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Bicester Town Council

BICESTER
TOWN COUNCIL

Finance Committee Meeting
Ref: FIN05/2122
Tuesday 8th February 2022
at 19:00hrs
Council Chamber, Garth House, Launton Rd, OX26 6PS

Members:
Cllr Alex Thrupp – **Chairman**, Cllr Richard Mould – **Vice-Chairman**
Cllr Nick Cotter, Cllr Dan Hallett, Cllr Nicholas Mawer, Cllr Zoe Mclernon, Cllr Lynn Pratt, Cllr Les Sibley, Cllr Fraser Webster and Cllr Jason Slaymaker

Other Circulation, Substitute Members:
Cllr Donna Ford, Cllr Harry Knight, Cllr Sandy Dallimore, Cllr Dan Sames and Cllr James Metcalf

Other Circulation:
Cllr T Wallis (CDC), Cllr M Waine (OCC), Cllr L Wing (CDC) and Cllr C Miller (OCC)

BICESTER
TOWN COUNCIL

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02 February 2022

To all Members of the Finance Committee

You are hereby summoned to attend a meeting of the **Finance Committee** at **Council Chamber, Garth House, Launton Rd, OX26 6PS** on **Tuesday 8th February 2022** to commence at **19:00hrs** for the transaction of the following business.

Phil Evans
Chief Officer (Acting)

Agenda

All Council Meetings are open to the public and press, unless otherwise stated.

1. Apologies for Absence

To consider apologies and reasons for absence. Committee members who are unable to attend the meeting should notify the Chief Officer (enquiries@bicester.gov.uk) prior to the meeting, stating the reason for absence.

2. Declarations of Interest

Councillors are reminded to declare any interests on any item on this Agenda in accordance with Bicester Town Council's Code of Conduct.

3. Minutes of the Finance Committee

(Pages 5 - 7)

To confirm the **MINUTES** and **RESOLUTIONS** of the following Finance Committee meeting: **FIN04/2122 – Monday 29th November 2021**

4. Public Session

In accordance with Standing Orders 1 d-f, members of the public may make representations, ask questions and give evidence in respect of any item of business included in the agenda.

Time allocated shall not exceed 10 minutes. No member shall speak for more than 2 minutes.

5. Finance Report (Pages 8 - 16)
As per Financial Regulation 4.8, committee is asked to **APPROVE** the attached Income, Expenditure and Variances Report to Month 9.

6. Bank Balances (Page 17)
As per Financial Regulation 2.2, committee is asked to **NOTE** the attached report detailing bank balances at end of December 2021 and nominate a Councillor to sign the bank reconciliation.

7. Payments (Page 18)
As per Financial Regulation 5.2, committee is asked to **APPROVE** the payment schedules since the last meeting on 29th November 2021.

8. Internal Audit (Pages 19 - 45)
Committee is asked to consider the attached report and recommendations to **NOTE** the information and **RECOMMEND** the report be received and approved by Council on 14th March.

9. Earmarked Reserves (Pages 46 - 48)
Committee is asked to consider the attached report and recommendations to:

- **A)** **NOTE** the information
- **B)** **AGREE** the re-allocation of EMR lines
- **C)** **RECOMMEND** a paper to Council to approve the re-allocation of EMR lines.

10. Memorial Fee Refunds (Page 49)
Committee is asked to consider the attached report and recommendation to **APPROVE** the refunding of memorial restoration fees.

11. Bicester Round Table (Page 50)
Committee is asked to consider the attached report and recommendation to **DECLINE** the request for a refund based on standard practise and services delivered.

12. Utilities (Pages 51 - 52)
Committee is asked to consider the attached report and recommendation to **NOTE** the information.

13. Electric Van Deposit Payment (Page 53)
Committee is asked to consider the attached report and recommendation to **NOTE** the information.

14. Disposal of Asset (Pages 54 - 55)
Committee is asked to consider the attached report and recommendation to **NOTE** the information.

15. Forward Plan (Page 56)
Committee is asked to **NOTE** the forward plan.

16. Date of Next Meeting
Monday 11th April 2022 at 19:00hrs.

Minutes of the Bicester Town Council Finance Committee Meeting

A meeting of the **Bicester Town Council Finance Committee** was held on Monday 29th November 2021 at 19:00hrs at the Council Chambers, Garth House, Launton Rd, Bicester, OX26 6PS.

Present:
Cllr Alex Thrupp - Chairman
Cllr Richard Mould
Cllr Dan Hallett
Cllr Lynn Pratt
Cllr Les Sibley
Cllr Fraser Webster
Cllr Jason Slaymaker
Cllr Nick Mawer

In Attendance:
Callum McMahon – Responsible Financial Officer

1. 336/2122 Apologies for Absence
RESOLVED that apologies be received from Cllr Nick Cotter and Cllr Zoe McLernon.

2. 337/2122 Declarations of Interest
RESOLVED that Cllr Lynn Pratt declared an interest being a member of the Fair Trade Committee.

3. 338/2122 Minutes of Finance Committee
RESOLVED to confirm the minutes of the Finance Committee meeting **FIN03/2122** held on **Tuesday 5th October 2021.**

4. 339/2122 Public Session
RESOLVED that the Committee received no representations.

5. 340/2122 Finance Report
RESOLVED that Committee **APPROVED** the Income, Expenditure and Variances Report to **Month 7.**

6. 341/2122 Bank Balances
RESOLVED that Committee **APPROVED** the bank balances and nominated Cllr Richard Mould to sign the bank reconciliation.

7. 342/2122 Payments
RESOLVED that the Committee **APPROVED** the payment schedules since those reported to Finance Committee on 5th October 2021.

8. 345/2122 Fees, Charges and Rent 2022/23
RESOLVED that committee **APPROVED** the 22/23 fees and charges.

Committee heard that the recent Football Community meeting was an opportunity for local teams to object to the new fee structure, but that none did and the proposed system was welcomed.

9. 346/2122 Cemetery Fee

RESOLVED that committee **APPROVED** the removal of a memorial restoration fee from the Council's table of charges.

ACTION: committee requested officers investigate the possibility of refunds.

10. 347/2122 Online Bookings

RESOLVED that Committee:

A) **NOTED** the engagement of pitchbooking.com as an online booking tool.

B) **APPROVED** the use of the 2022/23 hourly fees structure ahead of the 2022/23 financial year in order to phase in the new booking system.

C) **RECOMMENDED** to Council the virement of £5,000 from 110/4313 - Play Area/Open Space Investment to 105/4034 – Computer Support.

D) **AGREED** to increase the 22/23 budget of code 105/4034 by £5,000 to £25,000.

Committee also noted the significant improvement in relations with football teams as a result of officers' efforts to proactively manage bookings.

11. 3482122 Budget

RESOLVED that committee **AGREED** the draft 22/23 budget.

12. 3492122 Purchase of New Electric Van

RESOLVED that Committee **APPROVED** the use of ear marked reserves (901/9013 – Equipment Replacement/Maintenance) to bridge the £6,000 gap between the previously approved budget at Environment Committee 25th January, minute 306/2021, and the new market price of the electric van.

13. 350/2122 Jubilee Trees

RESOLVED that committee **APPROVED** the use of ear marked reserves code 901/9014 – Green Infrastructure for the cost of jubilee trees up to £30,000.

Committee discussed the apparent high cost of each tree, but that the total figure was inclusive of commemorative plaques and essential maintenance for the first critical phase of the trees life post-planting.

14. 351/2122 Sunderland Pavilion Repair

RESOLVED that committee **APPROVED** the use of ear marked reserves (901/9020 – BTC Premises) to cover the £11,000 cost of the heating system repair.

15. 352/2122 Garth Pathways Tender

RESOLVED that committee **NOTED** the information.

16. 353/2122 Christmas Lights Budget

RESOLVED that committee **NOTED** the information.

Committee discussed the success of the event and commented on the contributions from a range of partners such as Glory Farm and Gagle Brook schools; Mini Police; and OneBicester. Committee praised the decision to continue despite the weather warning and noted the positive comments on social media. All this points to the right decision to go ahead with the event and exceed the budget.

Committee particularly thanked staff, Cllr Slaymaker and Mayor Cllr Mawer for all their efforts to make the event such a success.

Cllr Mould also commented on how well the pop up art gallery is doing in sheep street as part of the festive activities.

17. 354/2122 Town Signs

RESOLVED that committee **NOTED** the information.

Committee noted that the existing signs are in the wrong place due to boundary changes since original installation and that the cost of this is being met by OCC as the Highways authority whereas. The Town is benefiting from this and new signs at proportionately low cost to the Town Council.

ACTION: Committee requested a press release to promote the new signs.

18. 356/2122 Forward Plan

RESOLVED to:

- **ADD** Receipt of Internal Audit
- **ADD** Finance Regulations
- **ADD** Year end accounts
- **ADD** Investments Policy

19. 357/2122 Date of Next Meeting: 8th February 2021 – 7pm

Close of Meeting: 19:50hrs

Bicester Town Council - Finance Committee

Tuesday 8th February

Finance Report

Chairman: Councillor Alex Thrupp
Contact: alex.thrupp@bicester.gov.uk

Contact Officer: Callum McMahon – Responsible Financial Officer
Telephone: 01869 252915 callum.mcmahon@bicester.gov.uk

1. Background

1.1 This report details accounts as at the end of December 2021 - Month 9. Those accounts on a straight line should be at 75%.

1.2 In accordance with Financial Regulation 4.8, items with an expected "material variance" of either £1,000 or 15% of budget, whichever is the greater, are reported below.

		Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	% Spent	Comments
102	Civic and Democratic						
4028	Meetings and Hospitality	0	70	200	130	35.0%	
4031	Modern Gov	0	7250	7250	0	100.0%	Annual fee paid
4150	Mayor's Expenses	0	1750	1750	0	100.0%	Annual allowance paid
4159	Elections	0	0	3000	3000	0.0%	
4160	Civic Expenses	40	6072	11000	4928	55.2%	
4209	Member's Allowances	0	12936	13800	864	93.7%	Annual allowances paid
	Civic and Democratic :- Net Expenditure	40	28078	37000	8922	75.9%	
		(40)	(28,078)	(37,000)	(8,922)		
105	Central Services						
4000	Salaries	7067	114404	152808	38404	74.9%	
4001	Ers National Insurance	585	11413	15024	3611	76.0%	
4002	Ers Pension	1141	18162	33159	14997	54.8%	
4003	Temporary Staff	5882	22751	0	(22,751)	0.0%	
4009	Staff Travel	0	0	1000	1000	0.0%	
4012	Water Charges	0	3	0	(3)	0.0%	
4015	Health and Safety	37	37	2000	1963	1.9%	
4020	Mobile Phones	49	620	900	280	68.9%	
4021	Office Phones	111	1920	2700	780	71.1%	
4022	Post	0	240	1600	1360	15.0%	
4023	Stationery	74	763	1550	787	49.2%	

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	% Spent	Comments
4024 Subscriptions	0	4006	5000	994	80.1%	
4025 Insurance	0	18587	18250	(337)	101.8%	Insurance Premium higher than budgeted for
4026 Printing	168	357	500	143	71.4%	
4027 Ref. Booksand Publications	0	0	200	200	0.0%	
4030 Advertising & Promotions	0	0	500	500	0.0%	
4032 Recruitment Advertising	0	0	300	300	0.0%	
4033 Office Expenses	742	1173	1300	127	90.3%	Bulk water order
4034 Computer Support	603	21321	25000	3679	85.3%	
4035 Maintenance-Office Equipment	0	0	200	200	0.0%	
4040 Website	25	550	1500	950	36.7%	
4041 Photocopier	0	61	3800	3739	1.6%	
4055 Press & PR	225	2213	2750	538	80.5%	
4056 Legal and Professional Fees	0	14290	10000	(4,290)	142.9%	Higher than anticipated fees in first quarter
4057 Audit Fees	0	2740	4000	1260	68.5%	
4058 Accountancy	715	3597	6500	2903	55.3%	
4070 Training & Conferences	0	3475	10000	6525	34.7%	
4097 HR	0	6541	5400	(1,141)	121.1%	Higher than anticipated fees in first quarter
4169 Newsletter	0	10000	15000	5000	66.7%	
Central Services :- Indi	17423	259224	320941	61717	80.8%	
Net Expenditure						
	(17,423)	(259,224)	(320,941)	(61,717)		
106 Garth House						
1001 Inc-Nais House	0	3733	0	(3,733)	0.0%	
1002 Inc-CAB Rent	0	4250	4250	0	100.0%	Annual rent received
1007 Inc-Registrars	0	0	1500	1500	0.0%	
1010 Inc-Garth Rooms Lettings	0	538	3000	2463	17.9%	
Garth House :- Income	0	8521	8750	229	97.4%	
4004 Cleaning Contract	431	3459	3600	141	96.1%	Increased cleaning hours for downstairs office
4011 Rates	0	7360	24000	16640	30.7%	
4012 Water Charges	3	126	500	374	25.2%	
4013 Gas	0	305	2500	2195	12.2%	
4014 Electric	378	1887	2500	613	75.5%	
4017 Cleaning Materials	0	175	200	25	87.3%	
4036 Grounds & Buildings Mtce	275	3019	3000	(19)	100.6%	Office refurbishments
4039 Waste Removal	0	994	1000	6	99.4%	Annual fee paid
4130 Building Security	0	1130	1500	370	75.3%	
4203 Window Cleaning	0	225	1500	1275	15.0%	

	Garth House :- Indirect	1087	18680	40300	21620	46.4%	
	Net Income over Expenditure						
		(1,087)	(10,159)	(31,550)	(21,391)		

		Actual Current Mth	**Actual Year To Date**	**Current Annual Bud**	**Variance Annual Total**	**% Spent**	**Comments**
107	Garth Lodge						
1006	Inc-Garth Lodge	1766	10476	13200	2724	79.4%	
	Garth Lodge :- Income	1766	10476	13200	2724	79.4%	
4052	Garth Lodge Costs	330	1503	4000	2498	37.6%	
	Garth Lodge :- Indirect	330	1503	4000	2498	37.6%	
	Net Income over Expenditure						
		1436	8973	9200	227		
108	Corporate Finance						
1076	Inc-Precept	0	1582488	1582488	0	100.0%	Precept received
1096	Inc-Interest Received	98	1247	4000	2753	31.2%	
	Corporate Finance :- In	98	1583735	1586488	2753	99.8%	
4059	Bank Charges	53	1239	2400	1162	51.6%	
4306	Loan Repayments	5401	10850	11000	150	98.6%	Annual repayments made
	Corporate Finance :- In	5454	12088	13400	1312	90.2%	
	Net Income over Expenditure						
		(5,356)	1571647	1573088	1441		
109	Community Support						
4060	CAB	0	0	8250	8250	0.0%	
4061	Grants to Voluntary Org.	0	16291	22000	5709	74.0%	
4062	Shopmobility/Dialaride	0	0	4750	4750	0.0%	
4064	OYAP	0	13500	12000	(1,500)	112.5%	Annual support paid plus parade contribution
4065	TVP Crime Partnership	0	3600	3600	0	100.0%	Annual fee paid
4131	Bicester Vision Manager	0	5000	5000	0	100.0%	Annual fee paid
4133	Partnership	0	0	6000	6000	0.0%	
4170	CCTV	0	(5,150)	5150	10300	(100.0%)	Reverse accrual, 20/21 invoice not received
4191	Community Woodland	0	0	5000	5000	0.0%	
4192	Youth Initiatives	0	0	10000	10000	0.0%	
	Community Support :-	0	33241	81750	48509	40.7%	
	Net Expenditure						
		0	(33,241)	(81,750)	(48,509)		
110	Projects						
1080	Containing Out break Managemer	0	76300	0	(76,300)	0.0%	

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	% Spent	Comments
Projects :- Income	0	76300	0	(76,300)		
4100 Purchase New Machinery	0	0	25000	25000	0.0%	
4300 New Computer Equipment	2338	2912	7000	4088	41.6%	
4301 Garth House Redevelopment	0	169	40000	39831	0.4%	
4305 New Cemetery	0	0	63000	63000	0.0%	
4312 Asset Maintenance	0	0	60000	60000	0.0%	
4313 Play Area/Open Space Inv.	0	0	45000	45000	0.0%	
4314 Town Centre	2384	5205	25000	19795	20.8%	
4315 Containing Outbreak Managemen	6500	42666	0	(42,666)	0.0%	
Projects :- Indirect Exp	11222	50952	265000	214048	19.2%	
Net Income over Expenditure	(11,222)	25348	(265,000)	(290,348)		
300 Environmental Services						
1014 Inc-Miscellaneous	91	206	0	(206)	0.0%	
Environmental Service	91	206	0	(206)		
4000 Salaries	13665	143806	208976	65170	68.8%	
4001 Ers National Insurance	1208	12264	17924	5660	68.4%	
4002 Ers Pension	3019	32009	45348	13339	70.6%	
4003 Temporary Staff	4193	28549	0	(28,549)	0.0%	
4016 Uniform & PPE	148	423	1400	977	30.2%	
4020 Mobile Phones	159	1437	2500	1063	57.5%	
4042 Maintenance Machinery	0	434	7000	6566	6.2%	
4044 Petrol,Oil & Gas	0	4097	6000	1903	68.3%	
4045 Tools	0	46	1000	954	4.6%	
4178 Vehicle Maintenance	0	1403	3000	1597	46.8%	
Environmental Service	22390	224468	293148	68680	76.6%	
Net Income over Expenditure	(22,299)	(224,262)	(293,148)	(68,886)		
301 Open Spaces						
1014 Inc-Miscellaneous	0	4	0	(4)	0.0%	
1037 Inc-Keta Field Pitches	0	2913	2500	(413)	116.5%	Funfair fee received
1038 Inc-Bure Park Pitches	0	42	0	(42)	0.0%	
1040 Inc-Keble Rd Pitches	0	1200	1500	300	80.0%	
Open Spaces :- Income	0	4159	4000	(159)	104.0%	
4126 Lease of Open Spaces	0	10	21	11	47.6%	
4154 Tree Maintenance	0	0	40000	40000	0.0%	
4175 Maintenance of Open Spaces	1230	9420	14500	5080	65.0%	

		Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	% Spent	Comments
4190	Parks and Garden Contract	186283	178929	328250	149321	54.5%	
4204	Pest Control	80	201	250	49	80.4%	
	Open Spaces :- Indirec	187593	188560	383021	194461	49.2%	
	Net Income over Expenditure	(187,593)	(184,401)	(379,021)	(194,620)		
305	Pingle Field						
1028	Inc-Pavilions/Piitches	0	5145	5000	(145)	102.9%	End 2021 season plus 2022 season
	Pingle Field :- Income	0	5145	5000	(145)	102.9%	
4012	Water Charges	63	162	900	738	18.0%	
4014	Electric	0	6403	3500	(2,903)	183.0%	Out of contract rates
4017	Cleaning Materials	0	200	300	100	66.7%	
4036	Grounds & Buildings Mtce	0	214	4700	4486	4.6%	
4039	Waste Removal	0	243	230	(13)	105.4%	Annual fee paid
4130	Building Security	0	1058	1500	442	70.6%	
	Pingle Field :- Indirect I	63	8280	11130	2850	74.4%	
	Net Income over Expenditure	(63)	(3,134)	(6,130)	(2,996)		
306	Sunderland Drive						
1028	Inc-Pavilions/Piitches	0	1677	2000	323	83.8%	
	Sunderland Drive :- Inc	0	1677	2000	323	83.8%	
4012	Water Charges	53	525	900	375	58.3%	
4013	Gas	0	235	800	565	29.4%	
4014	Electric	22	178	1000	822	17.8%	
4017	Cleaning Materials	0	0	200	200	0.0%	
4036	Grounds & Buildings Mtce	0	58	5000	4943	1.1%	
4039	Waste Removal	0	243	250	7	97.0%	Annual fee paid
4130	Building Security	0	1058	1500	442	70.6%	
	Sunderland Drive :- Inc	75	2297	9650	7353	23.8%	
	Net Income over Expenditure	(75)	(620)	(7,650)	(7,030)		
307	Bicester Field						
1028	Inc-Pavilions/Piitches	0	1867	1700	(167)	109.8%	End 2021 season plus 2022 season
	Bicester Field :- Incom	0	1867	1700	(167)	109.8%	
4012	Water Charges	99	1272	850	(422)	149.6%	Higher than anticipated water use
4014	Electric	0	4460	2100	(2,360)	212.4%	Out of contract rates

		Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	% Spent	Comments
4017	Cleaning Materials	0	0	200	200	0.0%	
4036	Grounds & Buildings Mtce	0	0	1500	1500	0.0%	
4039	Waste Removal	0	243	250	7	97.0%	Annual fee paid
4130	Building Security	0	1858	2300	442	80.8%	
	Bicester Field :- Indirec	99	7832	7200	(632)	108.8%	
	Net Income over Expenditure						
		(99)	(5,966)	(5,500)	466		
308	Whitelands Sports Village						
1201	Contribution from Commuted Sum	0	0	40000	40000	0.0%	
1250	Contribution from EMR	0	0	10000	10000	0.0%	
	Whitelands Sports Villa	0	0	50000	50000	0.0%	
4069	SW Sports Village	37526	37526	56550	19024	66.4%	
4075	SW Sports Village Sinking Fund	0	0	10000	10000	0.0%	
4190	Parks and Garden Contract	0	0	70000	70000	0.0%	
	Whitelands Sports Villa	37526	37526	136550	99024	27.5%	
	Net Income over Expenditure						
		(37,526)	(37,526)	(86,550)	(49,024)		
401	Garth Park						
1003	Inc-Garth Stables	0	6300	6300	0	100.0%	Annual rent invoiced
1004	Inc-Garth Garage & Yard	0	4320	4320	0	100.0%	Annual rent invoiced
1008	Inc-Bowls Club	2958	7422	1455	(5,967)	606.3%	Re-charges received
1009	Inc-Tennis Club	0	1400	1400	0	100.0%	Annual rent invoiced
1015	Inc Garth Park Cafe	0	18609	21135	2526	88.0%	Annual rent invoiced
	Garth Park :- Income	2958	38051	34610	(3,441)	109.9%	
4011	Rates	0	0	3850	3850	0.0%	
4012	Water Charges	55	618	550	(68)	112.4%	Higher than anticipated use
4013	Gas	49	407	500	93	81.5%	
4014	Electric	211	1230	3500	2270	35.1%	
4036	Grounds & Buildings Mtce	708	2158	8000	5842	27.0%	
4039	Waste Removal	148	2096	6000	3904	34.9%	
4046	Horticultural Supplies	741	2281	4000	1719	57.0%	
4050	Maintenance Bowls Club	0	(1,015)	1000	2015	(101.5%)	Re-charges for expenditure in 20/21 year
4129	Garth Park Toilets	3901	3901	10000	6099	39.0%	
4130	Building Security	0	0	1160	1160	0.0%	
4176	Maintenance Skate Park	0	0	400	400	0.0%	
	Garth Park :- Indirect E	5813	11677	38960	27283	30.0%	

		Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	% Spent	Comments
	Net Income over Expenditure	(2,855)	26374	(4,350)	(30,724)		
402	Play Areas						
4123	Maintenance Play Areas	0	4069	12000	7931	33.9%	
4180	ROSPA Inspections	0	3320	4300	980	77.2%	Play area inspections
	Play Areas :- Indirect E	0	7389	16300	8911	45.3%	
	Net Expenditure	0	(7,389)	(16,300)	(8,911)		
404	Allotments						
1011	Inc-Allotments	10	7640	7000	(640)	109.1%	Annual rents received
	Allotments :- Income	10	7640	7000	(640)	109.1%	
4012	Water Charges	0	222	500	278	44.5%	
4054	Allotments Costs	0	447	500	54	89.3%	Waste removal due to improved turnover
4155	Rent	0	0	831	831	0.0%	
	Allotments :- Indirect E	0	669	1831	1162	36.5%	
	Net Income over Expenditure	10	6971	5169	(1,802)		
501	Town Council Events						
1018	Inc-Carnival	0	(0)	3000	3000	0.0%	
1030	INC - EVENT 1	0	11505	5000	(6,505)	230.1%	Higher than anticipated income
1032	Inc- EVENT 3	0	14115	6500	(7,615)	217.2%	Higher than anticipated income
1034	Inc-Childrens Entertainment	0	2729	0	(2,729)	0.0%	
1045	Inc-Christmas Lights	(13)	(33)	4000	4033	(0.8%)	
1050	Chistmas Lights Trail	18428	28503	15000	(13,503)	190.0%	Higher than anticipated income
1051	Inc-Food Festival	0	7	1175	1168	0.6%	
	Town Council Events :-	18415	56826	34675	(22,151)	163.9%	
4071	EVENT 1	0	5963	7000	1037	85.2%	
4088	EVENT 3	0	5974	7000	1026	85.3%	
4092	Teddy Bears Picnic/Superheroes	0	4915	4000	(915)	122.9%	Balanced against income from other events
4115	Special Events	0	538	2000	1462	26.9%	
4120	Carnival	0	25	9500	9475	0.3%	
4135	Food Festival	0	0	2500	2500	0.0%	
4157	Christmas Lights Switch On	6848	17880	9500	(8,380)	188.2%	Higher than anticipated costs, as per report
4158	Christmas Lights Trail	5135	15330	32000	16670	47.9%	
	Town Council Events :-	11983	50624	73500	22876	68.9%	
	Net Income over Expenditure						

Code	Description	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	% Spent	Comments
		6432	6202	(38,825)	(45,027)		
601	Cemetery						
1020	Inc-Cemetery	0	10942	20000	9059	54.7%	
	Cemetery :- Income	0	10942	20000	9059	54.7%	
4011	Rates	0	1302	1170	(132)	111.3%	Rates higher than budgeted for
4012	Water Charges	14	(43)	400	443	(10.8%)	
4014	Electric	24	337	250	(87)	134.9%	Period on out of contract rates
4036	Grounds & Buildings Mtce	0	0	500	500	0.0%	
4039	Waste Removal	321	1832	2000	168	91.6%	Higher than anticipated waste removal over winter
	Cemetery :- Indirect Ex	358	3428	4320	892	79.3%	
	Net Income over Expenditure						
		(358)	7514	15680	8166		
801	Street Scene						
4029	Street Furniture	0	0	2000	2000	0.0%	
4083	Pedestrianisation Scheme	0	0	13000	13000	0.0%	
4112	Repairs & Maint. Clocks	0	0	500	500	0.0%	
4151	Litter Bin Provosion	0	0	14000	14000	0.0%	
4200	Christmas Lights Maint/Storage	0	0	26000	26000	0.0%	
4216	Litter/Dog Bin Emptying	0	8764	17850	9086	49.1%	
	Street Scene :- Indirect	0	8764	73350	64586	11.9%	
	Net Expenditure						
		0	(8,764)	(73,350)	(64,586)		
901	Earmarked Reserves						
9007	Community and Elections	0	3780	29556	25776	12.8%	
9011	Play Areas/Open Space Investme	0	3341	325143	321802	1.0%	
9013	Equipment Replacement/Mtce	0	12478	213860	201382	5.8%	
9014	Green Infrastructure	0	42155	298955	256800	14.1%	
9016	Town Centre	0	0	46000	46000	0.0%	
9020	BTC Premises	1694	119239	1225764	1106525	9.7%	
9025	Garth Park Toilets	0	0	10000	10000	0.0%	
9036	Shopmobilty	0	0	4750	4750	0.0%	
9039	Burial Ground Provision	0	0	671064	671064	0.0%	
9042	SW Sports Village Contribution	0	0	236167	236167	0.0%	
9043	Skate Park	0	0	3000	3000	0.0%	
9044	Partnership	0	0	24100	24100	0.0%	
9045	Pedestrianisation Scheme	0	0	41000	41000	0.0%	
9046	Sports Village Sinking Fund	0	0	30000	30000	0.0%	

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	% Spent	Comments
Earmarked Reserves :-	1694	180994	3159359	2978365	5.7%	
Net Expenditure						
	(1,694)	(180,994)	(3,159,359	(2,978,365		
Grand Totals:- Income	23338	1805544	1767423	(38,121)	102.2%	
Expenditure	303149	1136270	4970710	3834440	22.9%	
Net Income over Expenditure						
	(279,812)	669274	(3,203,287)	(3,872,561)		
Movement to/(from) (	(279,812)	669274				

Bicester Town Council
Financial Statement at 31 December 2021

Cash and Bank Balances		
Current Bank Account	178,255	
Wages Account	58,825	
Carnival Account	47,715	
CCLA Public Sector Deposit	2,000,000	
Barclays Treasury Deposit	1,572,378	
Santander Deposit	240,489	
Lloyds Treasury Account	549,175	
Petty Cash	32	
Cash Floats		
		4,646,869
Monies Owed to Council		
Vat Refund Due	60,937	
Owed by Customers	11,267	
Prepayments and Other Debtors	385	72,589
		4,719,458
Less: Monies Owed by Council		
Owed to suppliers	125,440	
Paye Due/ Pension Due	1,172	
Retentions Due	9,523	
Accruals	22,147	
		158,282
Total Current Assets		4,561,176

Represented by		
General Reserve		
Current Year Surplus		669,268
Plus: Contribution from Earmarked		180,994
		850,262
Brought Forward at 1st April 2021		732,549
General Reserve Balance to date		1,582,811
Earmarked Reserves		
Balance at 1st April 2021	3,159,359	
Less: Used to Date	180,994	2,978,365
Total Reserves		4,561,176

0

Payments since those reported to Finance Committee 5th October 2021 to end December 2021

