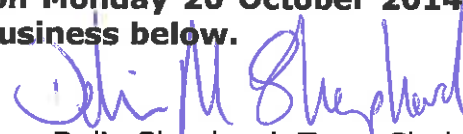


Sandy Town Council

To: Cllrs N Aldis, C Butterfield, M Groom, W Jackson, M Pettitt, C Osborne, M Scott, K Sharp, D Sharman and R Smith

Cc: Cllrs J Ali, T Cole, M Runchman, P Sharman and S Sutton

You are hereby summoned to attend a meeting of the Policy, Finance and Resources Committee of Sandy Town Council which will be held in the Council Chamber at 10 Cambridge Road, Sandy, Bedfordshire on Monday 20 October 2014 at 7.30 pm for the purpose of transacting the items of business below.



Delia Shephard, Town Clerk
10 Cambridge Road
Sandy
SG19 1JE
01767 681491
13 October 2014

MEMBERS OF THE PUBLIC AND PRESS ARE WELCOME TO ATTEND THIS MEETING

A G E N D A

1 Apologies for absence

Reports
x

2 Declarations of interest

Under the Localism Act 2011 members of Council are not required to make oral declarations of interest at meetings but may not participate in discussion or voting on any items of business in which they have a Declarable Pecuniary Interest (DPI) and under Sandy Town Council's Standing Orders must leave the room for the duration of all discussion on such items. (All members' register of interests are available on the Sandy Town Council website or on application to the Clerk.)

*This item is included on the agenda to enable members to declare new DPIS and also **those who wish to do so** may draw attention to their stated DPIS and also any non-declarable personal interests which they have declared under Sandy Town Council's adopted Code of Conduct and which may be relevant to items on the agenda.*

- i) Declarable pecuniary interests*
- ii) Non pecuniary interests*

3 Minutes of previous meeting

To receive the minutes of the Policy, Finance and Resources Committee held on 1 September 2014 and to approve them as a correct record of proceedings.

4 Internal and External Audit

- i) To note arrangements for internal audit of the council for the financial year 2014/15 and the first visit of the internal auditor on 4 November 2014**
- ii) To note completion of the external audit of Sandy Town Council's annual return and accounting statements for the year 2013/14,**

Sandy Town Council

the publication of the audit completion notice and to discuss the audit report.

5 Financial Reports

- i) To consider a balance sheet and detailed financial report showing income and expenditure against the revenue budget for year to date and to note continued work on the recoding of the accounts system ✓
- ii) To approve a schedule of payments made since previous meeting x
- iii) To approve bank reconciliations and statements
- iv) To receive a report from the Clerk on matters to do with the Jenkins Pavilion ✓

6 Budget Process for 2015/16

- i) To receive a brief oral report from the Financial Workshop held on 29 September 2014 and to confirm the timetable for the budgeting process for 2015/16
- ii) To note charges for outsourcing of accountancy work for 2015/16 from DCK Beavers ✓

7 Burial Regulations Review

To receive a report and recommendations from the working group set up to consider potential changes to the burial regulations (Cemetery Working Group) **To follow**

8 Policy on co-options

To receive a report following two complaints about the recent co-option procedure followed by Sandy Town Council and to note changes made to the council website as a consequence ✓

9 Cemetery Expenditure

To note progress with two complaints made by separate residents about gravestones in Sandy Cemetery and to consider any expenditure connected to these complaints falling outside the council's agreed budget which may need authorisation. ✓

10 Cemetery Extension

To receive a report on progress with the planned extension of Sandy Cemetery and to consider the design of the cemetery (prior to its recommendation for approval by Sandy Town Council) and the financial implications of the project ✓

11 Allotments

To approve revised estimated costs for soil testing at a potential allotment site which have increased from £3,500 plus VAT to £3,900 plus VAT and to note the need for a total sum of £5,000 to be made ✓

Sandy Town Council

available should a contingency sum be needed. The sum to be made available from reserves.

12 Sandy Markets

To receive a progress report on Sandy's Monthly Markets and to consider ✓
a request from a market trader for a reduction in Friday market fees

Sandy Town Council

Policy, Finance and Resources Committee 20 October 2014

R E P O R T S

4 Internal and External Audit

- i) **Internal Audit** – as previously reported it had been intended to review a range of quotations for internal auditors for the financial year 2014/15 not least because of the reasonably long standing relationship between HW Accountants (the present internal auditors) and the council. However, present workload difficulties have meant that this task has not been completed in time to appoint a new internal auditor for 2014/15. Members are asked to approve the continued engagement of HW Accountants as the Town Council's internal auditors for the current year on the same terms as in 2013/14. The mid year audit visit has been arranged for 4 November and a second audit visit will take place at year end. The internal auditor's written report should be available for discussion by PF&R on 24 November 2014.

- ii) **External audit** – documents attached. Public notice has been displayed and will be removed on 14 October 2014. Members are requested to propose any actions to council which it considers necessary.

Section 3 – External auditor certificate and opinion 2013/14 Certificate

We certify that we have completed the audit of the annual return for the year ended 31 March 2014 of

SANDY TOWN

Council/Meeting

Respective responsibilities of the council and the auditor

The council is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The council prepares an annual return in accordance with proper practices which:

- summarises the accounting records for the year ended 31 March 2014; and
- confirms and provides assurance on those matters that are important to our audit responsibilities.

Our responsibility is to conduct an audit in accordance with guidance issued by the Audit Commission and, on the basis of our review of the annual return and supporting information, to report whether any matters that come to our attention give cause for concern that relevant legislation and regulatory requirements have not been met.

External auditor report

~~(Except for the matters reported below)*~~ on the basis of our review, in our opinion the information in the annual return is in accordance with proper practices and no matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

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

Please see enclosed report

BDO LLP Southampton
United Kingdom

(continue on a separate sheet if required)

External auditor signature

[Handwritten Signature]

External auditor name

BDO LLP Southampton
United Kingdom

Date

23/9/14

Note: The auditor signing this page has been appointed by the Audit Commission and is reporting to you that they have carried out and completed all the work that is required of them by law. For further information please refer to the Audit Commission's publication entitled Statement of Responsibilities of Auditors and of Audited Small Bodies.

ISSUES ARISING REPORT FOR
Sandy Town Council
Audit for the year ended 31 March 2014



Introduction

The following matters have been raised to draw items to the attention of Sandy Town Council. These matters came to the attention of BDO LLP during the audit of the annual return for the year ended 31 March 2014.

The audit of the annual return may not disclose all shortcomings of the systems as some matters may not have come to the attention of the auditor. For this reason, the matters raised may not be the only ones that exist.

The matters listed below are explained in further detail on the page(s) that follow;

- Minute reference not entered
- Minor issues
- Section 1 - Accounting Statements

The following issue(s) have been raised as there are minor errors on the annual return which we wish to draw to the attention of the council so they do not occur again in future years.

Minute reference not entered

What is the issue?

A minute reference has not been entered in Section 1, to confirm approval of the Accounting Statements by the council.

The statement was approved and the minute reference should be 7 fii.

Why has this issue been raised?

The approval of the section has not been fully disclosed in accordance with the requirements.

What do we recommend you do?

The council must ensure that all boxes are completed on the annual return and all approvals are adequately disclosed.

Further guidance on this matter can be obtained from the following source(s):

Governance and Accountability in Local Councils in England - A Practitioners' Guide, NALC/SLCC

Minor issues

What is the issue?

The following issues have been raised as minor issues or omissions have been identified in the current year's Annual Return:

The comparative figures disclosed in Section 1 of the Annual Return do not agree to the audited Annual Return for last year. We believe the figures have been input in error but the error does not affect the balance carried forward into the current year.

Why has this issue been raised?

This is to draw these minor errors to the attention of the council.

What do we recommend you do?

The council should ensure in future years that the above minor errors or omissions are not included in the Statement of Accounts.

Further guidance on this matter can be obtained from the following source(s):

Governance and Accountability in Local Councils in England - A Practitioners Guide, NALC/SLCC

The following issue(s) have been raised to assist the council. The council is recommended to take action on the following issue(s) to ensure that the council acts within its statutory and regulatory framework.

Section 1 - Accounting Statements

What is the issue?

The figures disclosed in Section 1 in boxes 4 and 6 are incorrect.

Why has this issue been raised?

Box 4 should be £252,478 and box 6 should be £282,620, the carried forward figure is correct.

What do we recommend you do?

The council should ensure in future years it checks the compilation of the figures prior to completion of the accounts.

Further guidance on this matter can be obtained from the following source(s):

Governance and Accountability in Local Councils in England - A Practitioners' Guide, NALC/SLCC

No other matters came to our attention.

For and on behalf of
BDO LLP

Date: 23 September 2014

Sandy Town Council

5 Financial Reports

- i) Balance sheet and financial report attached
- ii) List of payments attached
- iii) Bank statements and reconciliations will be available for inspection prior to the meeting

iv) **Jenkins Pavilion – Clerk’s report**

Stevenage Leisure Ltd (SLL) has notified the council that the trading for the Jenkins Pavilion for the year ended 31 March 2014 shows a surplus of £3,101 (of which 50% will be returned to Sandy Town Council). The company issued an unqualified audit report for the year and those accounts have been formally approved by their board. Unfortunately the profit on the year is likely to be needed for maintenance, there are several faults with the hot water boiler and under floor heating which require urgent repair.

