



**MAGHULL
TOWN
COUNCIL**

Maghull Town Hall

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Dated this 9th Day of January 2018

NOTICE IS HEREBY GIVEN that a meeting of the AUDIT AND GOVERNANCE COMMITTEE will be held in the COUNCIL CHAMBER at MAGHULL TOWN HALL on WEDNESDAY 17th January 2018 at 6.30pm

Note: DECLARATIONS OF INTEREST – If a Member requires advice on any item involving a possible declaration of interest which could affect his/her ability to speak and/or vote, he/she is advised to contact the Town Clerk at least 24 hours in advance of the meeting.

A G E N D A

- 1 Apologies for Absence
- 2 Declarations of Interest
- 3 Public Participation
- 4 Minutes of the Previous Meeting – Minutes of the Meeting Held on 18h October 2017 are attached for approval (Pages 1- 4)
- 5 **Internal Audit Report: Quarter 2 2017/18** - Members are asked to consider the Internal Audit Reports (Pages 5 - 10)
- 6 **Internal Audit – Tender for Services** - Members are asked to consider the report (Pages 11 - 12)
- 7 **Notification of New External Auditor** - Members are asked to note the Report (Pages 13 - 15)
- 8 **Risk Register** – Members are asked to consider the Report (Pages 16 - 21)
- 9 **Data Transparency** - Members are asked to note the Report (Page 22)
- 10 **Service Standards** - Members are asked to consider the report (Pages 23 - 24)
- 11 **Chair's Report** - for noting only



12 **Exclusion of the Press and Public**

That, in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they contain exempt information under paragraphs 1, 2 and 3 of Part 1 of Schedule 12A of the Act, and it would not, on balance, be in the public interest to disclose the reports.

- 13 **Update on Lease Agreements, Late Payers and Bad Debtors - Members are asked to note the report (Pages 25 - 28)**



Miss A. McIntyre
Town Clerk & Treasurer

MAGHULL TOWN COUNCIL
AUDIT & GOVERNANCE COMMITTEE MEETING
HELD 18TH OCTOBER 2017

PRESENT – Councillor J. Sayers (In the Chair) and Councillors: Carlsen, Desmond, Hart and Y Sayers.

ALSO PRESENT – A. McIntyre (Chief Executive), A. Spencer (Deputy Town Clerk/ Operations and Contracts Manager), D. Healey (Finance Officer) and S. Larking (minutes).

1. APOLOGIES FOR ABSENCE – Apologies were received from Cllr Roughley.

2. DECLARATION OF INTERESTS – None.

3. PUBLIC PARTICIPATION – None.

4. MINUTES OF THE PREVIOUS MEETING

RESOLVED that: The minutes of the meeting held on 12th July 2017 were a correct record.

5. INTERNAL AUDIT REPORTS QUARTER 4 2016/17 AND QUARTER 1 2017/18

Cllrs noted the following points from the Quarter 4 Internal Audit Report:

1. Nominal Activity Youth Council income and expenditure: Noted that this had been moved to miscellaneous expenditure. Cllrs felt strongly that there should be a budget for youth provision and would put this forward as part of the 2018/19 budget planning process.
2. 2 Declarations of Interest: noted issues with 2 forms.
3. BACS sheets: Noted should be signed by the Town Clerk or Deputy Town Clerk. Cllrs keen to reduce unnecessary printing and to use electronic records. This should be discussed with the Auditor.
4. Grant expenditure: Requested that free room hire for community groups should be promoted on the Council's website

Officers responded as follows:

1: The Finance Officer explained that the Youth Council income and expenditure had been taken off the balance sheet as the Youth Council no longer exists. The budget code had been subsumed into the Council's miscellaneous budget. The Chief Executive explained that the Youth Council had historically been allocated a budget of £8,000 which they had managed. Community Support and Engagement Committee have been reviewing youth provision; the Committee had a work programme.

2: The Chief Executive reported that issues with the declarations of interest had been resolved; this information was publicly available.

3: The Finance Officer reported that BACS payments are authorised on-line in accordance with accounting principles. Hard copies of payments printed and signed for records. It was agreed that views would be sought from the Auditor to use electronic records only.