BACS

Date	Pg ended	Amount	Officer	Councillor	Councillor
22.11.21	464	£25,220.50	Phil Evans	*requires signature*	
22.11.21	469	£2,772.00	Phil Evans	*requires signature*	
29.11.21	470	£1,287.29	Phil Evans	*requires signature*	
10.12.21	472	£63,369.32	Phil Evans	*requires signature*	
16.12.21	478	£131,850.35	Phil Evans	*requires signature*	
29.12.21	482	£1,050.96	Phil Evans	*requires signature*	

Single Payments

Date	Payee	Amount	Officer	Officer	Cllr	Cllr
19.11.21	Caciotosto - allotment refund**	£5.50	Phil Evans	Callum McMahon	*requires signature*	
14.12.21	Bicester Food Bank - COMF Grant	£2,000.00	Phil Evans	Callum McMahon	*requires signature*	
14.12.21	OneBicester - COMF Grant	£4,500.00	Phil Evans	Callum McMahon	*requires signature*	

** Refund half year rent due to starting in Sep/Oct

Cheques

Date	Cheque No	Payee	Amount	Officer	Councillor	Councillor

Direct Debits

Date	Payee	Amount
01.11.21	Opus	£354.08
09.11.21	SSE	£251.76
15.11.21	Everflow	£287.34
29.11.21	Opus	£360.04
29.11.21	SSE	£43.07
06.12.21	SSE	£37.59
16.12.21	Everflow	£287.34
20.12.21	SSE	£18.95
29.12.21	Opus	£707.08

BICESTER TOWN COUNCIL
FINANCE COMMITTEE

Tuesday 8th February 2022

Interim Internal Audit

Chairman: Councillor Alex Thrupp
Contact: alex.thrupp@bicester.gov.uk

Callum McMahon – Responsible Financial Officer
Contact: 01869 252915 callum.mcmahon@bicester.gov.uk

Ward Affected: All Wards

1. Overview

1.1 In accordance with Financial Regulation 2.5, the internal auditor completed an interim internal audit on 24th November 2021. In accordance with Financial Regulation 2.10 the report from this audit is brought to the attention of this committee (appendix 1).

2. Audit Recommendations

2.1 Officers are pleased to note the report's findings summarised in the below excerpt (p.1).

It was noted that the council has spent a great deal of effort in tidying the office and making the working environment better and has also made significant inroads into dealing with old filing and digitising records. It is clear the council takes governance, policies and procedures very seriously and I am pleased to report that overall the systems and procedures you have in place are fit for purpose.

Our sample testing did not uncover any errors or misstatements that require reporting to the external auditor, nor did we identify any significant weaknesses in the internal controls such that public money would be put at risk.

I would like to thank Callum for his assistance and obvious hard and whilst my report contains recommendations to change these are not indicative of any failings, but rather are pointers to improving upon an already well ordered system.

It is therefore our opinion that the systems and internal procedures at Bicester Town Council are well established, and followed.

2.2 Officers have noted the recommendations in the audit and have taken actions to address these, summarised below.

	Recommendation	Action
1	It was noted there were a couple of duplicate links to standing orders but these have been corrected.	Website page links amended.
2	There is evidence in the samples review of a regular monthly bank reconciliation being performed and the minutes of the finance committee correct describe	To be signed at Finance Committee 8th February.

	this activity; **however, I would remind council that the face of the original bank statement needs to be signed as well as the face of the reconciliation as proof both documents were reviewed and reconciled.**	
3	The physical payment is set up by the office supervisor on the on-line banking system and a batch listing printed in hard copy and checked back to the proposed payments list. Once checked – payment is authorised on on-line banking system. Currently this is not a dual entry system, and as such the originator of a transaction is able to authorise the same transaction. This is a risk area. **I recommend the council explore the dual authorisation functionality that is offer by the banks so that there is a natural segregation of duties at the bank level. This would be an ideal control to have in place.**	Officers are in liaison with Barclays to set this up.
4	**We would ask the Office supervisor to check the postings made to Nominal account 4312 & 4050** as it appears there may be a sales invoice in these codes.	Amendments to accounts made to reflect changes.
5	**We would ask the Office supervisor to check the postings made to nominal account 1050** as it appears a purchase invoice may have been posted to this account.	Amendments to accounts made to reflect changes.
6	I am of the opinion that the councils' reserves are still very high and that greater attention is required at the budget setting stage to ensure large variances to budget resulting in significant underspending are not manifest year in year out. **I remind council it has no power to accumulate general reserves and it must look to use these.**	Report to finance 8th February.
7	I sampled VAT transactions for Zero, Standard and Exempted rated items. It was noted that in some instances (Bowls club) VAT has not been charged on recharged expenses. **I believe these to be VATable transactions. It may be necessary for the council to reissue these invoices with VAT or to declare the amounts already received as gross and pay over the VAT element to HMRC on its next VAT return.**	Amendments to accounts made to reflect changes.
8	I discussed VAT with the office supervisor and it was agreed that the council needs to locate its options to tax to verify where or where not VAT should be charged. It is current belief that all land & buildings are opted and as such VAT should be charged on all supplies**. I recommend the creation of VAT permanent folder that be used to hold VAT registration certificates, options to Tax and other important HMRC VAT correspondence.**	VAT permanent folder in the process of being updated with changes to VAT options.

3. Recommendation

The Committee is recommended to **NOTE** the information and **RECOMMEND** the report be received and approved by Council on 14th March.

MULBERRY & CO
Chartered Certified Accountants
Registered Auditors
& Chartered Tax Advisors

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Our Ref: MARK/BIC001

Mr Phil Evans
Bicester Town Council
The Garth
Launton Road
Bicester
Oxfordshire
OX26 6PS

24th November 2021

Dear Phil

Re: Bicester Town Council
Internal Audit Year Ended 31st March 2022

Executive Summary

Following completion of our interim internal audit on the 24th November 2021 we enclose our report for your kind attention and presentation to the Council. The audit was conducted in accordance with current practices and guidelines and testing was risk based. Whilst we have not tested all transactions, our samples have where appropriate covered the entire year to date. Testing requirements are shown in Red and where appropriate **recommendations for future action are shown in bold text and summarised in the tables at the end of the report.**

Our report is presented in the same order as the assertions on the internal auditor report within the published AGAR. The start of each section details the nature of the assertion to be verified, followed by recommended minimum testing requirements. Each section is then concluded with an opinion as to whether the assertion has been met or not.

It was noted that the council has spent a great deal of effort in tidying the office and making the working environment better and has also made significant inroads into dealing with old filing and digitising records. It is clear the council takes governance, policies and procedures very seriously and I am pleased to report that overall the systems and procedures you have in place are fit for purpose.

Our sample testing did not uncover any errors or misstatements that require reporting to the external auditor, nor did we identify any significant weaknesses in the internal controls such that public money would be put at risk.

I would like to thank Callum for his assistance and obvious hard and whilst my report contains recommendations to change these are not indicative of any failings, but rather are pointers to improving upon an already well ordered system.

It is therefore our opinion that the systems and internal procedures at Bicester Town Council are well established, and followed.

Regulation

The Accounts and Audit Regulations 2015 require smaller authorities, each financial year, to conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement in accordance with proper practices in relation to accounts. In addition to this, a smaller authority is required by Regulation 5(1) of the Accounts and Audit Regulations 2015 to "undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance."

Internal auditing is an independent, objective assurance activity designed to improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The purpose of internal audit is to review and report to the authority on whether its systems of financial and other internal controls over its activities and operating procedures are effective.

Internal audit's function is to test and report to the authority on whether its specific system of internal control is adequate and working satisfactorily.

The internal audit reports should therefore be made available to all members to support and inform them when they considering the authority's approval of the annual governance statement.

Independence & Competence

Your audit was conducted by Mark Mulberry of Mulberry & Co. We confirm we are independent from the management of the financial controls and procedures of the council and neither the internal auditor or the firm have any conflicts of interest with the audit client, nor do they provide any management or financial assistance to the client.

Your auditor is a qualified practicing accountant with over 20 years' experience as a registered statutory auditor.

Engagement Letter

An engagement letter was issued on the 17th August 2021 covering the 2021/22 internal audit assignment. Copies of this document are available on request.

Planning & Inherent Risk Assessment

The scope and plan of works including fee structure was issued to the council on the 24th September 2021 under separate cover. Copies of this document are available on request. In summary, our work will address each of the internal control objectives as stated on the Annual Internal Audit Report of the AGAR.

- There have been no instances of breaches of regulations in the past
- The client uses an industry approved financial reporting package
- The client regularly carries out reconciliations and documents these
- There is regular reporting to council
- The management team are experienced and informed
- Records are neatly maintained and referenced
- The client is aware of current regulations and practices
- There has been no instance of high staff turnover – although the council is recruiting a new chief officer.

It is my opinion that the inherent risk of error or misstatement is low and the controls of the council can be relied upon and as such substantive testing of individual transactions is not required. Testing to be carried out will be "walk through testing" on sample data to encompass the period of the council year under review.

Contents

A. BOOKS OF ACCOUNT (INTERIM AUDIT)

Internal audit requirement

Appropriate accounting records have been properly kept throughout the financial year.

Recommended Minimum Testing

- Ensure the correct roll forward of the prior year cashbook balances to the new financial year
- Check a sample of financial transactions in cashbooks to bank statements, etc.: the sample size dependent on the size of the authority and nature of accounting records maintained

The Council continues to use RBS Rialtus as a day to day accounting package, this is a tried and tested industry specific package. The office supervisor and I spoke about financial reporting package and whilst Rialtus is industry specific we agreed it does have some limitations that require the council to augment its reporting with excel or word and that the user interface is very basic. We also discussed the merits of moving to a purely financial reporting package such as "Sage" and for the time being agreed the benefits of the industry specific package outweighed the benefits of change at this time.

The system is used daily to report on and record the financial transactions of that of the Council. There are multiple users with their own individual logons and the Chief Officer acts as administrator of users.

The client has a complex password and two factor sign process for the IT system. Each user then required to logon to the hosted Citrix environment, after which they login for the finance package. This provides sufficient levels of access security.