Members will remember that with effect from 1 April 2014 Sandy Town Council entered into a new more advantageous management agreement with Central Bedfordshire Council whereby SLL continue to manage the Jenkins Pavilion but the Town Council’s arrangement is now direct with CBC. The management fee has reduced to £15,000 and the contractor is also responsible for all utilities. There is now no direct profit share for the Town Council but any profit from running the building is put into a maintenance fund for improvement of the Pavilion. However, members should note that this contract whilst operating in practice is still not signed. This is because the contract between CBC and SLL is not signed because of unresolved difficulties with the Sandy Upper School agreement with CBC. There is little that can be done to resolve this until the principal authority reaches an agreement with the academy.

On 25 September 2014 the clerk attended the regular annual review meeting with representatives of the Football Foundation (FF), Bedfordshire FA and Stevenage Leisure Ltd to review the council’s obligations to the Football Foundation following receipt of the grant to build the facility. This was a positive and productive meeting and all parties were encouraged by the progress which had been made since 2011 when the FF was considering whether the council should be asked to return its grant. The FF was very happy with governance arrangements, financial reports, maintenance, health and safety and non-football use of the pavilion etc.

However, the development of football from the Jenkins Pavilion remains a concern. The original football development plan prepared at the time of the grant was not fully implemented and although SLL have worked on developing a new plan it has been difficult to secure support from Sandy Colts the partner club in the original application for funding. There is no formal written agreement between STC and Sandy Colts FC about their use of the building although the council has provided subsidised rates for use of the facilities which have been negotiated by agreement. Sandy Colts do not have a club football development plan of their own and have declined to participate in the preparation of a community football plan to increase community participation in football in Sandy. Their usage of the pavilion/pitches is decreasing as the club

Sandy Town Council

is fielding fewer teams. After some years of patience this position is no longer acceptable to the Football Foundation which invested in the building in order to secure growth in football activities but has in fact witnessed a decline in football usage. At the meeting Bedfordshire FA was tasked with finding another club to partner with in order to maximise usage of the pitches and the pavilion. The Colts will continue to use the Pavilion and the football store but efforts will now be made to secure a second affiliated club so that pitch use and use of the pavilion can be maximized. If this is successful the second affiliated club will be offered the equivalent beneficial charge rates as the Colts. It may be necessary to ask the Colts to share their storage facilities which are currently used for more than just football match equipment.

At a further meeting with SLL and Adrian Lear of CBC on 6 October 2014 the Clerk discussed the practical implications of any potential changes to the current hiring arrangements at the Pavilion. In the first instance it is the responsibility of Bedfordshire FA to secure interest from another club and to talk to Sandy Colts FC. SLL have prepared information about which pitches are surplus to the Colts requirements and it is planned to focus on the mini and junior offer to other clubs. Pitch and changing room hire charges have been set until April 2015. The Clerk has asked SLL to produce new proposed charging structures for 2015/16 and to investigate ways in which the booking system can be improved to ensure maximum possible use of the facilities. The Town Council will have the opportunity to review and approve these charges and a further report follows when more information is available. Members should note that there is no intention to overuse the pitches or to impede Sandy Colts' current activities.

Detailed Balance Sheet (Excluding Stock Movement)

Month No: 6 30th September 2014

<u>A/c</u>	<u>Account Description</u>	<u>Actual</u>	
	<u>Current Assets</u>		
100	Debtors Control	754	
101	Stock	4,435	
105	VAT Control	7,522	
106	Vat Suspense	-3,900	
200	Current Bank A/c	102,433	
205	Capital a/c Santander	213,474	
206	Barclays Active Saver	274,708	
207	Barclays New Treasury	202,335	
210	Petty Cash	250	
	Total Current Assets		802,011
	<u>Current Liabilities</u>		
501	Creditors Control	35,141	
	Total Current Liabilities		35,141
	Net Current Assets		766,870
	Total Assets less Current Liabilities		766,870
	<u>Represented By :-</u>		
300	Current Year Fund	249,309	
310	General Reserve	20,765	
320	Capital Receipts Reserve	72,795	
321	Earmarked Reserves	44,000	
322	EMR Fallowfied	380,000	
	Total Equity		766,870

		Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% of Budget
401	Staff							
4001	Gross Salaries	6,407	38,908	129,750	90,842		90,842	30.0 %
4002	Gross Wages	7,254	43,877	74,000	30,123		30,123	59.3 %
4003	Employers NIC	760	4,441	11,500	7,059		7,059	38.6 %
4004	Employers Superannuation	2,044	12,706	26,000	13,294		13,294	48.9 %
4010	Miscellaneous Staff Costs	0	180	1,000	820		820	18.0 %
	Staff :- Expenditure	16,465	100,113	242,250	142,137	0	142,137	41.3 %
	Net Expenditure over Income	16,465	100,113	242,250	142,137			

Month No : 6

Cost Centre Report

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% of Budget
402 Administration-Office							
4008 Training	0	1,660	3,500	1,840		1,840	47.4 %
4009 Travel & Subsistence	14	85	500	415		415	16.9 %
4010 Miscellaneous Staff Costs	45	45	0	-45		-45	0.0 %
4011 General Rates	0	6,005	6,100	95		95	98.4 %
4012 Water Rates	0	73	400	327		327	18.4 %
4014 Electricity	0	764	4,000	3,236		3,236	19.1 %
4015 Gas	0	349	1,800	1,451		1,451	19.4 %
4016 Cleaning Materials etc	0	952	1,250	298		298	76.2 %
4020 Misc Establishment Costs	831	998	2,000	1,003		1,003	49.9 %
4021 Telephone & Fax	40	779	3,200	2,421		2,421	24.3 %
4022 Postage	288	823	1,600	777		777	51.4 %
4023 Printing & Stationery	61	1,525	5,235	3,710		3,710	29.1 %
4024 Subscriptions	0	2,117	2,700	583		583	78.4 %
4025 Insurance (excl vehicles)	0	6,824	21,600	14,776		14,776	31.6 %
4026 Photocopy Costs	1,155	1,738	2,270	532		532	76.6 %
4027 IT Costs incl Support	839	3,034	0	-3,034		-3,034	0.0 %
4028 Service Agreements (Other)	0	4,203	9,500	5,297		5,297	44.2 %
4035 Publications	6	43	300	257		257	14.3 %
4036 Property Maintenance/Security	565	2,308	3,500	1,192		1,192	66.0 %
4042 Equipment/Vehicle Maintenance	0	0	3,000	3,000		3,000	0.0 %
4051 Bank Charges	0	34	0	-34		-34	0.0 %
4056 Legal Expenses	0	10	1,000	990		990	1.0 %
4057 Audit Fees - External	1,300	0	2,350	2,350		2,350	0.0 %
4059 Accountancy Fees	384	3,228	0	-3,228		-3,228	0.0 %
4070 Refreshments	15	84	200	116		116	42.0 %
4207 Insurance	1,786	5,357	0	-5,357		-5,357	0.0 %
4218 Cleaning	0	23	0	-23		-23	0.0 %
4219 Telephone	0	213	0	-213		-213	0.0 %
4220 Photocopy Charges	0	436	0	-436		-436	0.0 %
4221 Postage	0	42	0	-42		-42	0.0 %
4230 Mayor's Allowance	0	24	0	-24		-24	0.0 %
4235 Service Agreements	0	250	0	-250		-250	0.0 %
7205 **unkown**9	0	-417	0	417		417	0.0 %
Administration-Office :- Expenditure	7,329	43,610	76,005	32,395	0	32,395	57.4 %
1201 Rent Received Etc	216	1,564	2,575	-1,011			60.8 %
1202 Photocopying Income	0	13	52	-38			26.2 %
1204 Sale of Council Minutes	0	0	195	-195			0.0 %
1205 Miscellaneous Income	47	2,122	0	2,122			0.0 %
Administration-Office :- Income	263	3,700	2,822	879			131.1 %
Net Expenditure over Income	7,066	39,909	73,184	33,274			

