

Dunstable Town Council
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Notice of a Meeting of the Finance and General Purposes Committee

Paul Hodson Town Clerk and Chief Executive

Date: 7 June 2024

Dear Councillor,

A meeting of the **Finance and General Purposes Committee** will be held on **Monday 17 June 2024** at **Grove House in the Council Chamber** at 7 pm. To view the meeting live or afterwards use this link: [livestream](#). Members of the public and press are also welcome to attend in person. Members of the public may ask a question during the public session, either in person or online via MS Teams. If you would like to ask a question, please contact the Council via democratic@dunstable.gov.uk or 01582 513000 by 4 pm on Friday 13 June 2024.

This meeting will be filmed by the Council and broadcast live and will be capable of repeated viewing. If you are seated in the Council Chamber it is likely that the cameras will capture your image. By your presence you are deemed to consent to be filmed, and to the use of those images and sound recordings for webcasting or training purposes.

If you address the committee in person or via Teams, your contribution will be recorded and broadcast, unless this is during a private session, as permitted by the Access to Information provisions.

Please see the below QR code to access the full agenda:



A G E N D A

1. Apologies for Absence
 2. To approve as an accurate record the minutes of the meeting of the Finance and General Purposes Committee held on 18 March 2024 (copy previously circulated)
 3. Specific Declarations of Interest
 4. Actions Tracker (see page 4)
 5. Marketing and Communications Report (see page 5)
 6. Finance Report - Report (see page 8)
 - 6.1. Internal Audit - Report (see page 19)
 7. Compliance and Facilities Report – (see page 33)
 8. Grove House Building Works Report (see page 35)
 9. Representatives on Outside Organisations - to receive reports from representatives on the following outside organisations:
 - Citizen's Advice Management Committee – Councillor Attwell
 - Dunstable International Town Twinning Association – Town Mayor and Councillors Hollick and Kenson Gurney
 - Hospice at Home Management Committee – Councillor Bater
 - Ashton Almshouses Charity – Councillors O'Riordan and Alderman
 - Ashton Schools Foundation – Councillors Hollick and Alderman
 - Chew's Foundation – Councillors Brennan and Kenson Gurney
 - Poor's Land Charity – Councillors Hollick and Jones
 - Lockington Charity and Marshe Charity – Councillors Kenson Gurney and Jones
 - Dunstable and District Scout Council Executive – Councillor Kotarski
- NB: Those Members who are not members of this Committee but are representatives of organisations reporting to it are reminded to provide a report in time for the meeting.**

10. RECOMMENDED In terms of Schedule 12A, Local Government Act 1972, the following items will be likely to disclose exempt information relating to establishment and contractual matters and it is, therefore, RECOMMENDED that pursuant to the provisions of the Public Bodies (Admissions to Meetings) Act 1960 the public and press be excluded.
11. Referral Reports – Spending reserve from Grounds and Environmental Services (to follow)
12. Staffing Report for decision
13. Date of the next meeting – Monday 16 September 2024 at 7.00 pm

To: All Members of Finance and General Purposes Committee:
Councillors Louise O’Riordan (Town Mayor), Sally Kimondo (Deputy Town Mayor), Gregory Alderman (Chair), Nicholas Kotarski (Vice-Chair), Kenson Gurney, Liz Jones, Richard Attwell, Wendy Bater, Peter Hollick, Matthew Brennan, John Gurney, Phillip Crawley, Michelle Henderson, Johnson Tamara, and other Members of the Council for information.

FGP	39/23	23/01/2023	Environmental Working Group	Reconvene the Working Group following actions arising from the baseline assessment received	Head of GES / Corporate Performance and Compliance Manager	Update included in the Compliance Report 17 June 2024	ongoing
FGP	193/23	18/09/2023	Talk of the Town to Businesses	To investigate further to send TOT to businesses. A Member asked whether the Talk of The Town was delivered to businesses as well as residents.	Town Clerk and Chief Executive	Copies were delivered to ground floor town centre businesses in January by the Town Centre Manager and Marketing and Communications Officer. This will be built into the work programme as often as capacity allows.	Complete
FGP	239/23	13/11/2023	Annual Council Meeting	That officers look at whether the Peter Newton Pavilion would be a suitable meeting venue given the nature of the event.	Democratic Services Manager	Peter Newton Pavillion has been secured for the Annual Council Meeting	Complete
						The Corporate Marketing and Communications Officer has made regular attempts (since 11/04/24) to get in touch with Experience Bedfordshire to see if the Town Council events and activities can be displayed on their website. There has been no response back at present. Other advertisement options are being explored.	ongoing
FGP	82/24	18/03/2024	Advertisement	It was asked by Councillor O'Riordan if officers could look into advertisement options on Experience Bedfordshire's website.	Marketing and Communications Officer		
FGP	82/24	18/03/2024	Advertisement	Councillor Hollick asked whether the mobile advertisement signage has been used regularly. The Town Clerk and Chief Executive advised members this would be looked into and reported	Marketing and Communications Officer	The Corporate Marketing and Communications Officer has ensured the VMS mobile screen is being utilised on The Square to display different Town Council events. This will be utilised until the end of the events season.	Complete
FGP	85/24	18/03/2024	Procurement Policy	Councillor Henderson asked whether the proposed policy covered how to deal with declared interests by staff and councillors. It was agreed to amend the policy to include a clear statement about declarations of interest.	Head of Finance and Responsible Financial Officer	Policy amended accordingly	Complete
FGP	85/24	18/03/2024	Procurement Policy	Councillor O'Riordan suggested that a question requesting the public liability insurance number/company registration number of the business be added. This was agreed.	Head of Finance and Responsible Financial Officer	Policy amended accordingly	Complete