RESOLVED that:

- 1. Officers to explore with Auditor if electronic records only can be used to confirm payments authorised rather than printing and signing hard copies**
- 2. Cost of free room hire for community groups to be available on Council's website**
- 3. The Internal Audit Reports be noted**

6. EXTERNAL AUDITOR'S REPORT

RESOLVED that: the report be noted.

7. SERVICE STANDARDS

RESOLVED that: The report be noted.

8. GENERAL DATA PROTECTION REGULATIONS 2018

The Chief Executive reported that General Data Protection Regulations (GDPR) come into force on 25 May 2018. Organisations will need to show how they are protecting personal data. This includes data for staff, Cllrs, residents e.g. those replying to consultations, suppliers and creditors. A report will be presented to the January meeting setting out implementation. The Society of Local Council Clerks (SLCC) are running webinars to support implementation. Training will be available for Cllrs. Moving forward, MTC will ask all creditors and suppliers to confirm that their data can be published. A clause will be included in future contracts.

Cllrs noted that :

- It's good practice to seek permission before forwarding emails from residents;
- emails sent from personal accounts but including MTC email accounts are considered as personal data
- Data should be made available electronically rather than in hard copy, where possible, with a terminal available for residents to access information.

RESOLVED that: The report be noted.

9. FIRE ALARM SYSTEM

The Chief Executive reported that MTC had been criticised by the Auditor for only getting 2 quotes for the replacement IT system. This was because only 2 companies responded to the tender. Permission was sought for authorisation for one quote to replace the fire alarm system. This was requested to allow a shared system with the Meadows to improve safety between the buildings.

RESOLVED that:

- 1. Permission granted to seek one tender to replace the fire alarm system with one that links up with the Meadows.**
- 2. The report be noted.**

10. ASSET REGISTER

The Finance Officer explained that work was progressing to review and update the asset register. Advice was being sought from Sefton. Cllr Carlsen asked for the register to keep details of amendments and offered to help this work.

RESOLVED that: The report be noted.

11. CHAIRS REPORT

No report given

12. EXCLUSION OF THE PRESS AND PUBLIC

Resolved that the press and public be excluded due to the confidential nature of the item under discussion.

13. UPDATE ON LEASE AGREEMENTS AND LATE PAYERS

The Deputy Town Clerk reported there were some weaknesses in the debtors policy as escalation was not proving to be effective in two cases.

- **Maghull Tennis Club:** Is a long standing debtor. In weekly contact (text) with Chair of Tennis Club. Issues about the quality of the courts in 2016/17 season. The hire charge was reduced to reflect this. Courts now maintained to a higher standard. The Club reported dwindling membership. Given ongoing issues about payment the club has been told that the facility will be taken away. The lease is due for review in 2018.
- **Albion FC:** Owe money for pitch hire in 2016/17. The club has folded. Members of the club had been reported to the FA and will be unable to play elsewhere.

The football contract for the 2017/18 season required 50% payment for hire charges by 16 Sept 2017 and the balance by 30 November 2017. No initial payments have been made. All Clubs will be called on 19 October to chase payments.

The Chief Executive gave the following updates:

- **Maghull Cricket Club:** Heads of Terms for Maghull Cricket Club (MCC) sent to Sefton Legal Team. Solicitor leading on this case has other time critical priorities and will progress the lease when he can. MCC have a licence to occupy. The lease will be backdated to 1 April 2017
- **The Venue:** The licensee will be going into negotiations with Officers to discuss new lease arrangements.

Points raised by Cllrs in discussion:

- Consider change of use from tennis courts to 5-a-side pitches. Officer reported that this has been considered. The estimated cost is £600,000 for a 4G pitch
- The Meadows Leisure Centre to take over running of tennis courts

- A pro-active line to be taken on non-payment of invoices by Maghull Tennis Club. Tennis Club to be given a deadline to pay in 28 days or locked out of pavilion
- Lease for Cricket Club to be progressed quickly; Officers to press Sefton Legal to prioritise this
- The Chief Executive to enter into negotiations on a new lease for the Venue.
- Noted that tenant of Moorhey Scout Hut is paying rent on time.
- Noted that historic debts have been written off

RESOLVED that:

1. Pro-active line to be taken on non-payment of invoices
2. Tennis Club to be asked, in writing, to pay outstanding invoices in 28 days
3. All football clubs to be contacted about outstanding invoices
4. Lease with Maghull Cricket Club to be progressed quickly
5. Lease for Venue to be progressed
6. The Report be noted.