Month No : 6

Cost Centre Report

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% of Budget
403 Administration-Works							
4005 Protective Clothing	70	305	1,400	1,095		1,095	21.8 %
4006 H R Costs/Consultancy	0	0	1,000	1,000		1,000	0.0 %
4011 General Rates	0	1,955	2,010	55		55	97.2 %
4012 Water Rates	0	358	310	-48		-48	115.6 %
4014 Electricity	87	177	750	573		573	23.6 %
4017 Refuse Disposal	20	1,735	3,500	1,765		1,765	49.6 %
4036 Property Maintenance/Security	221	478	1,650	1,172		1,172	29.0 %
4038 Consumables/Small Tools	231	1,346	1,200	-146		-146	112.2 %
4039 Planting/Trees/Horticulture	0	3,571	5,700	2,129		2,129	62.6 %
4040 Equipment Purchases (Minor)	0	1,508	2,000	492		492	75.4 %
4042 Equipment/Vehicle Maintenance	273	1,768	5,500	3,732		3,732	32.1 %
4043 Equipment/Vehicle Fuel	633	1,278	3,000	1,722		1,722	42.6 %
4044 Vehicle Tax & Insurance	0	390	2,500	2,110		2,110	15.6 %
Administration-Works :- Expenditure	1,534	14,869	30,520	15,651	0	15,651	48.7 %
Net Expenditure over Income	1,534	14,869	30,520	15,651			

Month No : 6

Cost Centre Report

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% of Budget
404 Allotments							
4012 Water Rates	0	0	300	300		300	0.0 %
Allotments :- Expenditure	<u>0</u>	<u>0</u>	<u>300</u>	<u>300</u>	<u>0</u>	<u>300</u>	<u>0.0 %</u>
Net Expenditure over Income	<u>0</u>	<u>0</u>	<u>300</u>	<u>300</u>			

		Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% of Budget
405	<u>Footway Lighting</u>							
4014	Electricity	423	1,690	5,750	4,060		4,060	29.4 %
4042	Equipment/Vehicle Maintenance	1,970	4,350	5,105	755		755	85.2 %
4545	Energy Charges (Lighting)	0	393	0	-393		-393	0.0 %
	Footway Lighting :- Expenditure	2,393	6,433	10,855	4,422	0	4,422	59.3 %
	Net Expenditure over Income	2,393	6,433	10,855	4,422			

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% of Budget
406 Cemetery & Churchyard							
4011 General Rates	0	2,167	2,300	133		133	94.2 %
4012 Water Rates	0	19	180	161		161	10.3 %
4036 Property Maintenance/Security	0	0	1,000	1,000		1,000	0.0 %
4037 Grounds Maintenance	0	259	900	641		641	28.8 %
4039 Planting/Trees/Horticulture	0	78	350	273		273	22.1 %
4101 Grave Digging Costs	200	2,400	6,200	3,800		3,800	38.7 %
Cemetery & Churchyard :- Expenditure	200	4,922	10,930	6,008	0	6,008	45.0 %
1226 Burials/Memorials Income	2,170	13,162	20,000	-6,838			65.8 %
1228 Interest on Investment	0	26	26	0			101.5 %
Cemetery & Churchyard :- Income	2,170	13,188	20,026	-6,838			65.9 %
Net Expenditure over Income	-1,970	-8,267	-9,096	-829			

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% of Budget
408 Car Park (Including Market)							
4011 General Rates	0	14,867	15,370	503		503	96.7 %
4036 Property Maintenance/Security	719	1,675	850	-825		-825	197.1 %
4053 Loan Interest	0	177	0	-177		-177	0.0 %
4054 Loan Capital Repaid	0	127	608	481		481	20.9 %
Car Park (Including Market) :- Expenditure	719	16,847	16,828	-19	0	-19	100.1 %
1236 Friday Market Fees	130	470	3,000	-2,530			15.7 %
1237 Saturday Market Fees	0	128	300	-172			42.7 %
1238 Other Income Car Park	0	210	200	10			105.0 %
Car Park (Including Market) :- Income	130	808	3,500	-2,692			23.1 %
Net Expenditure over Income	589	16,039	13,328	-2,711			

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% of Budget
409 Public Toilets - Car Park							
4011 General Rates	0	2,308	2,400	92		92	96.2 %
4012 Water Rates	0	90	1,400	1,310		1,310	6.4 %
4014 Electricity	0	213	380	167		167	56.0 %
4036 Property Maintenance/Security	0	58	550	492		492	10.5 %
Public Toilets - Car Park :- Expenditure	0	2,668	4,730	2,062	0	2,062	56.4 %
Net Expenditure over Income	0	2,668	4,730	2,062			

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% of Budget
500 <u>Play Areas and Open Spaces</u>							
4007 Health & Safety	0	390	0	-390		-390	0.0 %
4012 Water Rates	219	237	1,100	863		863	21.5 %
4014 Electricity	0	45	1,154	1,109		1,109	3.9 %
4036 Property Maintenance/Security	0	0	1,125	1,125		1,125	0.0 %
4037 Grounds Maintenance	220	501	4,000	3,499		3,499	12.5 %
4042 Equipment/Vehicle Maintenance	2,434	2,721	8,200	5,479		5,479	33.2 %
Play Areas and Open Spaces :- Expenditure	2,874	3,893	15,579	11,686	0	11,686	25.0 %
1241 Sandy FC Rent	0	0	450	-450			0.0 %
1242 Ice cream rent	0	0	330	-330			0.0 %
Play Areas and Open Spaces :- Income	0	0	780	-780			0.0 %
Net Expenditure over Income	2,874	3,893	14,799	10,906			

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% of Budget	
501	<u>Sunderland Road Rec Ground</u>							
4012	Water Rates	235	395	1,000	605	605	39.5 %	
4014	Electricity	208	-263	0	263	263	0.0 %	
4015	Gas	103	905	0	-905	-905	0.0 %	
4036	Property Maintenance/Security	0	1,043	1,000	-43	-43	104.3 %	
4046	Bowling Green - SBC	919	1,643	0	-1,643	-1,643	0.0 %	
4047	Equipment Maintenance - SBC	147	147	2,950	2,803	2,803	5.0 %	
4048	Cricket Square - SCC	1,430	2,256	2,140	-116	-116	105.4 %	
4060	Other Professional Fees	1,250	7,500	15,000	7,500	7,500	50.0 %	
	Sunderland Road Rec Ground :- Expenditure	4,291	13,625	22,090	8,465	0	8,465	61.7 %
1251	Pitch Rental	0	511	0	511		0.0 %	
1253	Bowls Club Rental	387	387	389	-2		99.5 %	
1255	Cricket Club Rental	0	0	260	-260		0.0 %	
1256	Scouts ,ACF and SSLA	0	0	170	-170		0.0 %	
	Sunderland Road Rec Ground :- Income	387	899	819	80		109.7 %	
	Net Expenditure over Income	3,904	12,726	21,271	8,545			

		Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% of Budget
502	<u>Nature Reserves</u>							
4037	Grounds Maintenance	1,600	2,023	5,250	3,227		3,227	38.5 %
4042	Equipment/Vehicle Maintenance	0	589	0	-589		-589	0.0 %
4060	Other Professional Fees	0	0	6,040	6,040		6,040	0.0 %
	Nature Reserves :- Expenditure	1,600	2,612	11,290	8,678	0	8,678	23.1 %
1306	Countryside Stewardship Grant	203	1,759	1,000	759			175.9 %
	Nature Reserves :- Income	203	1,759	1,000	759			175.9 %
	Net Expenditure over Income	1,397	853	10,290	9,437			

Month No : 6

Cost Centre Report

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% of Budget
504	<u>Tourist Information Centre</u>						
4001	Gross Salaries	1,837	9,874	0	-9,874	-9,874	0.0 %
4005	Protective Clothing	0	0	200	200	200	0.0 %
4021	Telephone & Fax	0	0	270	270	270	0.0 %
4024	Subscriptions	0	0	100	100	100	0.0 %
4026	Photocopy Costs	0	149	0	-149	-149	0.0 %
4301	Merchandise and Ticket Costs	292	2,850	5,550	2,700	2,700	51.3 %
5424	Merchandise & Ticket Costs	0	44	0	-44	-44	0.0 %
	Tourist Information Centre :- Expenditure	2,128	12,917	6,120	-6,797	0	211.1 %
1360	Ticket Sales Commission	6	12	0	12		0.0 %
1402	Sales	664	6,920	12,000	-5,080		57.7 %
	Tourist Information Centre :- Income	670	6,932	12,000	-5,068		57.8 %
	Net Expenditure over Income	1,458	5,986	-5,880	-11,866		

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% of Budget
505 <u>Grass Cutting</u>							
4102 Grass Cutting	0	3,831	10,000	6,169		6,169	38.3 %
Grass Cutting :- Expenditure	<u>0</u>	<u>3,831</u>	<u>10,000</u>	<u>6,169</u>	<u>0</u>	<u>6,169</u>	<u>38.3 %</u>
Net Expenditure over Income	<u>0</u>	<u>3,831</u>	<u>10,000</u>	<u>6,169</u>			

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% of Budget
506 <u>Litter Bins, Seats & Shelters</u>							
4042 Equipment/Vehicle Maintenance	0	0	500	500		500	0.0 %
Litter Bins, Seats & Shelters :- Expenditure	<u>0</u>	<u>0</u>	<u>500</u>	<u>500</u>	<u>0</u>	<u>500</u>	<u>0.0 %</u>
Net Expenditure over Income	<u>0</u>	<u>0</u>	<u>500</u>	<u>500</u>			