A month end hard close down is performed monthly by an outside contractor and various reports are printed and filed in both hard & soft copy. These include but are not limited to; Income and expenditure against budget, cashbooks, bank reconciliations and other reports as fit. The month end reporting is then reported to the Chief Officer and in turn a report is taken to finance committee.

The office manager provided me with copies of all the 11 cashbooks for the period 01/04/21 to 31/08/21. A review of a sample of entries shows that all data fields are being entered, and that the casual reader could garner an understanding of the nature and scope of the individual transactions. There were no instances of significant or regular corrections. The reports are easy to read and logically referenced. Audit testing showed that the underlying supporting documentation for both income and expenditure items could be easily located from hard copy (on site records.)

I tested opening balances as at 1/4/21 and confirmed they could be agreed back to the audited accounts for 2020/21, in addition to this, I agreed the closing cashbook figure to the bank reconciliation and bank statements. I am therefore of the opinion I can rely on the reports drawn from the financial reporting package.

The Council is VAT registered and the last VAT return was for the quarter ended 30th September 2021, which shows a refund of £18,107.34. The refund was received by direct credit from HMRC on the 15th October 2021. This is also an indicator that the council is up to date with its postings on the financial package.

Overall, I have the impression that the accounting systems are well ordered and routinely maintained and as such I make no recommendation to change at this time.

Section Conclusion

I am of the opinion that the control assertion of "Appropriate accounting records have been properly kept throughout the financial year" has been met.

B. FINANCIAL REGULATIONS, GOVERNANCE & PAYMENTS (INTERIM & FINAL AUDIT)

Internal audit requirement

This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.

Recommended Minimum Testing

- Review the procedures in place for acquisition of formal tenders and quotes, ensuring they are in line with the SOs and FRs which should be based on the latest version.
- Ensure that consistent values are in place for the acquisition of formal tenders between SOs and FRs (frequently different limits are recorded in the two documents)
- Review the procedures for receipt of invoices, agreement of invoice detail and confirmation of goods /services delivery and approval for payment: ideally, a suitably designed certification stamp should be in place providing for evidencing of these checks and payment authorisation
- Check that there is effective segregation between the writing of cheques or the setting up of online payments, and physical release of payments
- Check that VAT reclaims are prepared and submitted in a timely manner in line with the underlying records and in accordance with current HMRC requirements
- Where debit / credit cards are in use, establish the total monthly and individual transaction limits and ensure appropriate controls over physical security and usage of the cards are in place

Interim Audit

Check the publication & minuting of the prior year audited AGAR and notice of conclusion of audit.

The external auditors report & notice of conclusion have been posted to the council website and reported to full council in November 2021. Agenda ref 15. The report was not qualified.

Evidence was noted in the minutes of the internal auditor's report being reviewed and accepted in the 21st June 2021-minute ref 094/2122

Confirm by sample testing that councillors sign statutory office forms

I confirmed last year by sample testing that Councillors sign acceptance of office forms, register of members interests and acceptance to receive information by electronic means, all in line with regulations.

Confirm that the Council is compliant with the relevant transparency code.

The Council is required by law to follow the 2015 Transparency Code, and a review of the website shows the code is being followed in full. It was noted there were a couple of duplicate links to standing orders but these have been corrected.

In reviewing the website, I noted how clear and easy it was to follow and I applaud the council on this.

Confirm that the Council is compliant with the GDPR.

The council has a privacy statement and policies compliant with GDPR. Data subjects are made aware of the use of data and their rights and have to tick a box to accept they have seen and read the relevant notices.

The council has an accessibility statement and has been through a process to update the website for the latest regulations.

Confirm that the Council meets regularly throughout the year

The council has the following committees:

- Full Council; meets circa bi monthly
- Environment; meets bi monthly
- Policy – bi monthly
- Planning; meets 4 weekly
- Finance meets bi monthly
- Personnel (Subcommittee) quarterly

There are also a number of working parties and groups which meets as and when necessary to cover specific tasks each committee has spending powers.

Check that agendas for meetings are published giving 3 clear days' notice.

At least 3 clear days' notice is given on both web site and hard copy agendas. Whilst we have not tested every single committee and council meeting there was no evidence of non-compliance. I was pleased to see the summons being signed and dated on all the copies I reviewed.

Check the draft minutes of the last meeting(s) are on the council's website

A review of the web site shows that minutes are posted. The website is clear and unambiguous in this respect.

Confirm that the Parish Council's Standing Orders have been reviewed within the last 12 months.

Revised Standing Orders were taken to full council in July 2021. The committee resolved to approve version 20.

Confirm that the Parish Council has adopted and recently reviewed Financial Regulations.

Financial regulations are based on the NALC model and were last reviewed March 2021. Council 8th March 2021 - 363/2021

Check that the council's Financial Regulations are being routinely followed.

Financial regulation 2.2 deals with bank reconciliations.

2.2. On a regular basis, following a meeting of the Finance Committee, and at each financial year end, a member other than the Chairman of the Finance Committee shall be appointed by the Finance Committee to verify bank reconciliations (for all accounts) produced by the Chief Officer. The member shall sign the reconciliations and the original bank statements (or similar document) as evidence of verification. Any exceptions shall on conclusion be reported to and noted by the Finance Committee.

There is evidence in the samples review of a regular monthly bank reconciliation being performed and the minutes of the finance committee correct describe this activity; **however, I would remind council that the face of the original bank statement needs to be signed as well as the face of the reconciliation as proof both documents were reviewed and reconciled.**

Financial regulation 4 deals with budgetary control and authority to spend.

4.1. Expenditure on revenue items may be authorised up to the amounts included for that class of expenditure in the approved budget. This authority is to be determined by.

- *£25,000 + Full council*
- *£10.000 - £25,000 – Committee*
- *£2,500 - £10,000 – Chief Officer, mayor or chair of committee*
- *0 - £2,500 – power to spend*

Such authority is to be evidenced by a minute or by an email or authorisation slip duly signed by the Chief Officer, and where necessary also by the appropriate Chairman.
Contracts may not be disaggregated to avoid controls imposed by these regulations.

The council now uses a digital Purchase Order (PO) system for the majority of expenditure items having transitioned away from a manual system over the course of the last 9 months. The pink slips are still retained for denoting approval of non-cashbook items.

1. An expenditure requirement is identified and notified to appropriate manager/office supervisor so that a PO can be raised. The PO system is held on excel and cells are required to be populated to describe the item being purchased.

2. The office supervisor completes the digital PO register and chief officer populates with their approval. The register is password protected such that only key individuals can populate cells and the originator of the PO cannot authorise the same PO. No individual can authorise their own purchase order.

3. The originator of PO places order for goods or services after they have been notified of the approval.

4. The supplier invoices once received are passed to office supervisor for review. The invoice and PO are matched. The invoice is then flagged for next payment run.

5. The payment run (twice monthly) – Supplier invoices are printed in hard copy and reviewed in detail by the office supervisor. They are then posted to finance reporting package and a report is run to detail invoices due for payment. The supplier invoices are cross checked against this printed report. The chief officer then double checks report and signs it. Audit testing shows these steps to be in evidence.

6. The councillors are then given the proposed payments list to review and comment on by email.

7. The physical payment is set up by the office supervisor on the on-line banking system and a batch listing printed in hard copy and checked back to the proposed payments list. Once checked – payment is authorised on on-line banking system. Currently this is not a dual entry system, and as such the originator of a transaction is able to authorise the same transaction. This is a risk area.

I recommend the council explore the dual authorisation functionality that is offer by the banks so that there is a natural segregation of duties at the bank level. This would be an ideal control to have in place.

I am under no doubt the council is authorising payments and that they are made in the proper manner.

The de-minimis limit recorded in the Financial Regulations for the competitive purchase of items and services is as listed below.

- £60,000 + Tender Process
- £12,500 - £60,000 3 quotations are required.
- £2,500 - £12,500 – strive to get 3 estimates
- 0 - £2,500 – power to spend

The office supervisor was able to demonstrate that budget monitoring reporting to members is completed on a monthly basis. Reporting is comprehensive, and is minuted appropriately.

Financial Regulation 5 deals with authorisation of payments. The minutes show authorisation of payments lists in accordance with regulations.

Financial regulation 6 deals with making payments. The council makes payments by cheque and direct debit, credit card and on-line banking:

- Cheques must be signed by three individuals, two councillors and an officer. No cheques raised this year
- interbank transfers can be made by the chief officer and finance officer
- Credit Card, the chief officer has a credit card – transactions are reported monthly in the usual manner. Pin number not known to anyone other than Chief Officer.

Confirm all section 137 expenditure meets the guidelines & does not exceed the annual per elector limit of £8.41 (2020: £8.32)

The council has no S.137 expenditure, because they have the power GPC. I confirmed that the council was still eligible to claim this. This will be in place until the next election. We discussed the importance of this vis a vie the proposed building and improvement works which in the absence of the GPC the council would struggle to be able to provide under normal powers. It is therefore important any new chief office be appropriately qualified so that GPC can be maintained at the next election cycle.

Confirm that checks of the accounts are made by a councillor.

Throughout the tests completed above – I have noted councillor approval at all stages. I am of the opinion that sufficient internal reviews are made.

I also reviewed the nominal ledger for evidence of netting off and significant journal entries. The individual entries were in accordance with the heading under which they were posted and corrections/transfers where evident were bonafide.

- **We would ask the Office supervisor to check the postings made to Nominal account 4312 & 4050** as it appears there may be a sales invoice in these codes.
- **We would ask the Office supervisor to check the postings made to nominal account 1050** as it appears a purchase invoice may have been posted to this account.

Please note, there is no right of set off in the accounts (unless a genuine credit note or refund) income must be reported gross in boxes 2 and 3 of the AGAR and expenditure in boxes 4,5 & 6.

We found no evidence of breaches of financial regulations in the sample testing completed.

Section Conclusion

I am of the opinion that the control assertion "This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for", has been met.

C. RISK MANAGEMENT & INSURANCE (INTERIM AUDIT)

Internal audit requirement

This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.