DUNSTABLE TOWN COUNCIL
FINANCE AND GENERAL PURPOSES COMMITTEE

17 JUNE 2024

MARKETING & COMMUNICATIONS

Purpose of Report: To update Members on current marketing and communications.
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1 SOCIAL MEDIA

- 1.1 Heads of Service and Management Team members work alongside the Corporate Marketing and Communications Officer to prepare content and schedule social media posts. Social media channels have continued to see significant growth in followers since the last report. Dunstable Town Council's Facebook account has reached over 12,000 followers and has seen really good engagement with Officers utilising both video and picture content. Bennett's Splash Park is now open for the season and has seen a great increase in followers.
- 1.2 Although we maintain Twitter (X) accounts, the platform has been experiencing significant changes. Our audience engagement has declined, and we have seen a drop in followers. Consequently, we will no longer be posting or reporting on these accounts. However, we will continue to monitor the platform's developments.

Facebook page followers are:

Dunstable Town Council	12,281 (+407)
Bennett's Splash Park	4,602 (+244)
Town Ranger Services	1,435 (+8)
Grove Corner	1,272 (+44)
Priory House	1,377 (+50)

Instagram followers are:

Dunstable Town Council	565 (+94)
Grove Corner	447 (+7)

LinkedIn followers are:

Dunstable Town Council	243 (+31)
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TikTok followers are:

Dunstable Town Council	44 (+8)
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These figures are accurate as of 06/06/24, and + is how many gained followers since the previous report date.

2 INTERNAL MARKETING

- 2.1 Monthly staff newsletters are produced to keep employees regularly informed and updated with relevant information to ensure employees are advocates for Dunstable Town Council.

3 EMAIL MARKETING

- 3.1 Monthly Councillor newsletters are sent with all relevant information which includes bulletins and Dunstable Town Council events. Officers would welcome feedback or suggestions on the Councillor newsletters.
- 3.2 The Corporate Marketing & Communications Officer is planning to produce a Dunstable Town Council public email newsletter in the future once technical challenges have been resolved and the new website is up and running.

4 WEBSITE

- 4.1 The tender for launching the new website will be going out later this year, with the launch of the new website launching in 2025 to incorporate it with the 40-year anniversary of Dunstable Town Council. The new design and structure of the website will make it more mobile-friendly, as over 70% of users come directly to the website via their mobile. The website is still primarily being looked after by the Corporate Marketing and Communications Officer, along with other officers from the services area updating their content and Treacle Factory on hand for support.

Top web pages (April to June 2024)

What's on	2,294
Product-category/shop	2,232
Event Classic Motor Rally	1,637
Cpcfc	1,408
Priory House	1,213

Traffic acquisition (April to June 2024)

Organic search (google, Bing etc.)	8.852
Organic social (from social)	2,670
Direct	2,529
Website visitors	15,000
Page session	14,245
Engagement session per user	0.67s
Mobile users	69.2%
Desktop users	27.5 %
Tablet users	3.3%

5 NOTICEBOARDS

- 5.1 Noticeboards across the wards are regularly updated showcasing a range of local services and events. The Corporate Marketing and Communications Officer ensures the information showcased is in date with a preferred uniform design (A4 size). The noticeboards continue to be regularly updated with the help of the Town Rangers.

6 WHAT'S ON WINDOW

- 6.1 Many local organisations and community groups are making use of the What's on Window with a range of submission requests every month. The window is updated on the first working week of the month. Various social media posts will be going out to encourage more submissions. The Corporate Marketing and Communications Officer regularly updates the design and content for the presentation to be displayed on the screen. The Town Centre Manager makes sure the latest version is uploaded.

7 TALK OF THE TOWN

- 7.1 The next edition of Talk of the Town will be in July and is currently in the design process. It is scheduled to start the delivery process the week commencing the 5 July.
- 7.2 Tate Tours advertised in January in Talk of the Town and will be advertising again in the July edition. Officers continue to seek other advertisers.

8 PRESS RELEASES

- 8.1 The Corporate Marketing and Communications Officer produces and circulates press releases to a dedicated distribution list after every event or achievement.

9 MAYORAL

- 9.1 The Corporate Marketing and Communications Officer will be working closely with the new Town Mayor Cllr Louise O'Riordan and the Democratic Service Manager to prepare and plan for any yearly communications and events.
- 9.2 A dedicated Dunstable Town Mayor Facebook account has been set up and will be utilised throughout the year.

10 ADVERTISEMENT

- 10.1 The Corporate Marketing and Communications Officer has ensured the VMS mobile screen is being utilised on The Square to display different Town Council events. This will be utilised until the end of the events season.
- 10.2 The Corporate Marketing and Communications Officer has made regular attempts (since 11/04/24) to get in touch with Experience Bedfordshire to see if the Town Council events and activities can be displayed on their website. There has been no response back at present. Other advertisement options are being explored.