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% of Budget
507 <u>Tourist Information Centre</u>							
5785 Printing Costs	0	238	0	-238		-238	0.0 %
Tourist Information Centre :- Expenditure	0	238	0	-238	0	-238	
Net Expenditure over Income	0	238	0	-238			

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% of Budget
508 S.E.G. NOT IN USE							
4020 Misc Establishment Costs	0	0	1,276	1,276		1,276	0.0 %
S.E.G. NOT IN USE :- Expenditure	0	0	1,276	1,276	0	1,276	
Net Expenditure over Income	0	0	1,276	1,276			

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% of Budget
509 Christmas Lights							
4401 Christmas Illuminations	0	1,191	11,000	9,809		9,809	10.8 %
4402 Community Christmas Event	508	557	5,000	4,443		4,443	11.1 %
Christmas Lights :- Expenditure	508	1,748	16,000	14,252	0	14,252	10.9 %
1365 Christmas Lights	1,167	1,345	4,000	-2,655			33.6 %
Christmas Lights :- Income	1,167	1,345	4,000	-2,655			33.6 %
Net Expenditure over Income	-659	403	12,000	11,597			

		Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% of Budget
601	<u>Precept and Interest</u>							
4100	CCTV Fees	1,000	1,000	15,000	14,000		14,000	6.7 %
	Precept and Interest :- Expenditure	1,000	1,000	15,000	14,000	0	14,000	6.7 %
1101	Precept	0	227,852	455,704	-227,852			50.0 %
1319	Interest Precept A.c	0	-31	2,000	-2,031			-1.6 %
1320	Interest Santander Ac	0	3,209	3,500	-291			91.7 %
1322	Interest Barclays Base Rate	86	424	0	424			0.0 %
	Precept and Interest :- Income	86	231,453	461,204	-229,751			50.2 %
	Net Expenditure over Income	914	-230,453	-446,204	-215,751			

	Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% of Budget
602 Democratic and Civic Costs							
4020 Misc Establishment Costs	0	90	0	-90		-90	0.0 %
4033 Annual Report & Newsletter	238	1,190	3,500	2,310		2,310	34.0 %
4042 Equipment/Vehicle Maintenance	0	0	200	200		200	0.0 %
4200 Mayor's Allowance	162	844	1,900	1,056		1,056	44.4 %
4202 Members' Expenses (Conf etc)	0	74	500	426		426	14.8 %
4210 Election Costs	0	0	4,000	4,000		4,000	0.0 %
4701 Grants/Donations Paid	825	1,380	1,500	120		120	92.0 %
Democratic and Civic Costs :- Expenditure	1,225	3,579	11,600	8,021	0	8,021	30.9 %
1101 Precept	227,852	227,852	0	227,852			0.0 %
1307 Angling Licence Rent	486	486	475	11			102.3 %
Democratic and Civic Costs :- Income	228,338	228,338	475	227,863			48071.1
Net Expenditure over Income	-227,113	-224,759	11,125	235,884			

		Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% of Budget
700	Capital and Projects							
4802	CAP - Cemetery Extension	0	5,098	0	-5,098		-5,098	0.0 %
	Capital and Projects :- Expenditure	0	5,098	0	-5,098	0	-5,098	
4803	CAP - WWI Board	325	1,215	0	-1,215		-1,215	0.0 %
	Capital and Projects :- Direct Expenditure	325	1,215	0	-1,215	0	-1,215	
1364	S106 Money Received	0	106	0	106			0.0 %
	Capital and Projects :- Income	0	106	0	106			
	Net Expenditure over Income	325	6,207	0	-6,207			

At : 16:34

Current Bank A/c

List of Payments made between 01/09/2014 and 30/09/2014

<u>Date Paid</u>	<u>Payee Name</u>	<u>Cheque Ref</u>	<u>Amount Paid</u>	<u>Authorized Ref</u>	<u>Transaction Detail</u>
01/09/2014	Aviva	Std Ord	1,785.54		Annual Insurance Premium
01/09/2014	Powerc IT Business Solutions	DDR	300.00		330/IT Support Sep 14
01/09/2014	UK Fuels Limited	DDR2	65.81		Purchase Ledger Payment
01/09/2014	British Gas	DDR3	11.71		324/Supply to 09.08.14
02/09/2014	Barclays Active Saver	tfr	30,000.00		
08/09/2014	BNP Paribas Leasing Solutions	DDR4	175.50		378/Copier Cover sep-dec 2014
09/09/2014	Central Bedfordshire Council R	DDR5	113.00		92/Annual Rates 14/15
11/09/2014	1st Choice Staff Recruitment L	30038	1,169.48		346/R. Loake Hrs to 09.08.14
11/09/2014	Bedford Borough Council	30039	75.50		331/Refuse Disposal
11/09/2014	Sandy Town Bowling Club	30040	25.63		364/Fuel for SBC
11/09/2014	DCK Beavers Ltd	30041	1,902.54		341/Printed Cheques
11/09/2014	Flitwick Town Council	30042	20.00		347/Flitwick Mayor Charity Nig
11/09/2014	Hertfordshire County Council	30043	288.83		348/Stationery Supplies
11/09/2014	C. Osborne	30044	55.00		349/High Sheriff Charity Night
11/09/2014	Martin Howlett Trading Company	30045	46.80		351/Black Refuse Sacks
11/09/2014	Luton Borough Council	30046	36.00		350/Luton Mayor Charity Dinner
11/09/2014	Mayfield Books & Gifts	30047	56.90		352/TIC Stock
11/09/2014	Tim Miles	30048	600.00		353/Grave Digging 27.08.14
11/09/2014	M. W. Cleansing Ltd	30049	195.00		334/Empty Sewerage Tanks
11/09/2014	FD Odell & Sons Ltd	30050	424.60		356/Skip Hire
11/09/2014	PHS Group	30051	129.12		357/Annual Duty of Care
11/09/2014	Pirtek Cambridge Ltd	30052	296.27		336/Vehicle Service
11/09/2014	Proludic Ltd	30053	183.12		359/Play Equip. Maintenance
11/09/2014	B & W Services	30054	85.19		337/Horse Racing Night
11/09/2014	Michael Reynold	30055	64.23		362/Fuel Claim SCC
11/09/2014	Rosetta Publishing	30056	285.60		338/The Bulletin Sep14
11/09/2014	Stevenage Borough Council	30057	1,200.00		339/Sim Card for CCTV
11/09/2014	A. J. & R. Scambler and Sons L	30058	53.40		365/Extension
11/09/2014	Sandy Football Club	30059	14.91		363/Supply to 28.08.14
11/09/2014	SLCC Enterprises Ltd	30060	30.00		367/SLCC GPoC Submission
11/09/2014	St. John Ambulance	30061	240.00		360/First Aid Training
11/09/2014	Lloyds Bank Commercial Finance	30062	63.90		369/Entrance Sign
11/09/2014	Brian Taylor	30063	14.63		361/Fuel Claim SCC
11/09/2014	T&E Seymour Electrical Install	30064	1,920.00		366/Street Light Repairs
11/09/2014	Society of London Theatre	30065	94.00		368/Ticket Sales SOLT
11/09/2014	TTM Consultancy Ltd	30066	718.56		370/Car Park Barrier Repairs
11/09/2014	VFM Products Ltd	30067	251.40		340/Grassline
11/09/2014	Walters Ltd	30068	176.14		371/Photocopier Charges
11/09/2014	Woodman & Sons Funeral Directo	30069	700.00		372/Refund of Burial Fee
11/09/2014	Central Bedfordshire Council	30070	1,500.00		332/Monthly Manage Fee
15/09/2014	Powerc IT Business Solutions	DDR6	241.85		Purchase Ledger Payment
16/09/2014	Southern Electric	DDR7	503.76		328/Supply to 01.09.14
16/09/2014	Bedford Borough Council	DDR8	16,765.06		376/Ers Superann
18/09/2014	Central Beds - Building Regs	111133	318.00		Central Beds - Building Regs
19/09/2014	Barclays Active Saver	tfr	30,000.00		
19/09/2014	Barclays Active Saver	tfr	227,852.00		
22/09/2014	Corona Energy Retail 2 Ltd	DDR10	107.77		381/Supply to 01/09/14

At : 16:34

Current Bank A/c

List of Payments made between 01/09/2014 and 30/09/2014

<u>Date Paid</u>	<u>Payee Name</u>	<u>Cheque Ref</u>	<u>Amount Paid</u>	<u>Authorized Ref</u>	<u>Transaction Detail</u>
22/09/2014	UK Fuels Limited DDR	DDR9	52.49		326/Fuel Cards
26/09/2014	China Express - Fundraiser	111135	433.50		China Express - Fundraiser
29/09/2014	Southern Electric DDR	DDR	236.88		406/Supply 09.08.14-08.09.14
29/09/2014	UK Fuels Limited DDR	DDR2	55.60		327/Fuel Cards
30/09/2014	Petty Cash Top Up	111134	169.90		Petty Cash Top Up
30/09/2014	UK Fast Fuels Cheque Reverse	CHQ REVERS	-213.56		UK Fast Fuels Cheque Reverse
30/09/2014	British Gas DDR	DDR3	10.68		380/Supply 10.08.14-09.09.14
Total Payments			<u>321,902.24</u>		

Sandy Town Council

6 Budget Process for 2015/16

- i) Notes are attached for members following some questions which arose at the financial workshop which took place in the absence of the clerk. The timetable for the budget setting is attached to these papers. Members are reminded to ask the clerk about any specific information/estimates they wish to obtain.