Recommended Minimum Testing

- Ensure that authorities have prepared, and formally adopted, at least once annually, an appropriate and comprehensive register of assessed risks, both regular and ad hoc
- Ensure that appropriate levels of insurance cover are in place for land, buildings, public, employers' and hirers' (where applicable) liability, fidelity / employees (including councillors) liability, business interruption and cyber security
- Ensure that appropriate arrangements are in place for monitoring play areas, open spaces and sports pitches: such reviews should be undertaken by appropriately qualified external inspectors or, if by officers or members, that they have received the appropriate training and accreditation

Interim Audit

The Council undertakes a full risk assessment that covers operational and financial risks, this was taken to council in March 2021 {minute ref 363/2021}. The tabular format is easy to read and understand.

I have confirmed that the Council has a valid insurance certificate. The Council reviews its insurance requirements as part of the renewal process. Money and asset cover appear adequate.

We discussed assertion 8 of the AGAR and whether or not this had any impact on the council.

"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."

Section Conclusion

I am of the opinion that the control objective of "This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.", has been met

D. BUDGET, PRECEPT & RESERVES (INTERIM & FINAL AUDIT)

Internal audit requirement

The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.

Recommended Minimum Testing

- Ensure that the full Authority, not a Committee, has considered, approved and adopted the annual precept in accordance with the required parent Authority timetable
- Ensure that budget reports are prepared and submitted to Authority / Committees periodically during the year with appropriate commentary on any significant variances
- Review the budget performance either during the year or at the financial year-end seeking explanations for any significant or unanticipated variances
- Ensure that the Authority has considered the establishment of specific earmarked reserves and, ideally, reviews them annually as part of the budget assessment process
- Ensure that the precept in the accounts matches the submission form to the relevant authority and the public record of precepted amounts

Interim Audit

I confirmed that the 2022/23 budget and precept setting process was underway at the time of our interim audit, with all precepting authority deadlines achievable. A review of the minutes shows discussion and agreement of the same.

There is clear and unambiguous minuting of the agreement to set a precept in the January 2021 meeting. Minute ref 296/2021. This agrees to the physical receipt in April 2021.

As at 31st October 2021 total reportable income was £1,771,209 (Annual Budget £1,767,423), and expenditure £783,280 (annual budget £1,811,351). The expenditure is under budget again due to very low expenditure on projects & openspaces £653k combined budget and only £36k of expenditure. The current outturn indication is that the council will make another surplus this year.

The council has 14 earmarked reserves totalling £2,986,813 covering various projects the largest being BTC at £1,114,972, followed by burials at £671,064.

I am of the opinion that the councils' reserves are still very high and that greater attention is required at the budget setting stage to ensure large variances to budget resulting in significant underspending are not manifest year in year out. **I remind council it has no power to accumulate general reserves and it must look to use these.**

It will be a requirement to explain this to the external auditor at the year-end again.

Section Conclusion

I am of the opinion that the control objective of "The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.", has been met.

E. INCOME (INTERIM & FINAL AUDIT)

Internal audit requirement

Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.

Recommended Minimum Testing

- Review "Aged debtor" listings to ensure appropriate follow up action is in place
- Allotments: ensure that appropriate signed tenancy agreements exist, that an appropriate register of tenants is maintained identifying, that debtors are monitored.
- Burials: ensure that a formal burial register is maintained that it is up-to-date and that a sample of interments and memorials are appropriately evidenced, that fees have been charged at the correct approved rate and been recovered within a reasonable time: (Authorities should also acquire and retain copies of Burial / Cremation certificates)
- Hall hire: ensure that an effective diary system for bookings is in place identifying the hirer, hire times and ideally cross-referenced to invoices raised
- Leases: ensure that leases are reviewed in a timely manner in accordance with the terms of the lease and rents similarly reviewed appropriately at the due time
- Other variable income streams: ensure that appropriate control procedures and documentation are in existence to provide a clear audit trail through to invoicing and recovery of all such income
- Where amounts are receivable on set dates during the year, ensure that an appropriate control record is maintained duly identifying the date(s) on which income is due and actually received / banked

Interim Audit

Annual charges were last reviewed by Finance Committee on the 26th July 2021. The timing of this annual review is being amended to bring in line with budget setting and the council year. The charges agree to invoices raised.

The precept of £1,582,488 – this was agreed to the minutes and precept request.

I sampled VAT transactions for Zero, Standard and Exempted rated items. It was noted that in some instances (Bowls club) VAT has not been charged on recharged expenses. **I believe these to be VATable transactions. It may be necessary for the council to reissue these invoices with VAT or to declare the amounts already received as gross and pay over the VAT element to HMRC on its next VAT return.**

I discussed VAT with the office supervisor and it was agreed that the council needs to locate its options to tax to verify where or where not VAT should be charged. It is current belief that all land & buildings are opted and as such VAT should be charged on all supplies**. I recommend the creation of VAT permanent folder that be used to hold VAT registration certificates, options to Tax and other important HMRC VAT correspondence.**

Bad & aged debts are monitored on a monthly basis, statements are issued using the finance package and a report is made to council/committee. Cash receipt and invoicing are in the main dealt with by separate individuals. There is segregation of duties in the system. Further testing on the event income audit trail will be undertaken at the year end.

I also reviewed the nominal ledger for evidence of netting off and significant journal entries, the individual entries were in accordance with the heading under which they were posted and corrections/transfers where evident were bonafide. We found no evidence of breaches of financial regulations in the sample testing completed.

Section Conclusion
I am of the opinion that the control objective of "Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.", has been met.

F. PETTY CASH (INTERIM AUDIT)

Internal audit requirement

Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.

Recommended Minimum Testing

- A number of Authorities are now running down and closing their petty cash accounts and using debit / credit cards for ad hoc purchases. Consequently, a "Not applicable" response is frequently required in this area.
- Review the systems in place for controlling any petty cash and also cash floats (used for bar, catering, etc)
- Check a sample of transactions during the financial year to ensure appropriate supporting documentation is held
- Review the existence of evidenced periodic independent verification of the petty cash and any other cash floats held
- Ensure that VAT is identified wherever incurred and appropriate
- Physically check the petty cash and other cash floats held
- Where bar or catering facilities are in place, ensure that appropriate cashing-up procedures are in place reconciling the physical cash takings to the till "Z" total readings

Interim Audit

The council has an agreed float of £200. This was reviewed at the audit date when there was circa £32 in the tin. It is clear this is used for small sundries and is not significant or material.

Petty cash expenditure is presented monthly to a Council meeting for approval.

The petty cash has not been used since year end.

Section Conclusion

I am of the opinion the control objective of "Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.", has been met.

G. PAYROLL (INTERIM & FINAL AUDIT)

Internal audit requirement

Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.

Recommended Minimum Testing

- Ensure that, for all staff, a formal employment contract is in place together with a confirmatory letter setting out any changes to the contract
- Ensure that appropriate procedures are in place for the payment of members allowances and deduction of any tax liability
- Ensure that, for a sample of staff salaries, gross pay due is calculated in accordance with the approved spinal point on the NJC scale or hourly rate, if off-scale, and also with the contracted hours
- Ensure that appropriate tax codes are being applied to each employee
- Where free or paid for software is used, ensure that it is up to date.
- For the test sample of employees, ensure that tax is calculated appropriately
- Check the correct treatment of Pension contributions to either the Local Government pension scheme (non - taxable, deducted from the gross salary or DC schemes like NEST which already allow for tax deductions
- For NI, ensure that the correct deduction and employer's contributions are applied: NB. The employers allowance is not available to councils but may be used by other authorities
- Ensure that the correct employers' pension percentage contribution is being applied
- Ensure that for the test sample, the correct net pay is paid to the employee with tax, NI and pension contributions correctly paid to the respective agencies

Interim Audit

The council uses an external firm who uses the Iris payroll package to calculate the tax and national insurance. The council has fulfilled its obligations in respect of auto-enrolment and uses LGPS.

All Council employees are paid through the payroll for all Council work undertaken. No employees are paid separately for any other Council work undertaken. Casual labour payments are correctly recorded with a temp agency used.

Councillors were paid allowances in June via the payroll.

The council has correctly not claimed the employment allowance.

Monthly and year-end PAYE and NI deductions and returns have been submitted online, on time to HMRC. There were no errors recorded or late payments to HMRC during the financial year under review. The PAYE and NI liability are paid over by the payroll agents.

I tested the tax deduction of an employee drawn at random – there we no errors.

Section Conclusion

I am of the opinion that salaries are correctly stated on the AGAR and that the control object of "Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.", has been met.

H. ASSETS AND INVESTMENTS (INTERIM & FINAL AUDIT)

Internal audit requirement

Asset and investments registers were complete and accurate and properly maintained.

Recommended Minimum Testing

Tangible Fixed Assets

- Ensure that the Authority is maintaining a formal asset register and updating it routinely to record new assets at historic cost price, net of VAT and removing any disposed of / no longer serviceable assets
- Physically verifying the existence and condition of high value, high risk assets may be appropriate
- Ideally, the register should identify for each asset the purchase cost and, if practicable, the replacement / insured cost, the latter being updated annually and used to assist in forward planning for asset replacement
- Additions and disposals records should allow tracking from the prior year to the current
- Ensure that the asset value to be reported in the AGAR at Section 2, Box 9 equates to the prior year reported value, adjusted for the nominal value of any new acquisitions and /or disposals
- Compare the asset register with the insurance schedule to ensure that all assets as recorded are appropriately insured or "self-insured" by the Authority

Fixed asset investments

- Ensure that all long-term investments (i.e., those for more than 12 month terms) are covered by the "Investment Strategy" and reported as Assets in the AGAR at Section 2, Box 9.

Borrowing and Lending

- Ensure that the authority has sought and obtained appropriate DMO approval for all loans acquired
- Ensured that the authority has accounted for the loan appropriately (i.e., recorded the full value of the loan. Any arrangement fee should be regarded as an admin expense) in the year of receipt
- Ensure that the combined principal loan repayment and interest for the year is correctly recorded in the AGAR at Section 2 Box 5
- Ensure that the outstanding loan liability as at 31st March each year is correctly recorded in the AGAR at Section 2, Box 10 (value should be verified via the DMO website)
- Where the Authority has issued loans to local bodies, they should ideally seek signed indemnities from the recipient body, or their members, agreeing to underwrite the loan debt

This will be tested at the yearend date

I. BANK & CASH (INTERIM & FINAL AUDIT)

Internal audit requirement

Periodic and year-end bank account reconciliations were properly carried out.

