - "failure to reduce likelihood of covid-19 infection....."

Councillor Judes Butt sought clarification on the membership of the proposed group. She explained that her main concern was on the future use of the Poole Civic Centre by the Mayoralty. The Honorary Clerk reported that the Council had made a commitment to move into Bournemouth but that this does not mean that the Poole Civic Centre would be shutting by the end of the calendar year. He explained that Officers would be liaising with Members when a programme for doing so was available and the Charter Trustees can continue to operate from the Civic Centre for the time being.

A Charter Trustee suggested that in reviewing the insurance arrangements it was necessary to ensure that appropriate liability insurance was available and that this should be added to risk 3 in respect of any liability arising. A Councillor indicated that as far as he was aware the Trustees were ultimately responsible and appropriate insurance should be provided.

The Mayor requested that an email be sent out to all Charter Trustees asking for expressions of interest to serve on the proposed working group.

A Charter Trustee sought confirmation that the Poole Civic Centre would not be sold in the foreseeable future with regards to the historic value, he suggested that the museum could move to Poole Civic Centre to provide appropriate access for the disabled. The Honorary Clerk reported that the disposal of assets would be a councillor decision and all options would be explored prior to bringing forward via Cabinet to full Council for decision as appropriate. The Mayor reported that the building was not in the ownership

of the Charter Trustees. A Charter Trustee asked that consideration should be given to what aspects of the Civic Centre were retained and the needs of the Mayoralty. Councillor Iyengar indicated that this issue now has some urgency in order to progress the discussion on the heritage and legacy that was retained.

**RESOLVED that that the draft risk register be accepted in its current form, and a working group be set up including the budget signatories to develop the risk register for approval by the Charter Trustees and that this work commence before the end of September.**

Voting - Agreed

Councillors Daniel Butt, Judes Butt, Diana Butler, Karen Rampton and Tony Trent abstained from the above decision.

19. Annual Governance Statement 2019/20

The Charter Trustees considered the Annual Governance and Accountability Return, which had been circulated to each Trustee and a copy of which appears as Appendix 'C' to these Minutes in the Minute Book which included the Annual Governance Statement for 2019/20.

The Responsible Financial Officer (RFO) explained that the format was a prescribed format for a smaller authority determined by the Charter Trustees expenditure which was above £25k but below £6.5m. He reported that the document referred to various dates for public inspection which had been amended due to Covid-19 and therefore the Charter Trustees were not in breach of any dates. The RFO reported that the Charter Trustees were required to approve this document by end of August, on 1 September a period of public inspection would commence, and the audited accounts would be published by the end of November 2020.

The Charter Trustees were referred to page 3 of the document which provided a summary of the internal audit conclusions and fed directly in from the Internal Audit report which indicated the action proposed to improve controls. This would mainly require producing bespoke financial regulations and a risk register for the Charter Trustees.

The RFO reported that the Annual Governance Statement on page 4 of the document overall indicated that there was a sound system of control in place. He explained that there was one 'No' which related to the development of a risk register which was in hand as referenced in the previous agenda item. He reported that the main substance of this agenda item was section 2 the accounting statements and confirmed that the return covered items 7 and 8 on the agenda. He reported that the Charter Trustees had raised a precept of £124k with expenditure of just over £86k and reserves of £37,657. The Charter Trustees were advised that that this was consistent with the budget position reported in January 2020 and a more favourable position. The RFO reported that the Charter Trustees had incurred VAT costs of £11k which had been offset by savings from civic events and regalia. The RFO suggested that it would be helpful for the Charter Trustees and the public to see more details on the statements and therefore he proposed to bring forward mid-year estimates for 2020/21 and

a breakdown of the budget for 2019/20 to the Charter Trustees meeting in October. The RFO confirmed that the statements were compliant with the legal requirements.

Councillor Iyengar sought clarification on the accountability return part 3 and asked what a healthy balance of scores was and how that reconciled with the table later in the document. He also asked why a disclosure for a smaller authority was being completed. The RFO explained that the no's related to the internal audit report. He confirmed that it was not that there were no internal controls in place but that they could be improved and tailored for the Charter Trustees. The RFO highlighted that the only area with minimal control and a no related to the risk register. In response to the second question the RFO explained that the return was the format that a smaller authority should fill in as it was a separate and independent organisation from the Council. The RFO acknowledged that the statements were abbreviated which was why he had suggested that it would be useful to submit a detailed breakdown to the Charter Trustees at its meeting in October.

The RFO in response to a number of questions on the detail of the statement explained that in terms of the balance brought forward this was the first year of the Charter Trustees so there was no balance to bring forward. He explained that £18,950 referred to in January 2020 was the budgeted position at that stage. In respect of rounding up the figures in the statements the RFO would make arrangements for this to be undertaken once approved and prior to publication. The RFO confirmed that there was a list of assets as referenced in the internal audit report and arrangements could be made for these to be circulated to the Charter Trustees. The Charter Trustees were advised that the staff costs were referenced in the internal audit and when setting the budget for next year additional staffing elements that could be charged would be considered.

Councillor Judes Butt referenced (e) on page 6 of the document and sought clarification on the VAT position. The RFO confirmed that VAT had been appropriately accounted for. He reported that there had been an assumption that the Charter Trustee would be able to reclaim VAT under section 33 of the VAT Act under the umbrella of BCP Council but unfortunately this was incorrect and the Charter Trustee had incurred £11K which cannot be reclaimed. The RFO reported that Officers had made representations to HMRC and a statutory instrument would be laid before parliament on 14 October 2020 that would come into effect on 4 November 2020 and provided there are no parliamentary delays from that point onwards the Charter Trustees would be able to reclaim VAT under section 33 of the VAT Act. A Charter Trustee asked for clarification on how the Charter Trustees would be compensated for the loss of the £11k. The RFO reported that unfortunately there was no insurance cover and the Charter Trustees would not receive any reimbursement.

A Charter Trustee asked if the number plate on the car used by the Mayoralty was an asset owned by the Charter Trustees. Officers indicated that they would advise the Charter Trustees of the position.

A Charter Trustee asked if £11k of vat losses had been incurred so far what further losses may there be until the Statutory Instrument was laid and

becomes effective. The RFO reported that the £11k was the full year of VAT for 2019/20 and he would expect a further £5k approximately.

**RESOLVED that:-**

- (a) the Annual Governance Statement for 2019/20 be approved;**
- (b) an Outturn report and in year quarterly budget monitoring report setting out the position for 2019/20 and projection for 2020/21 be submitted to the Charter Trustees meeting on 28 October 2020; and**
- (c) the Statement of Accounts for 2019/20 be approved.**

Voting – Agreed

Councillors Judes Butt, Daniel Butt, May Haines, Mohan Iyengar, Karen Rampton and Tony Trent abstained from the above decision.

20. Statement of Accounts for 2019/20

Please refer to the decision above.

21. Charter Trustees - VAT Position

Please refer to the decision above.

A Charter Trustee thanked the RFO for the work that he had undertaken to rectify the issue relating to the VAT however he reported that he was disappointed that the error had cost the Charter Trustees in the region of £17,000. The Honorary Clerk indicated that he would follow up this issue.

Councillor Judes Butt referred to the number plate APR 1, confirming that the vehicle had been scrapped but that she would like to know what had happened to the number plate.

**RESOLVED that the position on VAT be noted.**

Voting – Agreed

Councillors Judes Butt, Daniel Butt, May Haines and Karen Rampton abstained from the above decision.

The meeting ended at 6.04 pm

CHAIRMAN