- ii) Correspondence attached.

Issues for 2015/16

The Clerk has been asked to provide detailed estimated costs for the following issues which were flagged at the financial workshop along with phasing of the projects. Please see the notes on each of these issues below:

Increase to reserves – please see paper prepared by DCK Beavers and previously circulated on the need to establish a rolling programme to prepare for capital expenditure. In 2014/15 the council agreed to assign £15,000 to reserves but as £15,000 was also to be drawn down from the general reserves to meet expenditure on Fallowfield these two sums effectively cancelled each other out and made no difference to the council's total reserves. Although general reserves increased by £15k and Fallowfield reserve reduced by £15k.

Inflation – councillors must make their own assessment of what is a reasonable predictor of inflation for the year 2015/16. At the time of writing CPI has fluctuated between 1.5% and 1.9% in recent months (ONS statistics accessed on 10.10.2014). In August 2014, the 12-month rate for RPIJ stood at 1.8%. The RPI 12-month rate for August 2014 stood at 2.4%. (Figures accessed on ONS website on 10.10.2014 although status of RPIJ and RPI is now considered unsuitable as a national statistical measure.)

The latest pay proposal from the LGA proposes a 2.2% increase to staff on salaries of £14,880 and over – Spinal Column Points (SCPs) 11 and above – and run from 1 January 2015 to 31 March 2016. Higher percentage increases were proposed for SCPs five to 10, providing a new minimum hourly rate of £7 per hour. This would increase to £7.06 per hour on 1 October 2015 with the deletion of SCP five. A non-consolidated lump sum payment of between £100 and £325 was also offered to all SCPs. Consultation on these proposals continues although the planned strike action has been suspended.

Cemetery extension costs - the previous estimate of £100,000 for the cemetery extension included all professional fees, building and planting. It excluded the depot building. A detailed report on the cemetery extension and expenditure to date is provided separately but it is feasible that the project could be completed by the end of 2015/16.

Depot building replacement – a sum of £34 K has been earmarked in the reserves for this project but the depot working group has not provided a specific costings at the time of writing as this has been on hold pending the completion of the cemetery design.

Additional information requested by members following the Financial workshop held on 29 September 2014. Please ask the clerk if you have other specific questions.

Premises alteration – the RFO is not able to predict the cost of the proposed alterations. Levitts advise that the work will be put out to tender after 13 October 2014 and accurate figures will be available thereafter.

Allotments – the RFO has been unable to obtain a realistic prediction of the cost of establishing allotments at the proposed site which is currently being assessed for suitability. CBC has been unable to provide reliable costs for soil testing, and this work remains unfinished. Further work is needed on this project but other demands on staff time have prevented this. It is feasible that this project could be completed by the end of 2015/16.

Costs of the staff restructure – costs have already been provided to council by way of a confidential report which was discussed and approved on 22 September 2014. There is no additional information at the time of writing since Clerk/RFO time has been directed to other issues since that date.

Maintenance/renewal cycle : playgrounds, vehicles, equipment, IT

The revenue budget will be prepared to include anticipated replacement of existing equipment which is likely to fail during the next financial year and specific costings will be obtained in the usual way for these items. These are not available at this stage. Some of the council's play equipment requires wholesale replacement or will do in the near future and there is no rolling programme for this. Costing and planning this is a large piece of work which has not been undertaken for reasons of time/resource.

The Skoda must be replaced and it is proposed that it is replaced by a second vehicle of the same type as the Toyota purchased in 2013, an estimate will be obtained. This purchase has already been recommended ie before the 2015/16 budget process but garaging remains an outstanding issue. (Anticipated cost maximum £20,000 on road).

In terms of IT the council is not maximising its use of technology and one area for consideration is the use of tablets for record keeping, inspection reports etc. Quotation for a new laptop has already been provided and will be included in the revenue budget.

Are the Staff having their own budget workshop and, if so, will proposals for growth and/or reductions be coming to Members? The staff have not yet had a budget workshop, they have all been asked to contribute their ideas to the process and a workshop session will be held at the next whole team meeting. Any ideas will be reported to the committee.

Additional information requested by members following the Financial workshop held on 29 September 2014. Please ask the clerk if you have other specific questions.

What Section 106 monies are held by CBC and what is expected for on-going developments? Where can those monies be spent and on what; eg is any for (replacement) play equipment? An up to date report from CBC has been obtained and is available for members to scrutinize, it has not been circulated in hard copy because of its length and the RFO has not had time to study it yet. But this is available to members as a pdf. There are some funds available for use on play equipment. Current levels of development mean that collection of significant sums for S106 agreements are unlikely at present, however this does not mean none. **There were mixed views on whether we should put money into reserves, and also whether we could temporarily borrow from reserves.** Members should consider the accumulation of reserves in the context of the council's risk management and the need for contingency and medium term financial planning. The accounts and audit regulations have been updated and a copy of the most relevant portions has been copied for all members and is attached. The complete regulations are available in the office.

Details of latest costs of borrowing from PWLB. A copy of advice on PWLB borrowing is attached together with indicative costs of current borrowing costs.

Data Date: 10-Oct-201

PWLB**FIXED RATE LOANS - ESTIMATED REPAYMENT COSTS**

Amount of Advance: 100.00

Period (years)	Annuity			EIP			
	Rate (%)	½ Yearly Cost (£)	Total Cost (£)	Rate (%)	Initial ½ Yearly Costs (£)	Reduces by each ½ year (£)	Total Cost (£)
Over 4½ not over 5	2.00	10.56	105.60	1.99	11.00	0.10	105.47
Over 9½ not over 10	2.60	5.72	114.40	2.57	6.29	0.06	113.49
Over 14½ not over 15	3.02	4.17	125.10	2.97	4.82	0.05	123.02
Over 19½ not over 20	3.32	3.45	138.00	3.25	4.13	0.04	133.31
Over 24½ not over 25	3.54	3.04	152.00	3.45	3.73	0.03	143.99
Over 29½ not over 30	3.71	2.78	166.80	3.61	3.48	0.03	155.05
Over 39½ not over 40	3.91	2.49	199.20	3.82	3.16	0.02	177.36
Over 49½ not over 50	3.95	2.31	231.00	3.92	2.96	0.02	198.98

- Note:**
1. Although this report provides figures for repayment periods of between 5 and 50 years, in practice loans may be repaid over any period between 2 and 50 years.
 2. Amounts payable on loans from the Board are calculated on the assumption that loans will run their full term as agreed when the loans were originally made.
 3. If a borrower wishes to make a premature repayment of a loan, either in whole or in part, it should contact the Board giving full details beforehand. The Board will usually agree to accept this request but it should be noted the premium will be payable when the interest rate on the loan to be repaid is higher than the current interest rate for loan repayable by the same method and over the same period as that remaining on the loan which it is proposed repay. When the interest rate on the loan to be repaid is lower than the current interest rate, a discount will be allowed.

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Timetable for Precept Setting

Date	Event	Planned activity	Responsibility
29 September 2014	Financial Workshop	General discussion and fact finding	All members and RFO
20 October 2014	PF&R Committee	General discussion and advice to Clerk	PF&R Committee
31 October 2014	Clerk to meet with DCK Beavers	Preparation of first draft	RFO and DCK Beavers
24 November 2014	PF&R Committee	Discussion of first draft	PF&R Committee
15 December 2014	Town Council	Report to Council	All members and RFO
5 January 2015	PF&R Committee	Agree final draft for council	PF&R Committee
18 January 2015	Town Council	Approve final draft and set precept	All members

Part 3 - Accounting guidance for local councils

3.28 As part of risk management, written confirmation should always be sought from HMRC to ensure that payments for services provided by contractors are being correctly treated; otherwise councils may find themselves with unexpected and significant liabilities to pay income tax and employers National Insurance contributions. Care must be also taken when making any payments of expenses or allowances to non-employees, for example to the Chair or to other councillor members, which should also be considered as falling within the scope of PAYE.

Insurance

- 3.29 **All local council employers are required by law to take out employers' liability and decide the appropriate level of fidelity guarantee insurance.** All cover should be risk based and kept under constant review to make sure it adequately reflects changes in circumstances.
- 3.30 Adequate insurance against third party risks is vital especially if a local council owns property such as bus shelters, swimming pools and playground equipment. The council should review the range and value of insurance cover each year. At the expiry of each policy, consideration should be given to inviting competitive quotations for the new policy.