11 AUTHOR

- 11.1 Rachel Connor – Corporate Marketing & Communications Officer
communications@dunstable.gov.uk

DUNSTABLE TOWN COUNCIL

FINANCE AND GENERAL PURPOSES COMMITTEE

17 JUNE 2024

FINANCE REPORT

Purpose of Report	To:
	i. provide a revenue budgetary control report for the financial year ending 31 March 2024
	ii. provide detail of the Council's Year End Balances and earmarked reserves as of 31 March 2024
	iii. present to Members the final Internal Audit Report for financial year 2023/24
	iv. recommend to Full Council to appoint the Internal auditor for 2024/25
	v. recommend an updated Treasury Management Policy
	vi. provide detail on current investments

1. ACTIONS RECOMMENDED

- 1.1. To note the revenue budget position for the period from 1 April 2023 to 31 March 2024.
- 1.2. To note the Council's Year End Balances and earmarked reserves as of 31 March 2024.
- 1.3. To receive and note the conclusion of the final Internal Audit for financial year 2023/24
- 1.4. To recommend to Full Council the appointment of the Internal Auditor for financial year 2024/25.
- 1.5. To adopt the updated Treasury Management Policy.
- 1.6. To note the current investments.

2 INTRODUCTION

- 2.1 It is a requirement under the Accounts and Audit Regulations 2015 that the Council must, not later than 30 June, consider the end of year accounting statements at Full Council.
- 2.2 The meeting of the Council to be held on 24 June 2024 will receive the Annual Return and supporting documentation for consideration and approval.
- 2.3 In advance of that meeting, this report summarises the net expenditure against the budget for each service area as of 31 March 2024. This forms the actual outturn at the end of the financial year and the actual variances to budget.

3 REVENUE BUDGETARY REPORT

- 3.1 The summary at Appendix 1 shows the net expenditure at 31 March 2024 per service area and the actual outturn against budget.
- 3.2 The summary shows an overall net revenue underspend at the end of the financial year of £280,039. This underspend is predominantly due to the National Pay award agreed in November 2023 being less than budgeted, along with a substantially greater income achieved from interest on the Council's reserves than budgeted.
- 3.3 Within **Corporate Services** the overall variance was £148,701 underspent. Significant variances to budget were as follows:
- *Staff Costs* were underspent by £20,553 due to the pay award agreed being less than budgeted.
 - *Central Services* were overspent by £1,202, mainly due to the increased IT Support costs and professional services not budgeted.
 - *Corporate Management* income overachieved by £136,464 due to a large increase in investment and bank interest received; a saving on VAT unclaimable due to changes in legislation for sports pitches and a saving on the Insurance premium, offset by increased costs of the production of Talk of the Town.
 - *Democratic Management* was overspent by £8,286 due to the May 2023 election and January 2024 by-election costs exceeding the reserve balance, cost of a road closure for Remembrance previously not charged for, and repairs required to the Mayoral Chain.
- 3.4 Within **Grounds and Environmental Services** the overall variance was £52,714 underspent. Significant variances to budget were as follows:
- *Grounds Staff Costs* were underspent by £47,232 due to the pay award agreed being less than budgeted together with vacancies in the first quarter of the year.
 - *Allotments* were overspent by £3,124; this was due to increased water usage and budget for electricity recharge being delayed pending the Men In Sheds lease being finalised
 - *Cemetery* overachieved by £24,368, mainly due to income exceeding budget.
 - *Recreation Grounds* overachieved by £15,963, mainly due to a maintenance contract secured in year.
 - *Town Centre and Gardens* overachieved of £14,588; this is predominantly due to the Central Bedfordshire Council maintenance contract being finalised above budget, offset by increased electricity costs on the Skatepark.
 - *Town Ranger Service* underspent by £3,190; this was due to underspends on fuel and maintenance, offset by an overspend on vehicle maintenance costs.
 - *Creasey Park Community Football Centre* underachieved by £45,307; this was mainly due to the loss of contract resulting in underachieving on ATP and lettings hire together with overspend on wages and larger than predicted electricity bills.
 - *Bennett Memorial Recreation Ground Splash Park* was overspent by £4,819 which is mainly due to the extraction flue being vandalised, as well as an increase in stock costs offset by underachieving on income for the season.

3.5 **Community Services** overall underspent by £78,624. Significant variances to budget were as follows:

- *Staff Costs* were underspent by £4,312, due to the pay award agreed being less than budgeted.
- *Older People's Support Service* was underspent by £9,145, mainly due to reduced transport costs offset by underachieving on income due to reduced numbers of members during the first half of the year.
- *Community Engagement* was underspent due to a reduction in Service Level Agreements.
- *Town Centre Services* overachieved by £10,318; this is mainly due to a credit VAT adjustment for the 4 years previous as well as savings on staff costs due to the pay award being less than budgeted.
- *Priory House* was underspent by £50,174; this is largely due to the pay award being less than budgeted together with reduced staffing following closure of the Tearooms. This is offset by stock cost savings due to closure.