CHAIRMAN

**REPORT OF THE
TOWN CLERK**

To the Chair and Members
Meeting held 17 January 2018

5. Internal Audit Report: Quarter 2 2017/18

Sefton CVS have completed their internal audit for the second quarter of 2017/18, the findings of which are found in the attached report.

Recommendation:

- 1. The reports be noted.**



Sefton CVS

Supporting Local Communities

Private & Confidential
Chief Executive and Town Clerk
Maghull Town Council
The Town Hall
Maghull
Merseyside
L31 7BB

8 January 2018

Dear Chief Executive and Town Clerk,.

We have completed our twelfth quarterly visit in accordance with the agreed internal audit plan. I thank you and your staff for the help that we have received in carrying out the procedures.

As requested, I am reporting to you our findings so that any action which may be required by the council can be undertaken.

Our tests are performed on a sample basis and are designed to highlight potential problem areas that need addressing. They are not designed to identify all errors or instances of fraud that may occur.

Scope of work

This quarter, Quarter 2 2017/18 (1 July 2017 – 30 September 2017), we have performed work on your systems, concentrating on the following:

- Budget reviews and analysis of variances
- General purchases system testing – up to Sept
- Review beneficiaries on the bank system
- Review the process of ordering goods and services and authorisation
- Review IT security and website
- Review of Council reports
- Review of external auditors reports
- Review proper legal power used on expenditure
- Value Added Tax review, testing and partial exemption review

Budget reviews and analysis of variances

Actual results are compared to budget for the year on a monthly basis.

The most significant variance was on staffing costs. The budget for the full year is £364,247, which equates to £182,123 for 6 months. Actual staffing expenditure for the 6 months ended 30 September 2017 was £217,445, an adverse variance of £35,322 or 19%.

Conclusion: The variances would be more meaningful if the actual results were compared to the budget for the year to date. A narrative explaining variances would be helpful.

General purchases system testing

A sequence of 20 purchase invoices were checked and found to be correctly posted to the nominal ledger.

Conclusion: purchase invoices were found to be correctly posted.

Review beneficiaries on the bank system

The list of bank beneficiaries was obtained and reviewed. The bank beneficiaries comprise suppliers, staff and four Councillors. The payments to Councillors all related to the reimbursement of expenses.

Conclusion: bank beneficiaries are all for valid reasons.

Review the process of ordering goods and services and authorisation

Purchase orders are completed for one-off purchases.

Invoices to be paid by BACS have a stamped box which is completed with:

Ref: Sequential number

Nominal ledger code

Pay type: BACS

Authorisation: DH

Supplier ledger account

Department

Date paid

VAT code

A sequence of 20 purchase invoices in the file of invoices were checked for correct authorisation. All the invoices had been correctly authorised as evidenced by being initialled by Angela McIntyre and Debbie Healey.

Conclusion: the purchase system appears to be operating correctly.

Review IT security and website

IT is provided by Knowsley MBC. Passwords have to be changed every three months.

The server is at Knowsley MBC, who arrange remote backup.

bOnline host the website and Vidahost host emails

Only the Chief Executive and Town Clerk, Events Co-ordinator and Democratic and Mayoral Office have the authority to update the website.

The Local Government Transparency Code 2015 requires the following information to be published on the website:

Quarterly

- Expenditure exceeding £500 – expenditure to 30 September 2017 is shown.
- Government Procurement Card transactions – not used by council.
- Procurement information – no contracts over £5,000 so not applicable.