Recommended Minimum Testing

- Ensure that bank reconciliations are prepared routinely, are subject to independent scrutiny and sign-off by members
- Verify the accuracy of the year-end bank reconciliation detail and ensure accurate disclosure of the combined cash and bank balances in the AGAR, Section 2, Box 8.
- Where the authority has bank balances in excess of £100,000 it has an appropriate investment strategy.

Interim Audit
At the interim audit date the council had a reconciled bank position and evidence shows the council is undertaking regular monthly reconciliations. The minutes show review and a councillor is nominated to sign them when pandemic restrictions allow.

There is a published investment strategy on the council website.

Section Conclusion
I am of the opinion that bank and cash balances are properly shown on the AGAR and that the control objective of "Periodic and year-end bank account reconciliations were properly carried out.", has been met.

J. YEAR END ACCOUNTS (FINAL AUDIT)

Internal audit requirement

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.

Recommended Minimum Testing

- Ensure that, where annual turnover exceeds £200,000, appropriate records are maintained throughout the year on an Income and Expenditure basis to facilitate budget reporting in that vein
- Ensure that appropriate accounting arrangements are in place to account for debtors and creditors during the year and at the financial year-end

The council, at its meeting to sign off the year-end accounts, must discuss the Annual Governance Statement and record this activity in the minutes of the meeting. Based on the internal audit finding, I recommend using the table below as the basis for that discussion. THIS MUST BE A SEPARATE AGENDA ITEM TO THE SIGNING OF THE ANNUAL ACCOUNTS.

Section 1 – Annual Governance Statement

	Annual Governance Statement	*'Yes' means that this authority*	Suggested response based on evidence
1	We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	*prepared its accounting statements in accordance with the Accounts and Audit Regulations.*	**YES** – income & expenditure accounts follow latest Accounts and Audit Regulations and practitioners guide recommendations.
2	We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	*made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.*	**YES** – there is regular reporting of financial transactions and accounting summaries, offering the opportunity for scrutiny.
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.	*has only done what it has the legal power to do and has complied with Proper Practices in doing so.*	**YES** – the Clerk is experienced and advises the council in respect of its legal powers.
4	We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	*during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.*	**YES** – the requirements and timescales for 2020/21 year-end were followed.

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.	*considered and documented the financial and other risks it faces and dealt with them properly.*	**YES** – the council has a risk management scheme and appropriate external insurance.
6	We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	*arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.*	**YES** – the council has appointed an independent and competent internal auditor has completed two audits during the year.
7	We took appropriate action on all matters raised in reports from internal and external audit.	*responded to matters brought to its attention by internal and external audit.*	**YES** – where matters are raised, action taken by council is recorded in the minutes.
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.	*disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.*	**YES** – no matters were raised during the internal audit visits.
9	Trust funds including charitable – In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/asset(s), including financial reporting and, if required, independent examination or audit.	*has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.*	**N/A** – the council has no trusts.

Section 2 – Accounting Statements

Agar Box Number		2019/20	2020/21	Auditor Notes
1	Balances brought forward	3,024,147	3,387,060	Agrees to 2020 cfwd
2	Precept or Rates and Levies	1,468,070	1,566,506	Agrees to third party evidence provided to auditor
3	Total other receipts	269,693	107,600	Agrees to underlying records
4	Staff costs	372,355	397,911	Agrees to underlying records
5	Loan interest/capital repayments	11,226	11,038	Agreed to Pwlb
6	All other Payments	991,269	760,309	Agrees to underlying records
7	Balances carried forward	3,387,060	3,891,908	Casts correctly

8	Total value of cash and short term investments	3,437,619	4,100,209	Agrees to reconciliation
9	Total fixed assets plus long term investments and assets	3,646,393	3,656,251	Agrees to register
10	Total borrowings	160,875	156,000	Agreed to PWLB

11	For Local Councils Only) Disclosure note re Trust funds (including charitable)	YES	NO	No trusts
			✓	

The year-end accounts have been correctly prepared on the income & expenditure basis with the box 7 & 8 reconciliation properly completed.

The AGAR correctly casts and cross casts and the comparatives have been correctly copied over from the 2019/20 AGAR.

The variance analysis was required because there were variances greater than 15% and £200. This was properly prepared on a summary table basis showing the financial elements and explanatory narrative.

The council had made provision within its schedule of meetings to sign off the annual governance statement.

Section Conclusion
I am of the opinion the control objective of "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.", has been met.

K. LIMITED ASSURANCE REVIEW (INTERIM & FINAL AUDIT)

Internal audit requirement

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. (If the authority had a limited assurance review of its 2019/20 AGAR tick "not covered")

No applicable

L: TRANSPARENCY (INTERIM & FINAL AUDIT)

Internal audit requirement

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.

No applicable

M: EXERCISE OF PUBLIC RIGHTS - INSPECTION OF ACCOUNTS

Internal audit requirement

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 (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).

Recommended Minimum Testing

- IAs should acquire / examine a copy of the required "Public Notice" ensuring that it clearly identifies the statutory 30 working day period when the Authority's records are available for public inspection.
- IAs may also check whether councils have minuted the relevant dates at the same time as approving the AGAR

I confirmed with the RFO that arrangements are in place at this Council to ensure proper exercise of public rights. Relevant dates are set out in the table below.

The Local Audit and Accountability Act 2014 and the Accounts and Audit Regulations 2015 require that the statement of accounts prepared by the authority (i.e. the Annual Governance & Accountability Return (AGAR) Part 2), the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records must be made available for inspection by any person interested, during a period of 30 working days set by the smaller authority and including the first 10 working days of July.

Inspection - Key date	2019/20	2020/21
Accounts approved at full council	22nd June	21st June
Date Inspection Notice Issued and how published	29th June	22nd June
Inspection period begins	1st July	23rd June
Inspection period ends	11th August	3rd August
Correct length	Yes	yes
Common period included?	N/A	yes
Summary of rights document	**Attached to inspection**	**Attached to**

on website?	**announcement**	**inspection announcement**

Section Conclusion

I am of the opinion that the control assertion of *"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 (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set):"* has been met.

N. PUBLICATION REQUIREMENTS (INTERIM & FINAL AUDIT)

Internal audit requirement

The authority has complied with the publication requirements for 2019/20 AGAR. Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website/webpage:

Recommended Minimum Testing

- IAs should acquire / examine a copy of the required "Public Notice" ensuring that it clearly identifies the statutory 30 working day period when the Authority's records are available for public inspection.
- IAs may also check whether councils have minuted the relevant dates at the same time as approving the AGAR

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.

I have reviewed the website and am under no doubt that the council follows the publication requirements.

Section Conclusion
I am of the opinion that the control assertion of *"The authority has complied with the publication requirements for 2019/20 AGAR. Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website/webpage:"* has been met.

O. TRUSTEESHIP (INTERIM AUDIT)

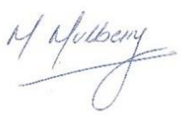
Internal audit requirement

Trust funds (including charitable) – The council met its responsibilities as a trustee.

No trusts.

Should you have any queries please do not hesitate to contact me.

Kind regards
Yours sincerely



Mark Mulberry

Final Audit - Points Forward

Audit Point	Audit Findings	Council comments
Bank Reconciliation	Per FR 2.2 the face of the bank reconciliation must also be signed. I would remind council that the face of the original bank statement needs to be signed as well as the face of the reconciliation as proof both documents were reviewed and reconciled.	
Bank Authorisations	I recommend the council explore the dual authorisation functionality that is offer by the banks so that there is a natural segregation of duties at the bank level. This would be an ideal control to have in place.	
Netting Off	We would ask the Office supervisor to check the postings made to Nominal account 4312 & 4050 as it appears there may be a sales invoice in these codes. We would ask the Office supervisor to check the postings made to nominal account 1050 as it appears a purchase invoice may have been posted to this account.	
Reserves	I am of the opinion that the councils' reserves are still very high and that greater attention is required at the budget setting stage to ensure large variances to budget resulting in significant underspending are not manifest year in year out. I remind council it has no power to accumulate general reserves and it must look to use these.	
VAT	Bowls club invoices - I believe these to be VATable transactions. It may be necessary for the council to reissue these invoices with VAT or to declare the amounts already received as gross and pay over the VAT element to HMRC on its next VAT return. I discussed VAT with the office supervisor and it was agreed that the council needs to locate its options to tax to verify where or where not VAT should be charged. It is current belief that all land & buildings are opted and as such VAT should be charged on all supplies.	

	I recommend the creation of VAT permanent folder that be used to hold VAT registration certificates, options to Tax and other important HMRC VAT correspondence.	

BICESTER TOWN COUNCIL
FINANCE COMMITTEE REPORT

Tuesday 8th February 2022

Earmarked Reserves and Capital Works

Chairman: Councillor Alex Thrupp
Contact: alex.thrupp@bicester.gov.uk

Callum McMahon – Responsible Financial Officer
Contact: 01869 252915 callum.mcmahon@bicester.gov.uk

Ward Affected: All Wards

1. Overview

1.1 This report is to formalise the Council's approach to managing its earmarked reserves (EMR). It is the start of periodic reporting on reserve spending with the aim of demonstrating tighter control and progression towards strategic goals.

2. Background

2.1 For a number of years the Council has allocated funds to EMR in order to build sufficient amounts to cover the estimated cost of capital projects e.g. a new cemetery and Garth House redevelopment.

2.2 As a result of significant underspend in the 20/21 financial year due to Coronavirus, a substantial figure was drawn down and added to the Council's already considerable reserves.

2.3 The guidance on reserves is that they should not exceed more than double the annual precept demand, which for Bicester is approximately £3m. However due to the above points, the Council started 2021/22 with reserves nearing £4m.