4 YEAR END BALANCES

4.1 The balance of the Council's cash accounts at the year ending 31 March 2024 is summarised at Appendix 2.

4.2 The Finance report to Council on 5 February 2024 provided information on the predicted year end balances, which included £207,865 of what were believed to be 'depreciation savings' due to changes in the accounts process. However, during the year end process and the ending of the previous year end process, which was less transparent than the new arrangement, it became apparent that the amount was less than expected. This has resulted in year end balances been less than previously reported.

4.3 At the meeting of Council on 5 February 2024, using the forecast year end balances, Council approved the use of £192,631 for the 2024/25 budget and the contributions to or creation of new earmarked reserves of £216,000 consisting of: additional £60,000 to the Vehicles Reserve; £20,000 for a new Neighbourhood Development Plan (NDP) Reserve; £20,000 to the Elections Reserve and £116,000 for a new Cemetery Development Reserve.

4.4 As a result of the amended balances, the year end balance, known as the General Reserve, has a balance of £419,830. A breakdown is as follows:

General Reserve 31.03.24	£553,930
Depreciation saving	£207,865
Year End underspend	£280,039
SUB TOTAL	£1,041,834
Less: 24/25 budget	-£192,631
Less: year-end movement	-£866
Less: loan reallocation	-£212,507*
Less: reserve contributions	Vehicles -£60,000 NDP -£20,000 Elections -£20,000 Cemetery Development -£116,000
TOTAL Year-end balance = General Reserve £419,830	

*£215,000 loan received of which, required value £212,507 = difference to the general reserve

- 4.5 It is the Council's policy to work towards maintaining a minimum general reserve of 25% of the salary budget. Based on the budget for 2024/25, adjusted to take account of reduced salaries following Creasey Park Community Football Centre management contract ending on 31 March 2024, the Council now requires a balance of £522,205.
- 4.6 The year end balance General Reserve has therefore got a shortfall on the recommended base level of £102,375. Officers are aware of known savings on salaries for vacant posts, together with bank interest exceeding the budgeted amount to date in the new financial year. However, the loss of the management of Creasey Park Community Football Centre will incur unbudgeted additional costs for the lease of the depot facility. It is too early at this stage to determine if the shortfall will be recovered within this financial year, however it is likely that at least the majority of the required amount will be saved. Any outstanding shortfall in the general reserve will be met through the budgeting process for 2025/26.

5 TREASURY MANAGEMENT POLICY

- 5.1 It is recommended that the Council updates the Treasury Management Policy as provided at Appendix 6, which in turn recommends a working towards a base level of the Council's General Reserve to £522,205, being 25% of the revised salary budget for 2024/25, to protect the Council from unforeseen events and to give time to respond to such events.
- 5.2 It is noted that there is currently a shortfall to the general reserve base level, as at 4.6, but that Officers will continue to 'work towards' the recommended base level.

6 RESERVES

- 6.1 The schedule enclosed at Appendix 3 provides detail of actual contributions to, and expenditure from, reserve funds as at the end of the financial year 31 March 2024.

7 FINANCIAL GOVERNANCE

- 7.1 Councillors should, as a minimum, view and audit the Council's accounts on a quarterly basis.
- 7.2 The last quarterly financial Councillor audit took place virtually and was completed on 31 May 2024 with the Chair of Finance and General Purposes Committee, Councillor Alderman, Vice Chair Councillor Kotarski and Councillor Bater taking part. The Councillors carried out a 'mini-audit' which included requests of financial information on various purchase ledger invoices paid. Councillor Alderman met with the Head of Corporate Services to view the bank statements of the 4 accounts against the Accounts Software relating to January, February and March 2024, and Councillor Alderman verified the balances.
- 7.3 No issues or discrepancies, material or otherwise, were raised.
- 7.4 Further quarterly meetings will be arranged and all Councillors are invited to attend any future Financial Governance Audit meetings they can make.

8 INTERNAL AUDIT

- 8.1 The final Internal Audit took place on 30 May 2024 and Members are asked to note the report appended to this report (Appendix 4). Members will be pleased to note that the report concludes that the Council maintained an adequate and effective system of internal control throughout the year.
- 8.2 Members will be aware that the Council have been appointing Auditing Solutions Ltd for the provision of an Internal Audit Service for many years, and have a successful, productive relationship. Members are asked to approve the appointment of Auditing Solutions for a further one year – for financial year 2024/25, to fulfil the Strategic Plan received in 2022-23 (found at Appendix 5) for a 3-year period.

9 INVESTMENTS UPDATE

- 9.1 Dunstable Town Council's current bank and investment account balances as at 31 March 2024 were as follows:

Account	Balance	Interest earned in month
Current Account	£10,000.00	-
Business Reserve Account	£119,200.99	£221.40
CCLA Deposit Account 1	£96,901.22	£402.15
CCLA Deposit Account 2	£2,048,556.59	£10,161.81

- 9.2 The Town Clerk and Chief Executive and the Head of Corporate Services (RFO) met with the Council's bank, NatWest, during May to discuss the current position and goals going forward for the Council. NatWest provided some useful information on varied services they can offer their customers, including climate support and carbon planning, which is being investigated by Officers.
- 9.3 At the present time, NatWest's investment opportunities are not suitable for the Council's needs and CCLA is still offering interest above 5%, giving the Council maximum return on their finances, together with being instant access and providing additional security by spreading the Council's funds across 20 or more banks.