Annually

- Local authority land, to be published quarterly – done.
- Social housing assets – none owned so not applicable.
- Grants to voluntary, community and social enterprise organisations, to be published annually- done
- Organisation chart, to be published annually - done.
- Trade union facility time, to be published annually – done.
- Parking account – the Council does not charge for parking.
- Parking spaces – no controlled parking spaces so not applicable.
- Senior salaries – not applicable as none paid over £50,000.
- Constitution, to be published annually – done.
- Pay multiple, to be published annually - done.
- Fraud – done.

Conclusion: IT security appears to be adequate and the website contains the required information.

Review of Council Reports

Council Meeting 19 July 2017.

Some of spend on improving facilities and upgrading machinery to be from s106 funding. S106 projects to be reviewed by Chief Executive and Leader of the Council.

Conclusion: s106 projects are reviewed.

Council Meeting 20 September 2017

The Cricket Club has agreed to the Heads of Terms proposed and negotiated with the Council and Sefton Legal Services had been informed so that the formal lease could be drawn up. Once this had been done the lease is to be submitted to the Cricket Club for their ratification and then the lease will be signed by both parties.

Conclusion: Council income has been protected by lease with Cricket Club

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Review of external auditor's reports for Financial Year 2016/17

The BDO letter dated 27 September 2017 states that 'There were no matters which came to our attention which required the issuing of a separate additional issues arising report'. The External Auditor's Report was considered by the Audit and Governance Committee on 12 October.

The external auditor's report dated 16 August 2017 noted a number of queries, which were satisfactorily resolved.

The external auditor carries out an analytical review and identifies items of income and expenditure which have a significant percentage variance from the previous year. Detailed explanations for the variances are requested by the external auditor.

The external auditor requires a reconciliation between boxes 7 and 8:

Box 7 Balances carried forward

Box 8 Total value of cash and short term investments

The reconciliation should show the total debtors and creditors for the year.

The external auditor also required an explanation as to the movement in debtors and creditors in comparison to the prior year.

Conclusion: Maghull Town Council should prepare the above information required by the external auditor prior to the audit to facilitate the progress of the external audit.

Review proper legal power used on expenditure

The Financial Regulations dated April 2017 state:

A schedule of the payment of money shall be prepared by the RFO and together with the relevant invoices, etc., presented to the Authorised Signatories. All new Direct Debits and Standing Orders shall be authorised by one of the following Officers - RFO or in their absence the Business Development, Operations and Contracts Manager and any two Members of the Council, identified on the Authorised Signatory list.

Cheques drawn on the bank account in accordance with the schedule referred to in the previous paragraphs shall be signed by two of the following officers – RFO or in their absence the Business Development, Operations and Contract Manager or Town Clerk and any two Members of the Council identified on the Authorised Signatories list.

The current system for BACS payments is: A schedule of the payment of money is prepared by the Responsible Finance Officer, Debbie Healey and together with the relevant invoices, is presented to the Town Clerk, Angela McIntyre. The invoice is initialled by the RFO and the Town Clerk. The payments are entered by the RFO and authorised by the Town Clerk. The

Deputy Town Clerk, Alex Spencer, deputises for the Town Clerk in the absence of Angela McIntyre.

Conclusion: The Financial Regulations are being complied with.

Value Added Tax review, testing and partial exemption review

All income and expenditure was reviewed to ensure that output VAT is correctly charged and input VAT is correctly claimed.

Test of input VAT on a sequence of 10 purchase invoices showed that input VAT was correctly accounted for.

Conclusion: output VAT and input VAT is correctly recorded.

Would you please write to me with any comments you may have regarding the points raised above.

Kind regards.

Yours sincerely,

Anthony Deegan
Finance Manager
Sefton Council for Voluntary Service

REPORT OF THE TOWN CLERK

To the Chair and Members
Meeting held 17 January 2018

6. Internal Audit: Tender

The current contract with Sefton CVS for Internal Audit services expires at the end of the current financial year (2017/18). We will start the tender process shortly to ensure we have Internal Audit arrangements in place in time for the new financial year (from 1 April 2018). We have reviewed the Internal Audit Plan which will form part of the tender specification. Views are invited on the proposed changes:

Maghull Town Council Internal Audit Plan

April – June (Q1)