The budgeting process

- 3.31 The preparation of an annual budget is one of the key statutory tasks to be undertaken by a local council, irrespective of its size. The budget has three main purposes:
- it results in the council setting the precept for the year;
 - subject to the council's Financial Regulations, it gives the clerk and other officers overall authority to make spending commitments in accordance with the plans approved by members; and
 - it provides a basis for monitoring progress during the year by comparing actual spending against planned spending.
- 3.32 The importance of the budget should not be underestimated. It is essential that council members understand how it is put together and how it should be used in the running of the council. At its simplest the budget compares what a council would like to spend in the forthcoming year on local services with the amount of income it expects to generate, with the excess of planned spending over income being made up by the precept. But as the year progresses, things will not always go to plan and the prospect of a shortfall of available cash during a financial year can present a significant risk. Reviewing the budget against actual expenditure regularly gives members early warning about the likelihood of a shortfall (or surplus) and helps them to decide what responsive action to take.

Part 3 - Accounting guidance for local councils

3.33 The following table sets out the process for preparing and making use of the annual budget.

Process	Good practice
1 Deciding the form of the budget	<p>The first decision for the council is to determine the level of detail at which to prepare the budget. This involves scheduling out all the headings under which the council expects to make payments or is likely to receive cash (for example, clerk's remuneration, village hall booking fees). An estimate will then be prepared for each of these headings of the value of transactions that will take place in the next year.</p>
2 Review the current year budget and spending	<p>In making estimates, most councils will start by looking at current year figures, with three main purposes:</p> <ul style="list-style-type: none"> • to identify activities that are being carried out this year that will also be carried out next year and need to be budgeted for again (for example payment of the clerk, running costs of the village hall); • to identify things that are happening in the current year that will not happen next year and do not need to be budgeted for again (for example a one-off grant to the local sporting association for renovating their premises, running costs of a sports centre that is to be closed); and • to identify items that are not in the current year budget, and need to be added for next year's budget (for example major drainage works in the cemetery, employment of a caretaker for the village hall). <p>This is called 'incremental budgeting', as it builds on the decisions that the council has taken in the past. An alternative approach that councils sometimes take is to start with a clean piece of paper and build a fresh budget that is not constrained by what has happened in previous years. This is sometimes described as 'zero-based' budgeting.</p>

Part 3 - Accounting guidance for local councils

Process	Good practice
3 Determine the cost of spending plans	Having determined what the council wants to spend its money on, the next stage is to work out the costs of its plans. For existing activities, this will require an assessment of likely changes in the level of the activity and the possible impact of wage and price inflation. The prices of new activities will have to be estimated using the best information currently available.
4 Assess levels of income	Careful consideration should be given to budgeted levels of income for the forthcoming year. Many councils may have no other income but the precept, but for others the budget setting process will usually be the time when decisions are taken about what level fees and charges should be set for the next twelve months.
5 Bring together spending and income plans	<p>For many activities, spending and income decisions will be linked directly – for example if the council decides to extend the opening hours of the community hall, then it will spend more on heat and light but also generate more income from charges.</p> <p>However, it is an important stage of the budget process when spending plans are brought together with assessments of income to see how affordable the plans are. When doing this it is usual practice to be more optimistic about spending plans (ie to expect that the council will be able to carry out all its plans and spend as intended) and more pessimistic about income levels (ie to assume that the council might not be able to generate all the income it hopes to).</p> <p>Affordability will usually be judged by the impact the overall plans will have on the precept. If there is an increase in the council's budgeted net spending for next year over the current year, would this result in an increase in the precept that would be acceptable to the local population as an addition to their council tax? In fact, many councils will work the other way around: deciding first what a reasonable increase would be for the precept and then working out what the extra funds generated can be spent on.</p>

Part 3 - Accounting guidance for local councils

Process	Good practice
<p>6 Provide for contingencies and consider the need for balances</p>	<p>Some councils may have absolute certainty in their spending plans for the forthcoming year. For instance, if the only significant outgoing is the clerk's remuneration and this is agreed before the start of the year, the council will know exactly how much it will spend. However, most councils will have some uncertainty in their plans, perhaps because of general factors such as inflation or changes in interest rates on cash deposits or specific things such as not knowing exactly how much firms will tender for the re-wiring work planned for the village hall. Before committing itself to its spending plans, the council should review the need for amounts to cover contingencies, in case inflation is higher than expected or works are more costly than was first thought. The amounts added to the budget should not be excessive. Councils might work to the principle that it is better to raise cash from a higher precept and not use it than to set the precept too low, and so run out of cash and run the risk of incurring an unlawful overdraft.</p> <p>A well-managed council will also look forward beyond the end of the year for which the budget is being set and think about whether there are any substantial commitments that it would be prudent to set aside funds for. For example, the village hall may need re-roofing in three years' time, but the council could not afford the cost from that year's budget. Instead, a balance could be built up by raising the precept for a proportion of the cost in each of the next three years.</p> <p>Most councils will, therefore, budget to carry forward a balance, to cover contingencies or specific spending plans. This means that in setting the budget the council will have to estimate what balance will be brought into the new year, decide what balance it wants to carry forward and charge the difference against the new year's precept (see also paragraph 2 25).</p>

Part 3 - Accounting guidance for local councils

7 Approve the budget	<p>It is possible that the council's spending plans, particularly capital expenditure, may require a level of external borrowing. Borrowing by local councils is subject to government controls and with certain limited exceptions the Secretary of State's approval is required. He or she may impose conditions in accordance with which the borrowing shall be carried out. Councils must always take advice before commencing any contractual borrowing arrangements. NALC or SLCC can provide useful guidance to assist councils in making borrowing decisions and obtaining the necessary approvals and funds. Decisions to pay outright, hire or lease should be taken prudentially and bearing the rules on borrowing in mind.</p> <p>Councils should also be aware of, and have internal controls in place to avoid the possibility of 'accidental' borrowing which can occur, for example, if regular payments are made at a low point in the council's cash flow cycle, i.e. at year-end, and just before the precept payment is received.</p> <p>Having determined the planned levels of spending, anticipated income and the balances needed to be carried forward for contingencies and future spending plans, the budget needs to be approved. Much of the work preceding this stage may be delegated to the RFO, but the council must approve the finalised budget. Sufficient information needs to be provided with the budget papers so that members can make a reasonable and informed assessment about the desirability and affordability of the plans for the coming year.</p> <p>At the same time that the budget is set, members will also approve any delegation of responsibility for spending amounts set out in the budget. For example, the budget might include amounts for paying a grant to the local youth club: authorisation might then be given to the RFO to pay the grant without having to make further reference to the council. There is no statutory requirement to publish the budget, but many councils will put a copy on the notice board once it has been approved. It must be made available on request under the Freedom of Information Act 2000.</p>
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Part 3 - Accounting guidance for local councils

8 Confirm the precept	<p>The important statutory stage of the budget process is confirming the precept that is to be raised on the district council or unitary authority for the area. The law requires that precepts be issued a month before the new financial year starts, ie by 1 March. The district council/unitary authority may ask for precepts to be issued by an earlier date to assist their setting and administration of the council tax and will normally provide assistance to local councils to ensure that everything goes smoothly.</p> <p>All other parts of the budget process will be timed so that the date for setting the precept can be achieved safely.</p>
9 Review progress against the budget	<p>Once the budget has been approved, it should be an active tool for managing the council's finances. The well-run council will have the following arrangements in place.</p> <ul style="list-style-type: none">• Progress reports prepared periodically through the year, showing spending and income to date against budgeted amounts. Care should be taken to profile the budget across the year and not necessarily assume, say, that half the budget would have been spent after six months. For instance, a significant element of spending may be grants to local organisations paid at the start of each financial year. There would then be a peak of spending in April that would not be characteristic of the other months of the year. An effective report would therefore contain projections for the full year based on spend to date and future plans.• The report is presented at each council meeting. This would provide members either with comfort that the spending plans were proceeding as hoped or with information about areas where spending was higher or lower than anticipated. In the latter case, members will be able to consider the need to amend their expenditure plans (perhaps by switching amounts from one budget heading to another that is overspent – known as 'virement'), to take steps to increase income, or to make decisions about using the funds that have been saved for contingencies.• It is good practice to change a budget that is shown by experience to be ineffective. However, changes should only be made with the authorisation of those who approved the original budget.

Part 3 - Accounting guidance for local councils

Some notes on Capital Budgeting

- 3.34 **Councils must only use receipts from the sale of fixed assets ('capital receipts') in excess of a de minimus value¹¹ for specified purposes.** The main purposes allowed are the repayment of external debt and the financing of capital expenditure.
- 3.35 Capital expenditure relates to the acquisition, construction and enhancement of land, buildings, vehicles, plant and equipment. Providing grant-aid for such expenditure by another body will, in many cases, also fall within the definition of capital expenditure. Capital expenditure generally involves payments of large amounts that need to be managed and properly planned over an appropriate timescale. It is unlikely that the majority of smaller councils will embark on major capital schemes. Where they do they should have a long-term capital budget or a rolling capital programme. Councils should seek technical advice from NALC or SLCC where a capital receipt is to be realised.
- 3.36 The capital budget should be reviewed annually and the impact of any capital schemes on the revenue budget assessed. This is particularly important in relation to the running costs that will be incurred when a new asset is brought into use. Where such schemes cannot be funded from capital balances the impact on borrowing and the level of future precepts should be considered.
- 3.37 Councils should take account of the revenue budget implications arising from undertaking capital projects, including the impact on audit fees.