10 FINANCIAL IMPLICATIONS

- 10.1 These are inherent within the content of this report.

11 BACKGROUND PAPERS

- 11.1 Budget and Reserves Report – Council 5 February 2024

12 APPENDICES

- 12.1 Appendix 1 – Summary of Net Revenue Expenditure at 31 March 2024
Appendix 2 – Summary of Year End Balances at 31 March 2024
Appendix 3 – Summary of Reserves at 31 March 2024
Appendix 4 – Final Internal Audit Report for financial year 2023-24
Appendix 5 – Internal Audit 3-year Strategic Plan 2022-23 to 2024-25
Appendix 6 – Treasury Management Policy

13 AUTHOR

- 13.1 Lisa Scheder – Head of Corporate Services and Responsible Financial Officer
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Dunstable Town Council

Summary of Actuals vs Budget

31 March 2024

Town Clerk and Chief Executive's Office

Service Area	Budget 2023/24	Actuals to Date	Year-end Forecast	Year-end Variance
Staff Costs	-429,849	-409,296	-409,296	20,553
Central Services	-110,770	-111,972	-111,972	-1,202
Grove House	-32,436	-31,735	-31,735	701
Corporate Management	-117,115	19,349	19,349	136,464
Democratic Management & Representation	-23,500	-31,786	-31,786	-8,286
Capital & Projects (inc loan charges)	-98,666	-98,195	-98,195	471
Grand Total	-812,336	-663,635	-663,635	148,701

Grounds and Environmental Services

Service Area	Budget 2023/24	Actuals to Date	Year-end Forecast	Year-end Variance
Staff Costs	-814,800	-767,568	-767,568	47,232
Allotments	3,200	76	76	-3,124
Cemetery	63,917	88,285	88,285	24,368
Recreation Grounds	-73,450	-57,487	-57,487	15,963
Town Centre and Gardens	-40,630	-26,042	-26,042	14,588
Town Ranger Service	-12,400	-9,210	-9,210	3,190
Capital & Projects	-101,784	-101,161	-101,161	623
Sub Total	-975,947	-873,107	-873,107	102,840
Income: Creasey Park - Football	229,322	221,425	221,425	-7,897
Costs: Creasey park - Football	-108,209	-99,380	-99,380	8,829
Income: Bar & Catering	234,249	275,891	275,891	41,642
Costs: Bar & Catering	-386,944	-474,825	-474,825	-87,881
Sub Total	-31,582	-76,889	-76,889	-45,307
Bennett Memorial RG Splash Park	-35,575	-40,394	-40,394	-4,819
Grand Total	-1,043,104	-990,390	-990,390	52,714

Community Services

Service Area	Budget 2023/24	Actuals to Date	Year-end Forecast	Year-end Variance
Staff Costs	-278,202	-273,890	-273,890	4,312
Older People's Support Service	-29,407	-20,262	-20,262	9,145
Community Engagement (inc Grants)	-20,207	-15,013	-15,013	5,194
Grove Corner	-25,382	-25,432	-25,432	-50
Events Programme	-135,955	-135,741	-135,741	214
Town Centre Services (inc Special Markets)	-75,182	-64,864	-64,864	10,318
Public Conveniences (Ashton Square)	-3,875	-5,204	-5,204	-1,329
High Street Heritage Action Zone	-29,357	-28,452	-28,452	905
Capital & Projects	-70,201	-70,460	-70,460	-259
Sub Total	-667,768	-639,318	-639,318	28,450
Income: Priory house - Tea Rooms	150,000	93,209	93,209	-56,791
Costs: Priory house - Tea Rooms	-61,000	-45,150	-45,150	15,850
Income: Priory house - Shop	16,600	19,658	19,658	3,058
Costs: Priory house - Shop	-7,500	-9,752	-9,752	-2,252
Other Costs (Inc Staff)	-366,137	-275,828	-275,828	90,309
Sub Total	-268,037	-217,863	-217,863	50,174
Grand Total	-935,805	-857,181	-857,181	78,624
DTC Grand Total	-2,791,245	-2,511,206	-2,511,206	280,039

In year commitments from General Reserve

Precept	-2,791,245	Balance	280,039
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DUNSTABLE TOWN COUNCIL**Year End Balances 2023-2024**

As at 31.03.24

225 Petty Cash Grove Corner	£70.00
229 Petty Cash Grove House	£832.87
231 Petty Cash Priory House Tearooms	£300.00
240 Cash Float Priory House	£500.00
251 Cash Float Splash Park	£650.00
	<hr/>
	£2,352.87
	<hr/>
201 Current Account	£10,000.00
202 Business Reserve Account	£119,200.99
223 Variable Rate Deposit Account (CCLA Fund 1)	£96,901.22
224 Variable Rate Deposit Account (CCLA Fund 2)	£2,048,556.59
	<hr/>
	£2,274,658.80
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TOTAL (Box 8 Annual Return)	£2,277,011.67