- Function Suite Lease Compliance
- Related party transactions procedures
- Review of Business Continuity Plans
- Review of council reports and minutes
- Review of financial regulations & Standing Orders. Note: Change to Constitution
- Review of Fixed Assets
- Review of Risk Register
- Review of sage system on sage and appropriate coding: Note: change to posting

July – September (Q2)

- Budget Reviews and analysis of variances
- General purchases system testing – Up to Sept
- Review Beneficiaries on the bank system
- Review the process of ordering goods and services and authorisation
- Review IT Security & Website
- Review of council reports Note: add and minutes for consistency
- Review of external auditors reports
- Review proper legal power used on expenditure
- Value added tax review, testing and partial exemption review

October – December (Q3)

- Budget reviews and analysis of variances
- Debtors and Income review
- PAYE Health-check & HR Procedures
- ~~Review of petty cash controls and testing~~ Note: No longer hold petty cash
- Review of council reports Note: add and minutes for consistency with Q1 and 4
- Review of effectiveness of Debt Chasing
- ~~Review of minutes~~
- Review of trade debtors and trade creditors

January to March (Q4)

- Agree figures to core records (if applicable)

REPORT OF THE TOWN CLERK

To the Chair and Members
Meeting held 17 January 2018

- Agree that councils financial regulations have been met
- Bank Reconciliation review
- Completion of Section 4 in Annual Return
- Nominal activity review
- Obtain annual accounts (if applicable)
- Review all income and expenditure especially over £5,000
- Review of council reports and minutes
- Review of payments of interest and principal in respect of loans are in accordance with agreed schedule
- Review grant expenditure
- Review proper legal power used on expenditure
- Value added tax review and testing
- Wages reconciliation to P35 and testing

Recommendation

- 1. Members are asked to consider the changes to the Internal Audit Plan from 1 April 2018**
- 2. That the report be noted.**

REPORT OF THE TOWN CLERK

To the Chair and Members
Meeting held 17 January 2018

7. Notification of new External Auditor

Smaller Authorities' Audit Appointments Ltd (SAAA) is responsible for appointing external auditors to all applicable opted-in smaller authorities, for setting the terms of appointment for limited assurance reviews and for managing the contracts with the appointed audit firms

On 30 November 2016 SAAA announced the conclusion of its procurement process and the award of limited assurance review contracts for five years to the successful external audit firms. Responsibilities under the new contracts will relate to accounts for the financial year beginning on 1 April 2017. Maghull's Auditor will be PKF Littejohn LLP.

The Annual Return

The Annual Return will now be known as the "Annual Governance and Accountability Return" and will need to be completed in accordance "proper practices" as set out in '*Governance and Accountability for Smaller Authorities in England, a Practitioners' Guide*', and then be published in accordance with the applicable Transparency Codes.

Scales of Fees 2017-18 to 2021-22

The following fees have been determined by SAAA following consultation for the Audit Years 2017-18 to 2021-22.

Scales of fees for smaller authorities, are based on bands of annual income or expenditure, whichever is the higher. This means that the fees are broadly proportionate to the public funds involved and the ability of each authority to pay.

Table 1 sets out the scales of audit fees for smaller authorities that complete their Annual Returns fully and accurately within the required timescales, and provide the necessary supporting information and any explanations sought.

Authorities with neither income nor expenditure exceeding £200,000 will be subject to basic limited assurance audit review. Authorities with either income or expenditure exceeding £200,000 will be subject to intermediate limited assurance audit review.

Table1 - Scale of fees for bodies subject to limited assurance review

INCOME/EXPENDITURE BAND (£)	FEE FOR LIMITED ASSURANCE REVIEW (£)
0 - 25,000	0 (see note)
25,001 - 50,000	200
50,001 - 100,000	300
100,001 - 200,000	400
200,001 - 300,000	600
300,001 - 400,000	800
400,001 - 500,000	1,000
500,001 - 750,000	1,300

REPORT OF THE TOWN CLERK

To the Chair and Members
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750,001 - 1,000,000	1,600
1,000,001 - 2,000,000	2,000
2,000,001 - 3,000,000	2,400
3,000,001 - 4,000,000	2,800
4,000,001 - 5,000,000	3,200
5,000,001 - 6,500,000	3,600

Reminder letters

Where a supplier is required to send a reminder to any authority, the supplier will charge the authority £40 for each reminder.