2.4 Although the reserves are for planned future expenditure, because of their relative size, both the internal auditor and the Council's consultant accountant have highlighted this as an area of concern.

2.5 This report seeks to address those concerns by clarifying the Council's long term objectives with regard to spending reserves which will ultimately bring them down to a more acceptable level and realise strategic objectives.

3. Earmarked Reserves and Capital Projects

3.1 Please see Appendix 1 for a breakdown of the Council's EMR.

3.2 For some lines there are no active projects. This is because either the project has completed but we haven't been invoiced or the outcome has been achieved without using all the funds. For these lines it is recommended that they are merged and the funds re-allocated to active projects as below. This does not preclude the funds being used for their original purpose as they are still part of earmarked reserves.

Current EMR Line	Value	Proposed Re-allocation
9025 Garth Toilets	£10,000	9020 BTC Premises
9036 Shop Mobility	£4,750	9016 Town Centre
9043 Skatepark	£3,000	9020 BTC Premises
9044 Partnership	£24,100	9016 Town Centre
9045 Pedestrianisation Scheme	£41,000	9016 Town Centre

4. Recommendation

4.1 Committee is recommended to:

A) NOTE the information

B) AGREE the re-allocation of EMR lines

C) RECOMMEND a paper to Council to approve the re-allocation of EMR lines

Bicester Town Council Earmarked Reserves

Code	Title	Starting Amount	YTD Spend	Comment	Remaining	Projects
9007	Community and Elections	29,556	3,780	By-election	25,776	2023 elections
9011	Play Areas/Open Space Investment	325,143	3,341	Repairs and conversions	321,802	Capital programme - play areas repairs
9013	Equipment Replacement/Mtce	213,860	12,478	New equipment	201,382	Capital programme - play areas new equipment
9014	Green Infrastructure	298,955	42,155	Litter and dog bins	256,800	Capital programme - pathways and knee rails
9016	Town Centre	46,000	0		46,000	CDC town centre regeneration
9020	BTC Premises	1,225,764	119,239	Garth redevelopment	1,106,525	Capital programme - property redevelopment
9025	Garth Park Toilets	10,000	0		10,000	
9036	Shopmobilty	4,750	0		4,750	
9039	Burial Ground Provision	671,064	0		671,064	Capital programme - new asset
9042	SW Sports Village Contribution	236,167	0		236,167	Capital programme - new asset
9043	Skate Park	3,000	0		3,000	
9044	Partnership	24,100	0		24,100	
9045	Pedestrianisation Scheme	41,000	0		41,000	CDC town centre regeneration
9046	Sports Village Sinking Fund	30,000	0		30,000	Whitelands 3G pitch renewal

BICESTER TOWN COUNCIL
FINANCE COMMITTEE REPORT

Tuesday 8th February 2022

Memorial Fee Refunds

Chairman: Councillor Alex Thrupp
Contact: alex.thrupp@bicester.gov.uk

Callum McMahon – Responsible Financial Officer
Contact: 01869 252915 callum.mcmahon@bicester.gov.uk

Ward Affected: All Wards

1. Overview

1.1 Finance Committee 29th November approved the removal of the memorial restoration fee from the Council's table of fees and charges (minute ref 346/2122).

1.2 Committee also requested officers look into the possibility of refunds to residents who had already paid this fee. This report summarises the feasibility of such refunds.

2. Tracing Payments

2.1 Working backwards though financial and cemetery records to find both contact details and payment details for memorial restoration fees is possible. It is however a fairly labour intensive task, as it requires methodical searching of both cemetery and financial records as well as liaison with funeral directors.

2.2 The feasibility exercise took place over a number days and garnered five matches out of the 14 sample cases. This means that only a small proportion of people who have paid the memorial restoration fee are likely to be able to be refunded for it.

2.3 On the decision of this committee, officers are happy to expand the exercise to include all cases although this will take considerable time.

3. Recommendation

3.1 Committee is recommended to **APPROVE** the refunding of memorial restoration fees.

BICESTER TOWN COUNCIL
FINANCE COMMITTEE REPORT

Tuesday 8th February 2022

Bicester Round Table

Chairman: Councillor Alex Thrupp
Contact: alex.thrupp@bicester.gov.uk

Callum McMahon – Responsible Financial Officer
Contact: 01869 252915 callum.mcmahon@bicester.gov.uk

Ward Affected: All Wards

1. Overview

1.1 Bicester Round Table (BRT) hired Pingle Field on 6th November their 2021 fireworks event. The event was successful and the field was used as intended.

1.2 The Council charged £325 which was paid within terms. This is slightly less than charged in previous years as a result of rationalising the fee structure (being enough to cover the labour rates for the outdoor team to clean the site after use).

2. Refund Request

2.1 Officers have received a request from BRT for the Council to refund the fee. The reason given is that BRT is a charitable organisation.

2.2 For context, the Council operates commercially with a range of charitable organisations and whilst it does offer discount on some services, standard practise is to charge for services.

2.3 Given this and that the field was used as intended, officers recommend declining this refund request.

3. Recommendation

3.1 Committee is recommended to **DECLINE** the request for a refund based on standard practise and services delivered.

BICESTER TOWN COUNCIL
FINANCE COMMITTEE REPORT

Tuesday 8th February 2022

Utilities

Chairman: Councillor Alex Thrupp
Contact: alex.thrupp@bicester.gov.uk

Callum McMahon – Responsible Financial Officer
Contact: 01869 252915 callum.mcmahon@bicester.gov.uk

Ward Affected: All Wards

1. Overview

1.1 This report is bring to committee awareness the Council's position with utilities bills given the current energy crisis and resulting high prices.

2. Contractual Rates

2.1 Fortunately, the majority of the Council's meters are on contractual rates arranged in mid-2020 and as such are broadly within the Council's budgets.

3. Out of contract rates

3.1 As a result of the timing of the end of previous utilities contracts, some of the Council's meters are on out of contract rates, being on variable rates instead. These are particularly high due to the current market and are exceeding the budgeted spend. See below summary.

Supplies currently on out of contract rates:

Supply	Budget	YTD Spend
Pingle Field electric	£3,500	£6,403
Bicester Field electric	£2,100	£4,460

3.2 Officers are always seeking the best use of public funds and at each available opportunity are assessing whether to stay on variable rates or re-contract at a fixed rate. At present, the balance of prices means staying on variable rates is judged best.

3.3 A small exercise showed that had the Council re-contracted on fixed rates as they were in November, we would have paid thousands more in bills by now compared to the actual rates we are being charged.

3.4 Unfortunately, the utilities budgets for 2022/23 were drafted based on contractual rates and the market does not show signs of returning. This means it is likely that these supplies will continue to exceed budget in the 2022/23 year.

4. Recommendation

4.1 Committee is recommended to **NOTE** the information.

BICESTER TOWN COUNCIL
FINANCE COMMITTEE REPORT

Tuesday 8th February 2022

Electric Van Deposit Payment

Chairman: Councillor Alex Thrupp
Contact: alex.thrupp@bicester.gov.uk

Callum McMahon – Responsible Financial Officer
Contact: 01869 252915 callum.mcmahon@bicester.gov.uk

Ward Affected: All Wards

1. Overview

1.1 This report is bring to committee awareness a payment made outside the usual norms of the supplier payment process.

2. Deposit for Electric Van

2.1 The Outdoor Team Leader, after considerable searching, managed to find a van that matched the approved criteria and within the budget set. In order to secure the van a deposit of £500 was required. Due to the high demand for these vehicles, it was imperative that the Council secure this van quickly as it was unlikely we would be able to source another without seeking a further increase to the approved budget.

2.2 In order to move quickly, the acting Chief Officer exercised financial regulation 4.5 and in conversation with the Chair of Finance and Policy committee authorised the payment using the same day/faster payments service. The supplier then confirmed receipt immediately after.

2.3 This payment will appear in the next meeting of this committee under item 7 – Payments as per financial regulations.

2.4 The remaining balance of the van will be paid through the normal process - it will appear in the invoice payment breakdowns regularly emailed to members of this committee ahead of payments.

3. Recommendation

3.1 Committee is recommended to **NOTE** the information.

BICESTER TOWN COUNCIL
FINANCE COMMITTEE REPORT

Tuesday 8th February 2022

Disposal of Asset

Chairman: Councillor Alex Thrupp
Contact: alex.thrupp@bicester.gov.uk

Callum McMahon – Responsible Financial Officer
Contact: 01869 252915 callum.mcmahon@bicester.gov.uk

Ward Affected: All Wards

1. Overview

1.1 The purchase of the electric van is underway which leaves the disposal of the old van.

1.2 As the estimated value of the old van is below the threshold for committee approval for the disposal of assets (£1000), officers bring this report for committee awareness.

2. Quotes

2.1 Please see appendix 1 for a breakdown of the life costs of the old van and below quotes from buyers. Officers are proceeding with the highest quote.

Quote 1	£150
Quote 2	£499
Quote 3	£210

3. Recommendation

3.1 Committee is recommended to **NOTE** the information.

Item	Purchase Date	Reg	Expected Replacement Date	Purchase Price	Expected Additional Maintenance Spend per year	Cost Per Year	Expected Depreciation per year	Expect Value at End of Life	Actual Life Expentcy in Years	Repair bill 2021	Current repairs needed on vehcile	Minimum Repairs Required to get current van back into usable condition.
Vauxhall Combo Van 2.0CDI	2011	EO55 YMZ	2020	£ 3,400.00	£ 180.00	£ 605.00	£ 325.00	£ 800.00	10	£ 652.00	£1900 minimum	New Starter Motor New Alternator New Battery Leak in roof Leak around aerial Intermitant Speedo Failure New Rear Brakes

BICESTER TOWN COUNCIL
FINANCE COMMITTEE FORWARD PLAN

Tuesday 8th February 2022

11/04/2022	Financial Regulations

22/23 Provisional dates

08/06/2022	Final Internal Audit Year End Accounts (AGAR)
26/07/2022	Investment Policy
05/10/2022	Business Continuity Plan