Dunstable Town Council - Reserves Summary 2023/24

	Description	Officer	Balance as at 01.04.23	Contributions Revenue/ Other	Expenditure in year	Bal as at 31.03.24	Commitments/Programme of works, etc	Committed Amount	Bal after committed
310	General Reserve	TC&CE / HofCorp							
311	Corporate Plan Development Reserve	TC&CE / HofCorp	£5,000			£5,000	FGP 12.06.23- Minute 141/23- £5,000 for development of 4 year corporate plan	-£5,000	£0
312	Vehicles Reserve	HofGES	£46,280	£70,000	-£36,263	£80,017			£80,017
313	CPCFC Reserve	TC&CE	£44,620		-£10,655	£33,965	Bal of £3,798 - 4 years sponsorship 22/23-25/26 (from £7,596) Council 15.04.24- Minute 99/24= release of £30,167 for finalising CP contract end with CBC	-£33,965	£0
314	Christmas Lights Reserve	HofCS	£5,232	£8,434	-£10,138	£3,529	bal of £363.80 from £47,444 5 year replacement lighting plan 21/22-25/26	-£364	£3,165
315	Street Dressing Reserve	HofCS	£14,336		-£8,909	£5,427	FGP 12.06.23- Minute 141/23= bal of £4,540 for streeting dressing (of £18,000 approved)	-£5,427	£0
316	Downside Building Maintenance Res	HofCS	£41,209	£11,793		£53,002	FGP 12.06.23- Minute 141/23= £36,679 & £8,792.55- for 2nd phase roof repairs	-£45,472	£7,530
317	Grove Corner Building Maint Reserve	HofCS	£33,565	£4,000	-£3,000	£34,565	Chairmans Approval 17.04.23= bal of £2,000 roof survey & development plans (of £5,000 approved)	-£2,000	£32,565
318	Building Security Systems	TC&CE / HofCorp	£5,357			£5,357			£5,357
319	Cemetery Memorial Safety	HofGES	£0	£1,500		£1,500			£1,500
320	Priory House Tearooms Equipment	HofCS	£4,500	£1,500		£6,000			£6,000
321	IT/Equipment Reserve	TC&CE / HofCorp	£38,002	£20,000	-£2,100	£55,902	FGP 18.03.24- Minute 84/24 - £75,902 for one off capital cost of the proposed new IT Contract	-£75,902	-£20,000
322	Older People's Day Care Svce	HofCS	£12,325			£12,325			£12,325
323	Election Reserve	TC&CE / HofCorp	£43,017	£32,500	-£55,517	£20,000			£20,000
324	Grove House Building Reserve	TC&CE / HofCorp	£148,550	£29,000		£177,550			£177,550
325	Priory House Works Contingency	HofCS	£29,864			£29,864	FGP 12.06.23- Minute 141/23= £29,864- for Priory House contingency	-£29,864	£0
326	Mayoral Reserve	TC&CE / HofCorp	£3,000			£3,000	FGP 19.01.15-Minute 24 - to be retained for transport/allowance as required		£3,000
327	Priory House Exhibition	HofCS	£11,149			£11,149			£11,149
329	Performance Area Reserve	HofCS	£39,113		-£38,505	£609	Chairmans Approval 09.03.23= Bal of £609 for additional repairs/refurbishment costs (from £6,263 agreed)	-£609	£0
330	Town Twinning Reserve	TC&CE / HofCorp	£8,239	£500		£8,739			£8,739
331	Tree Reserve	HofGES	£2,578	£15,000	-£13,130	£4,448	FGP 12.06.23- Minute 141/23- Bal of £14,300 for 23/24 work requirements (from £17,090 agreed)	-£3,960	£488