Additional work and variations to the scale fees

If an active authority fails either to submit its Annual Return to the supplier for review by 30 September or (if it is an exempt authority) to provide a certificate of exemption, the supplier will consider issuing a public interest report, the cost of which will be payable by the authority pertaining to the fee income band of that authority as in Table 1 (above).

Extra fees may also be charged, subject to SAAA's approval, in other circumstances, for example where auditors have to:

- consider objections to the accounts from local electors, from the point at which the auditor accepts the objection as valid;
- exercise special powers in relation to the review, such as issuing a report in the public interest; or
- undertake any special investigations, such as those arising from disclosures under the Public Interest Disclosure Act 1998.

Extra fees will be calculated and charged according to the work required, subject to the maximum hourly rates set out in Table 2 below.

Table 2 - Maximum hourly rates for additional work at smaller authorities

STAFF GRADE	MAXIMUM £ PER HOUR
Engagement lead	355
Senior manager/manager	215
Senior auditor	140
Other staff	105

**REPORT OF THE
TOWN CLERK**

To the Chair and Members
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Value Added Tax

The fee scales exclude Value Added Tax, which will be charged at the prevailing rate on all work undertaken.

Recommendation

1. That the report be noted.

**REPORT OF THE
TOWN CLERK**

To the Chair and Members
Meeting held 17 January 2018

8. Risk Register

The latest version of the Risk Register is attached for comments.

Recommendation:

- 1. That Members consider the risk register;**
- 2. The report be noted.**

Risk Assessment and Management (financial) 2017/18 Version 2 REVIEW DATE - 17 JANUARY 2018

Action: Chief Executive & Town Clerk (CE); Business Development and Contracts Manager (BD), Finance Officer (FO), Finance & Amenities Committee, Audit & Governance Committee, Personnel Committee

Topic	Risk Identified	H/M/L	Management of Risk	Action
Use of professional services	Use of reputable/qualified service providers	L	Consultancy/tender invitations provided by Charter Surveyors?	CE & BD
		L	Internal Audit Services provided by qualified Auditor	FO
		L	External Auditor appointed by SAAA	CE
		L	Council's Standing Orders and Financial Regulations in force	CE
		L	Only tested firms used	BD
		L	Use made of Sefton Council Officers for independent professional service - Legal and H.R. Advice	CE & BD
Loss	Consequential loss due to critical damage or third party performance	L	Insurance cover review adequacy	CE & BD
Cash	Loss through theft or dishonesty	L	Insurance cover review, ensure adequacy of fidelity guarantee insurance	CE & BD
Maintenance	Poor performance of assets of amenities, loss of income or performance	M	Annual review	BD & FO
Borrowing/Lending	Adequacy of finance to be able to repay loans	L	Financial review and cash flow forecasting monthly	FO
Legal powers	Illegal activity or payment	H	Educate council as to their legal powers	FO
Financial records	Inadequate records	L	FO/CE to review quarterly plus regular internal audit	FO
Minutes of Council Meetings	Accurate and legal	L	Review at following meeting	CE

Topic	Risk Identified	H/M/L	Management of Risk	Action
Electors right to inspection of minutes of Council Meetings	Availability of documents	L	Minutes available on line and for inspection in council office Minutes circulated to all Town Councillors Copies sent to Sefton Library (Archives) Quarterly	CE
	Members interests	M	Update declarations of interests - annual	CE
	Projects	M	Consult on timing work	CE, BD & FO
Lease - The Venue	Costs within budget	H	Ongoing review and monitoring	CE, BD & FO
	Loss of tenant	M	Client/Contractor management and consultation arrangements to monitor the lease	BD
	Damage to premises	L	Ensure adequate safety and security arrangements in place	BD
	Damage to reputation	M	Quality assurance policy and complaints policy to be implemented and performance managed	BD
			Review Venue regularly and ensure any repairs done quickly	
	Litigation against the council	L	Ensure refurbishment improvements comply with all health and safety and DOA requirements	BD
			council to vet all third party contractors supplying goods and services	
Lease - Community Police Station	Failure to re-let tenancy	M	Strategy required to market the function suite	BD
	Targeted attack on Police Station	M	Ensure adequate safety and security arrangements in place	BD
	Damage to premises	M	Ensure adequate safety and security arrangements in place	BD
	Damage to reputation (Police station seen as part of MTC)	M	Merseyside Police to provide details about when Police Station is open to the public Merseyside Police to ensure public phone is working to report issues	BD