The Cash Book

- 3.38 The most important accounting record maintained by smaller local councils will be the cash book – a register of all the payments made and receipts taken in by the council. There may be a temptation to rely on the bank statement as a record of cash transactions. However, a cash book is essential because the statements provided by the bank will not necessarily be a reliable record of the council's cash balances because:
- the bank can make errors and omissions in processing transactions – the council needs its own records to provide a check on the bank statement; and
 - there can be considerable timing differences between writing cheques to other parties and their being cashed by the bank, and between receiving income and it being credited to the council's account. The bank statement takes time to catch up with the actual cash flows of the council and cannot provide an up-to-date position.
- 3.39 The up to date cash book, therefore, provides the most accurate record of all cash and cheques received and cash payments made and cheques drawn. However, there is no prescribed format for the cash book. Depending upon the complexity of the

¹¹ Currently £10,000



Accounting Solutions

from DCK Beavers Ltd

RECEIVED
08 SEP 2014

Mrs Delia Shephard
Town Clerk
Sandy Town Council
10 Cambridge Road
Sandy
Bedfordshire
SG19 1JE

September 2014

Dear Delia,

In consideration of the economic situation we have not increased our fees (or salaries) in five years and therefore our contract fees have remained at the same level since our last review in 2010. During this period, costs outside our control have risen and we have absorbed these. Regrettably we are unable to continue to absorb this increased cost and have carried out a comprehensive review of our fees. As a result of this review and after careful consideration we have reluctantly decided to increase our fees and are giving you notice that our revised fees will come into effect from 1st April 2015.

As a contract client you will continue to benefit from the applicable contract discount on all accounting work except Year end accounts production, VAT Partial Exemption calculation work and payroll services.

These fees, full details enclosed, are fixed for the financial year commencing 1st April 2015 and will be the subject to an annual review thereafter.

We trust we may continue to provide assistance to your council.

Yours sincerely,

Derek R Kemp
Accounting Solutions
from DCK Beavers Ltd

Enc

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Unit 1, Uffcott Farm, Uffcott, Swindon, Wiltshire, SN4 9NB

Tel: 01793 739110 Fax: 01793 731550

Web: www.dckbeavers.co.uk

DCK Beavers Limited, Registered office as above. Registered in England No. 3832919



fee structure

Prices effective from 1st April 2015 (VAT at the prevailing rate is payable on all fees)

	Out of office fee		
	Day rate based on 7.5 hours	Any additional Hours	*1/2 day by arrangement only
	£	£	£
Council Accounting per day (Council premises)			
Data Entry & Accounting // Assistance with Local Council Risk System software	380	50	220
Training	390	55	225
Budget setting	465	65	250
Accounting / Data Entry - Senior Consultant	465	65	250
Consultancy - Director	575	80	300

*** travel time may be charged at the appropriate hourly rate**

Contract Accounting Services - discounts

For regular, full day, **weekly** contract assignments, the above rates are subject to a 10% discount.
 For regular, full day, **fortnightly** contract assignments, the above rates are subject to a 7.5% discount.
 For regular, full day, **monthly** contract assignments, the above rates are subject to a 5% discount.
 For regular, full day, 2 visits per quarter contract assignments, the above rates are subject to a 2.5% discount.

Council Accounting (DCK Beavers premises)	charged on an hourly basis		
	£		
Data Entry & Accounting	30		
Senior Consultant	60		
Director	75		

Additional Services not subject to any contract discount

	£	£	£
VAT			
VAT Partial Exemption - short form per financial year	195		
VAT Partial Exemption - long form per financial year	390		
VAT consultancy visit - Director	575	80	300
VAT related work completed in office - hourly in office rate dependant on skills level	30 / 60 / 75		
	£	£	£
Asset Manager			
Senior Consultant - daily rate	465	65	250
Additional consultant - daily rate	380	50	220
Data Entry at our premises - hourly rate	17.50		

Year end accounts	Accounts Pre Year end Health check	As per booking forms
	Accounts Year End closedown	As per booking forms (contract clients at contract rate attracting usual discount)
	Accounts Year End preparation	As per booking forms

Payroll Services As per separate price list - on application

Mileage and Accommodation

Mileage rate for visits	45 p per mile
Contribution to overnight accommodation where required per person per night	£30

General Administration	
At our premises hourly rate	£25

Sandy Town Council

8 Policy on co-options Clerk's Report

Following the co-option procedure undertaken at Town Council on 22 September 2014 two members of the public have made complaints to the council about the procedures followed.

A meeting was held with one of the complainants, the Mayor and the Town Clerk on 2 October 2014 at which the legislative background to the matter was discussed and the procedures followed were explained.

It was clear from the meeting and from the comments made by the two complainants that the co-option procedure was not fully understood by members of the public. Reporting in the Biggleswade Chronicle on 10 October has perpetuated confusion with use of the term "electoral process".

In view of the feedback given at the meeting the council's website has been amended to use the term "applicant" rather than "candidate" for co-option and it is intended to avoid the word candidate in future. The description of the co-option process on the elections page of the website has been clarified to stress that a co-option is not an election. The page itself has been renamed and is now headed "Elections/Becoming a councillor" and can be viewed using the following link

<http://www.sandytowncouncil.gov.uk/the-council/how-we-work/elections>

The complainant stated that applicants for co-option were not clear about the process to be followed. A letter was sent to all three applicants for co-option which outlined the process in brief and invited them to contact the clerk with any questions. However, it is also believed that the clarification on the website should assist future applicants in understanding the process.

At the co-option meeting and afterwards concern was expressed by the complainants that the applicants for co-option were not questioned and were not required to read out the application forms which they had completed. At the time the Clerk advised that the applications had not been put on the website because they contained personal information and the applicants had not been told that the application form was for public dissemination. The Clerk also suggested however that the council should consider a change to its procedures by explaining to applicants that their forms might be published. Since that advice was given it has been superseded by advice from the BATPC County Advisor that it is not necessary or indeed best practice to publish these applications. The applications contain information for the members of council and it may be that not all of this is suitable for general publication. Therefore no changes to the application form are proposed at this stage and it is not proposed that they should be published.

It has been the practice of this council to ask applicants for co-option questions about themselves and their reasons for wanting to become a councillor during a

Sandy Town Council

public meeting. The same questions are asked of all candidates. This was not done on 22 September 2014 because one of the applicants had advised he could not attend the meeting and had challenged the council's authority to ask any questions. The clerk advised the council that it might seem unbalanced or unfair to ask questions of one applicant when the other was precluded from presenting his answers by his unavoidable absence. There is nothing to prevent the council from continuing the practice of asking questions of applicants in the future. The intention to do so was explained in a letter to all applicants and again the information on the website includes this information. However, it is suggested that future letters to applicants make it clear that if they do not attend the meeting at which the co-option takes place the council may question the other applicants despite their absence.

Members are asked to confirm these arrangements and any others which they consider appropriate.

Sandy Town Council

9 Cemetery Expenditure

Two complaints have been made by separate individual residents about damage to their gravestones in Sandy Cemetery. It had been planned to deal with these complaints by way of the complaints committee on 13 October 2014 and one of the complaints which concerns subsidence of a headstone allegedly caused by moles will be dealt with in this way. At the time of writing the outcome of the meeting cannot be predicted and the complaint is included on this agenda for reporting should there be financial implications to any resolution.

The second complaint concerns strimmer marks made in the deposits on top of a gravestone. It cannot be dealt with on 13 October 2014 as the complainant is unable to attend that committee meeting and wishes to exercise his right to present evidence to the committee. At the time of writing it is hoped to rearrange this complaint hearing in order to reach a resolution to the matter and in the event that a resolution to the complaint is possible this matter is also included on the agenda in case the committee needs to make any financial recommendations as a consequence.

10 Cemetery Extension

Plans and spreadsheet attached and additional documents may follow.

Members are asked to consider and approve the initial layout and landscaping design so that further progress can be made. Cemetery Development has been asked to provide a design option for the depot building and potential costs for demolition of the old buildings which may be available in time for the meeting. Photographs have been taken of the areas in the existing cemetery which the council wishes to improve eg gate/tree/tap on Stratford Road, vehicle entrance on Stratford Road, gates on Potton Road and designs will be put together to coincide with the extension plan.