Dunstable Town Council - Reserves Summary 2023/24

	Description	Officer	Balance as at 01.04.23	Contributions Revenue/ Other	Expenditure in year	Bal as at 31.03.24	Commitments/Programme of works, etc	Committed Amount	Bal after committed
332	Open Spaces Improvement Plan	HofGES	£47,933	£15,000	-£3,844	£59,089	FGP 20.01.20- Minute 8- Bal of £4,723 for improvement works (from £26,668 agreed); Council 29.06.20- Minute 85- £15,000 agreed for Priory Gardens Pergola Repairs; FGP 22.01.24- Minute XX/24- £5,700 for 30 new bins	-£25,423	£33,666
333	Priory House Building Reserve	HofCS	£235,646			£235,646	Chairmans Approval 08.07.22= bal of £9,446 - lease of bean machine (£10,000 approved); FGP Minute 41/23 23.01.23- £21,200- drainage, infill and electrical works; FGP Minute 41/23 23.01.23- £205,000- tendering process for additional works	-£235,646	£0
334	Pavilion Buildings Maintenance Res	HofGES	£26,930	£89,205	-£92,490	£23,644	FGP Minute 147 26.09.22- Bal of £6,767 for Meadway Store Refurbishment (from £9,908 agreed)	-£6,767	£16,877
335	Church Street Phone Box Maintenance	HofGES	£5,000			£5,000	FGP 12.06.23- Minute 141/23= £5,000 for Church Street phone box maintenance	-£5,000	£0
337	Member Training Reserve	TC&CE / HofCorp	£1,000			£1,000	FGP 12.06.23- Minute 141/23= £1,000 for Members training / induction	-£1,000	£0
338	Allotments Reserve	HofGES	£18,300	£5,000		£23,300	FGP Minute 107 20.06.22 - 5 year infrastructure improvement programme- upto £42,800 (includes £5,000 pa contributions)	-£11,931	£11,370
339	CCLA Account 1 Interest	TC&CE	£8,649	£4,612		£13,261	Interest accrued on ringfenced deposit		£13,261
340	Capital Finance Account	TC&CE	£144,023		-£144,023	£0		£0	£0
341	Outdoor Leisure (non play) Reserve	TC&CE / HofGES	£25,718		-£15,399	£10,319			£10,319
342	Memorial Kerbs Reserve	HofGES	£6,570		-£6,109	£461	Chairmans Approval 25.07.23= bal of £210- purchase of 10 Sanctums (from £6,270 approved)	-£161	£300
343	Cemetery Building Maintenance Res	HofGES	£31,924	£5,000	-£24,643	£12,281	FGP 20.09.21- Minute 148- Bal of £442 for various repair works (from £58,342 agreed)	-£442	£11,839
344	Fencing Maintenance Reserve	HofGES	£6,020		-£6,020	£0			£0
345	Events Reserve	HofCS	£3,000		-£3,000	£0			£0
346	HSHAZ/Priory House HAR	HofCS	£450,519	£1,165,835	-£1,613,013	£3,341	HSHAZ scheme programme / HAR 1 Priory House works programme	-£3,341	£0
348	NEW - Unfulfilled Orders	TC&CE / HofCorp	£60,452		-£57,101	£3,351	Unfulfilled orders committed in 2022/23	-£3,351	£0
353	NEW = Neighbourhood Development	TC&CE	£0	£20,000		£20,000			£20,000
	Earmarked Reserves Total		£1,607,621			£962,643		-£495,624	£467,019

Dunstable Town Council - Reserves Summary 2023/24

Description	Officer	Balance as at 01.04.23	Contributions Revenue/ Other	Expenditure in year	Bal as at 31.03.24	Commitments/Programme of works, etc	Committed Amount	Bal after committed
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Capital Receipt - Sale of Land at Meadway

	Description	Officer	Balance as at 01.04.23	Contributions Revenue/ Other	Expenditure in year	Bal as at 31.03.24	Commitments/Programme of works, etc	Committed Amount	Bal after committed
370	Capital Receipts Reserve	TC&CE / HofCorp	£1,000		-£1,000	£0	£500,000 Income from sale of land- Council approval for creation of reserves		£0
371	NEW - White Lion Land Landscaping	HofGES	£10,000			£10,000	Council 05.12.22 Minute 210- creation of new reserve from capital receipt received July 2022		£10,000
372	NEW - New Cemetery Development	HofGES	£75,000	£117,000	-£39,225	£152,776	Council 05.12.22 Minute 210- creation of new reserve from capital receipt received July 2022; FGP 12.06.23- Minute 141/23= £1,000 unallocated balance from meadway capital receipt tfr; FGP 18.09.23- Minute 187/23= balance of the reserve for development of he new cemetery	-£152,776	£0
373	NEW - Grounds Depot Extension	HofGES	£100,000			£100,000	Council 05.12.22 Minute 210- creation of new reserve from capital receipt received July 2022		£100,000
374	NEW - Luton Road MUGA	HofGES	£100,000		-£98,127	£1,873	Council 05.12.22 Minute 210- creation of new reserve from capital receipt received July 2022	-£1,873	£0
375	NEW - Priory House Furniture	HofCS	£26,000			£26,000	Council 17.04.23 Minute 104/23- creation of new reserve from capital receipt received July 2022		£26,000
376	NEW - Kingsbury Pavilion Refurbishment	HofGES	£170,000			£170,000	Council 17.04.23 Minute 104/23- creation of new reserve from capital receipt received July 2022		£170,000
377	NEW - Splash Canopies	TC&CE	£18,000		-£15,127	£2,873	FGP 12.06.23- Minute 141/23- bal of £2,873 for purchase and installation of Splash Improvements (from £18,000 approved)	-£2,873	£0
	Capital Receipts Total		£500,000			£463,522		-£463,522	£0

S106/External Funding/Ringfenced Expenditure specified by funding body

350	Developers Contributions- CAP	HofGES	£18,065		-£6,342	£11,723	Frenchs Avenue S106 £7,437; Frenchs Avenue Fencing £4,286		£11,723
351	CPCFC Capital	TC&CE	£83,641			£83,641	Retained for future repair/replacement of All Weather Pitches at CPCFC (with 339 above)		£83,641
352	Development Contributions- REV	HofGES	£34,316			£34,316	£8,000 committed in 23/24 revenue budget from Bal of £30,129 for Willoughy (from S106 £47,645) Bal of £4,038 for Court Drive Landscaping (from CBC £15,000)	-£12,038	£22,278
	S106/External Funding Total		£136,022			£129,680		-£12,038	£117,642
			£2,243,643			£1,555,845		-£971,184	£584,662

Key:

= Finance and General Purposes Committee

= Grounds and Environmental Services Committee

= Community Services Committee

Dunstable Town Council

Internal Audit 2023-24 (Final Update Report)

DRAFT

Stephen Christopher

***For and on behalf of
Auditing Solutions Ltd***

Background

All town and parish councils are required by statute to make arrangements for an independent internal audit examination of their accounting records and system of internal control, and for the conclusions to be reported each year in the Annual Governance and Accountability Return (AGAR). Auditing Solutions Ltd were appointed to undertake this function on behalf of Dunstable Town Council for the 2023-24 financial year.