Topic	Risk Identified	H/M/L	Management of Risk	Action
Lease - Moorhey Road (Scout Hut)	Loss of tenant	M	Client/Contractor management and consultation arrangements to monitor the lease	BD
	Failure to re-let tenancy	M	Strategy required to market	BD
	Tenant fails to pay rent	M	Quarterly review meetings	BD
	Loss of tenant	M	Client/Contractor management and consultation arrangements to monitor the lease	BD
	Damage to premises (external)	L	Ensure adequate safety and security arrangements in place	BD
	Damage to premises (internal)	L	Review regularly to ensure premises in good state of repair and arrange for tenant to carry out repairs as required	BD
	Failure to re-let tenancy	M	Strategy required to market	BD
	Tenant fails to pay rent	M	Quarterly review meetings	BD
	Loss of tenant	M	Client/Contractor management and consultation arrangements to monitor the lease	BD
	Damage to premises	L	Ensure adequate safety and security arrangements in place	BD
Lease - Tennis Club	Quality of the Courts	L	Ensure courts maintained to a playable standard	BD
	Failure to re-let tenancy	M	Strategy required to market	BD
	Loss of tenant	M	Client/Contractor management and consultation arrangements to monitor the lease	BD
	Damage to premises	L	Ensure adequate safety and security arrangements in place	BD
	Damage to premises	L	Regular reviews of internal space to ensure meets required standard	BD
Lease - Cricket Club	Damage to premises	L	Confirmation that repairs carried out by registered trades	BD
	Failure to re-let tenancy	M	Strategy required to market	BD
Pensions	Affordability	M	Annual Review of Commitment	Finance & Amenities

Topic	Risk Identified	H/M/L	Management of Risk	Action
VAT Recoverable	VAT Analysis	M	All items in cash book lists	FO verify/Internal Audit
	Charged on sales	M	Consider annually	FO verify/Internal Audit
	Charged on purchases	L	Consider all items per cash book lists	FO verify/Internal Audit
	Partial Exemption	M	Maintenance of accurate records	FO verify/Internal Audit
	Claimed within time limits	M	Agree returns submitted	FO verify/Internal Audit
Reserves general	Adequacy Safety	M	Consider at budget setting	CE & FO
	Adequacy	M	Investment in secure financial institution	CE & FO
Reserves earmarked	Earmarked or contingent liability	L	Consider and budget financial accounts	FO
	Loss, damage etc.	L	Review minutes with chair of Finance & Amenities committee	FO / Chair of F&A Committee
Assets	Loss, damage etc.	M	Annual inspection, update insurance and asset registers	FO
	Risk or damage to third party property or individual	M	Maintenance Programme Repairs carried out promptly Review adequacy of Public Liability insurance	CE/BD/FO
			Contracted on-site security for Town Hall	BD
Security and safety for buildings & equipment			Patrol of parks and pavilions	BD
	Loss, damage etc.	L	Alarm systems connected to 24hr service	BD
			Review of CCTV provision at Town Hall Review and upgrade of Fire Alarm System at Town Hall Hall linked to Meadows Leisure Centre	CE
Security of data	Loss, damage etc.	L	Use of professional services for maintenance and management	BD
	Loss of key personnel (Chief Executive)	H	External back up Hours, health, stress, training management Long term sickness, early departure, terms and conditions	BD Personnel Committee