Documents to be provided for planning: Sandy Town Council

Updated: 07/10/14

Title	Action	Estimated completion	Estimated fee	Invoiced Amt.	Invoice No.	Additional Comments
ENVIRONMENTAL						
Environment Agency T2 Groundwater Audit	COMPLETED	-	1,400	1,400	71154	
Review of groundwater depth & site fill model	Condition of planning	-	£3,000			
Installation of boreholes & 6 months monitoring						
CLR11 Testing or alternative	Required due to asbestos on site		£3,000			
Environment Agency Flux modelling	COMPLETED	-				
Flood Risk Assessment		OCT 14				
SUD's Policy and Design		OCT 14	£2,400			
Ecology Survey Phase 1	COMPLETED	-	£1,100	£1,100	71359	
Newt Survey	NOT REQUIRED	-				
Tree Officers Consultation	COMPLETED	-				No fee
Tree Survey	NOT REQUIRED	-	£1,200			
POLICY						
Archaeology Pre-Determination Survey	COMPLETED	-	£600	£1,100	71359	+ £500 HER visit
Add Archaeological work & Recording Report	COMPLETED	-	£2,898	£2,898	71360	
Needs Statement		OCT 14	£2,400			
Design and Access Statement						
Highways Consultation		NOV 14	£800 to			
Traffic Survey		NOV 14	£3,000			
Public Rights of Access Statement		NOV 14				
LWIA						
Pre-App Meetings: includes presentation to planners, does not include council app. fees	COMPLETED	-	£2,000	£2,000	71422	
Council Pre-App advice fee	COMPLETED	-	£500			
Environmental Health Consultation		NOV 14	£70	£70	71422	
DESIGN						
General Layout Plan						
Location Plan		OCT 14	£500			
Drainage Plan		OCT 14	£200			
Burial Layout Plan		OCT 14	£400			
Landscape planting Plan		OCT 14	£600			
Site Topographical	COMPLETED	-	£500	£500	71422	Includes detailed planting proposal
	COMPLETED	-	1,400	1,400	71324	

Initial sketch up building design for client comment & final drawings for planning (detailed engineering drawings will be priced following planning approval)		OCT 14	£2,800			
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Sandy Town Council

11 Allotments

Correspondence between Central Bedfordshire Council and Sandy Town Council is reproduced below for information.

As previously reported CBC committed to undertake soil testing in September 2014. In fact this work has not yet been undertaken and the costs have increased from £3,500 to £3,900 with a suggestion that a sum of £5,000 is set aside in case of contingencies. **In view of the already considerable delay this item has been brought back to PF&R for further consideration but members are requested to approve this work so that it can be determined whether the site is suitable for allotments and the next steps can be planned.**

From: Delia Shephard [<mailto:Delia.Shephard@sandytowncouncil.gov.uk>]
Sent: 01 October 2014 09:51
To: Karen Lang
Cc: Sally Wileman
Subject: Allotments

Dear Karen

As yet I have heard nothing about the soil testing which CBC committed to complete in September. Please could I ask you to follow this up on my behalf?

Many thanks, Delia

Delia Shephard

Town Clerk

clerk@sandytowncouncil.gov.uk

From: Karen Lang [<mailto:Karen.Lang@centralbedfordshire.gov.uk>]
Sent: 03 October 2014 10:46
To: Delia Shephard
Cc: Sally Wileman; Bernie Fraser; Sue Murphy; Andre Douglas
Subject: RE: Allotments

Hi Delia

As requested, I have received an update from colleagues on the soil testing at the proposed allotment site.

The soil sampling has not yet taken place, as the company carrying out this service (MLM) have yet to provide a quote to include doing the utility searches. As you know, we went back to MLM after their original £11k quote, and got a new quote of £3,500 plus VAT. Assuming costs of approx. £400 for utility searches, the total cost to STC for this work is likely to be nearer £3,900 plus VAT.

Sandy Town Council

Certain works are excluded from the quoted price and may result in additional costs to STC should they be required or encountered. This includes 'making good' the land if the soil sampling work concludes that the land is not suitable for growing / allotments. We will of course endeavour to ensure that costs to STC for this work could be kept as low as possible.

CDM regulations apply to this work, but because of the duration and number of people working on it, we will not have to notify the HSE of it. However, we do need Pre-Construction information to be produced. This is a site set up plan/photos and risk assessments (from the designer's aspect of this work). It should even go as far as locating local A&E hospitals and to plan out the times, site protection and contact details of all concerned.

As the Contractors, MLM would be required to expand this information to form a Construction Phase Plan which covers the Contractor's Method Statements and any other risks they may have highlighted. The production of this information and management of CDM is a Client Responsibility and although we can appoint someone to take this work on (usually a CDM-Coordinator) we can do this in house or in this case can use MLM. We are contacting MLM to discuss their charges for CDM services.

What must be born in mind is that there is no Contingency built into this quotation. MLM have quoted on the basis of experience and knowledge, but until they start to dig, they will not be certain of not coming across something unexpected that may increase the cost. They would always come back for instruction before proceeding.

We will of course let you know as soon as we hear from the MLM regarding CDM.

Kind regards

Karen Lang

Partnerships and Engagement Advisor

Corporate Resources (Deputy Chief Executive)

Central Bedfordshire Council Priory House, Monks Walk, Chicksands,
Shefford, Bedfordshire, SG17 5TQ

From: Delia Shephard [mailto:Delia.Shephard@sandytowncouncil.gov.uk]

Sent: 06 October 2014 09:26

To: Karen Lang

Cc: Sally Wileman; Bernie Fraser; Sue Murphy; Andre Douglas; Cllr Caroline Maudlin; Cllr Nigel Aldis; Cllr Naomi Sheppard; Chairman of Sandy Town Council

Subject: RE: Allotments

Sandy Town Council

Dear Karen

Thank you very much for following this up and providing this detailed information. I am very disappointed to learn that the soil testing has not yet even begun and cannot understand why the features of the process described in the email were not included in the original timescale provided by CBC. However, I will discuss it with the Mayor and my members before responding further. As you can imagine I worry that it will do nothing to reduce the impression of some of my elected members that CBC is deliberately delaying on this project.

Kind regards, Delia

Delia Shephard
Town Clerk
Sandy Town Council
10 Cambridge Road, Sandy, Bedfordshire SG19 1JE
01767 681491
clerk@sandytowncouncil.gov.uk

From: Karen Lang [mailto:Karen.Lang@centralbedfordshire.gov.uk]
Sent: 06 October 2014 15:37
To: Carol Baker-Smith
Cc: Cllr Caroline Maudlin; Cllr Nigel Aldis; Cllr Naomi Sheppard; Andre Douglas; Sally Wileman; Bernie Fraser; Sue Murphy
Subject: RE: Allotments

Hello Delia,

Thanks for your email - I have today received the following update from our Property and Assets - Estates Team.

MLM have confirmed that they have included the Client's Responsibilities under CDM as part of their quotation. We still approve their proposals and method statements etc.

MLM will do the Utility Search as originally quoted at £400. This brings the total for the works to £3,900 plus VAT, but STC is advised to plan for a larger budget of £5,000 to cover Professional Fees and a Contingency sum. As stated before, cost certainty cannot be guaranteed until excavation is completed.

Regarding time scales, once you have confirmed you are happy with the costings, I will raise a PO. There will then be a 2 week lead in to the start on site starting from the formal order, and MLM will require up to 2 weeks on site. Following this, MLM will need another 2 weeks to obtain laboratory results and then a further week to two weeks to produce the written report. This means the

Sandy Town Council

whole process will take approx. 8-9 weeks from the issue of the order to them.

Sally will draft letter to the tenant re: consulting with them on a date for start on site.

Please do come back to me if you need anything further – happy to help.

Kind regards,

Karen Lang

Partnerships and Engagement Advisor

Corporate Resources (Deputy Chief Executive)

Central Bedfordshire Council Priory House, Monks Walk, Chicksands,
Shefford, Bedfordshire, SG17 5TQ

12 **Sandy Markets Clerk's Report**

Alterations to the market arrangements approved by Sandy Town Council on 22 September have been made. This has generated considerable work for the office team despite the assistance of Cllr Groom with some matters. One new trader (Avon) attended the Saturday market on the first Saturday in October ensuring that there were three stall holders present.

A regular and long term trader from the Friday market submitted a complaint on 3 October 2014 which is attached for the committee's consideration.

Message:

To whom it may concern. This is to let the Council know that after more than twenty years trading at Sandy market ,my wife and I are feeling a little let down by the council's decision not to treat loyal Friday traders the same as new Saturday traders. We realize that you are trying to get the Saturday market up and running. Whilst not spending a penny on the Friday.re promotion and advertising but Every pound spent by customers on the Saturday market is a pound lost on the Friday. As I have already stated we have attended Sandy market almost every Friday for 20+ years hardly missing a day. Extreme weather and holidays being the exception. We therefore think we deserve to be treated the same as Saturday traders Re the free rent for the same five weeks. This would seem to us to be the fairest action for you to take. I trust and hope you can facilitate this request. Yours Sincerely Ray & Gelly Goldman

The Clerk has advised Mr and Mrs Goldman that this matter will be put before the committee and meanwhile no market rent was collected from them on 10 October 2014. The Goldmans will not be on the market on 17 October 2014. It is hoped that a decision will be reached before their next scheduled attendance on 24 October 2014.

There were two new traders at the Friday market on 10 October 2014.