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Topic	Risk Identified	H/M/L	Management of Risk	Action
Staff	Loss of personnel	M	Long term sickness, early departure, terms and conditions	CE, BD, Personnel Committee
	Fraud by staff	L	Insurance cover conditions met, procedures, segregation of duties	FO
Banking	Cash Banking	L	Accuracy of banking sheet and bank paying in books	FO to review and sign off
	Cash transport to Bank	L	Safety of staff and insurance cover	FO
Income	Adequacy of precept	H	Monthly review of budget to actual spend	CE, BD, FO
	Wrong rate pay	L	Use of Finance/sage	CE, FO
Salaries	Wrong salary paid	M	Use of Finance/sage	CE, FO
	Wrong hours paid	L	Use of Finance/sage	CE, FO
	Wrong deductions - NI	M	Use of Finance/sage	CE, FO
	Wrong deductions - income tax	M	Use of Finance/sage	CE, FO
	Wrong payment made	L	Verify against payroll return	CE, FO
	Goods not supplied to TC	L	Order systems	FO
Direct costs and overhead expenses	Invoice incorrectly calculated	L	Check arithmetic	FO
	Cheque payable is excessive	L	Signatory initials etc. Stub & voucher	FO
	Cheque payable to wrong party	L	Signatory initials etc. Stub & voucher	FO
	Power to pay	M	Minute Power	CE
Grants & support	Agreement of Council to pay	L	Application, confirmation in writing	CE
	Conditions agreed	L	Use reasonable condition/application form	CE
	Follow up verification	M	FO check and consider budget	BD
Signed (Chair of Audit and Governance):				
Date:				

REPORT OF THE TOWN CLERK

To the Chair and Members
Meeting held 17 January 2018

9. Data Transparency

The Local Government Transparency Code sets out the minimum data that local authorities should be publishing and the frequency it should be published and how it should be published.

Councils are required to publish spend over £500 every quarter. The Council's Transparency report for Quarter 3 (1 October 2017 – 31 December 2017) will be published when the December bank reconciliation is completed. We aim to publish the transparency report within 4 weeks of the end of the quarter.

Other information published under the Transparency Code is as follows:

- Organisational Chart
- Pay Multiple
- Trade Union Facility Time
- Land & Building Assets
- Fraud (number of times investigated or persuaded Fraud against Council)
- Grants Awarded
- Grant in Kind (free room hire by Community Groups)

Reports and documents are available on the Council's website at <http://www.maghull-tc.gov.uk/policiestransparency>.

Recommendation

1. That the report be noted.

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To the Chair and Members
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10. Service Standards

At a meeting of this committee in April 2017, Members approved the introduction of service standards in order to improve efficiency, enhance working cultures and provide accountability.

As the last meeting of this committee, officers proposed the introduction of a performance dashboard for approved service standards, in order to effectively monitor progress throughout the year; and where possible, provide a year on year comparison.

Officers therefore seek approval for the performance dashboard proposed below.

Proposed Dashboard	Dashboard Example	Example Explained
Service Standard Reference	Admin-01	Each service standard is assigned a reference number to make monitoring easier.
Description of Service Standard	Percentage of invoices processed within 30 working days of receipt.	Description of the service standard being monitored
Responsible Service	Administration	Defines which service within Maghull Town Council has responsibility for delivering against service standard.
Frequency of Monitoring	Monthly	Defines how often the service standard is monitored i.e. weekly, monthly, quarterly, annually.
Polarity	Higher	Defines the level of performance required against the service standard. Polarity will vary depending on desired outturn. For example, invoice processing will require a high polarity as the desired outturn is a high percentage of invoices being processed each month.
Unit	%	Defines the unit for collection against each service standard.
Targeted Performance	100%	States targeted performance for the period being monitored.
Outturn	97%	States the actual outturn for the period being monitored.

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Proposed Dashboard	Dashboard Example	Example Explained
Outturn Comments		Where targeted performance has not been achieved, the responsible service will provide a narrative as to why to why this is the case.
Direction of Travel	75%	States the comparative position to last year; to determine whether performance is improving.

Where under-performance against target is apparent, this will be reviewed and addressed by service managers.

To review performance against service standards, it is intended that performance dashboards will be presented at each meeting of Audit and Governance Committee.

Recommendation

- 1. Members amend and/or approve proposed dashboard**
- 2. That the report be noted.**