This report sets out the results of our final audit visit in relation to 2023-24, which took place on 30th May 2024. It updates the reports issued following our interim audits, in November 2023 and March 2024. Once again, we wish to thank Council staff for providing the documentation and explanations required to enable us to complete our audit work.

Internal Audit Approach

In carrying out the audit, we have had regard to the materiality of transactions and their susceptibility to potential mis-recording or mis-representation in the year-end Statement of Accounts. We employ a mix of 100% substantive testing or selective sampling techniques, where considered applicable.

Our audit programme is designed to afford assurance that the Council's financial systems and internal control arrangements are robust and operate in a manner which ensures effective probity of transactions and affords a reasonable probability of identifying material errors in, or possible abuse of, the Council's own and the national statutory regulatory framework. The programme is also designed to facilitate our completion of the 'Annual Internal Audit Report' in the AGAR, which requires independent assurance over a number of internal control objectives.

Overall Conclusion

On the basis of the programme of audit work that we have undertaken, we have concluded that the Council maintained an adequate and effective system of internal control throughout the year. The records held in support of the accounting transactions continue to be of a high standard and provide an effective audit trail, with clear cross-referencing of all relevant documentation. We have completed and signed the 'Annual Internal Audit Report' on Page 3 of the 2023-24 AGAR, having concluded that the internal control objectives as set out in that report were being achieved throughout the financial year to a standard adequate to meet the needs of the Council.

In the sections below, we have explained the objectives of each area of our audit, summarising the work we have undertaken and our findings. We are pleased to report that, once again, there are no matters arising that require a formal recommendation for further action. We ask that Members consider the content of this report.

Detailed Report

Accounting records and Banking arrangements

Our objective is to confirm that the accounting records are accurate and up to date, with no anomalous entries in the cashbooks or financial ledgers, and that appropriate banking arrangements are in place.

The Council maintains its accounting records using the RBS Rialtas ‘Omega’ software, which is generally acknowledged as a market leader at this tier of local government.

Day-to-day business banking services continue to be provided by NatWest Bank. Two accounts are held, a Current Account and an instant access Business Reserve Account, with an automatic daily transfer between the accounts to retain a balance of £10,000 in the Current Account. In addition to the Business Reserve Account, other funds that are not required for immediate use are held in two Public Sector Deposit Fund accounts with CCLA Investment Management Ltd.

In our audit work for the year, we have:

- Checked and agreed the opening trial balance on Omega for 2023-24 to the closing balances on the 2022-23 AGAR and the detailed accounts;
- Verified that the financial ledgers remained “in balance” throughout the year;
- Confirmed that the accounting code structure remains appropriate for the Council’s budget reporting and control requirements;
- Checked and agreed transactions in the Omega cashbooks for the Current and Business Reserve accounts to the relevant NatWest bank statements for a sample of four months (May and October 2023, plus January and March 2024);
- Checked the bank reconciliations for all active bank account reconciliations, including the CCLA deposits, as at 31st October 2023, 31st January 2024 and 31st March 2024, confirming that there are no long-standing uncleared cheques or other anomalous entries;
- Confirmed that the bank reconciliations continue to be subject to regular independent review by councillors, as part of the quarterly ‘financial Councillor audit’ and that the latest investment position is reported at each Finance & General Purposes Committee (F&GP) committee, as part of the RFO’s financial report;
- Noted that the External Auditors issued their ‘report and certificate’ on the Council’s 2022-23 AGAR on 26th September 2023 and that there were no significant matters arising;
- Confirmed that the overall cash balance has been reported correctly in the draft AGAR (Section 2, Line 8), and
- Confirmed that the Council continues to ensure that its IT systems are regularly backed-up offsite.

Conclusion

There are no matters arising that require a formal comment or recommendation.

Corporate Governance

Our objective is to confirm that the Council has robust corporate governance arrangements in place and that, as far as we may reasonably be expected to ascertain (as we do not attend Council or Committee meetings), all meetings are conducted in accordance with the adopted Standing Orders and no actions of a potentially unlawful nature have been, or are being, considered for implementation.

During the course of our audit work, we confirmed the following:

- Our review of the minutes of the meetings of the Full Council and its standing committees has not identified any issues that we consider might have an adverse effect, through litigation or other causes, on the Council's future financial stability;
- The Council is keeping its governance arrangements under regular review. Updated Financial Regulations were adopted by the F&GP Committee on 20th March 2023, with revised "Constitution, Standing Orders and delegation to committees and officers" approved by the Council on 26th June 2023. Both documents were updated further by the F&GP Committee on 18th March 2024, to reflect changes made to the Council's Procurement Policy;
- A range of other policies and procedures remain in place and are reviewed on a regular basis, and
- The Council continues to exercise the General Power of Competence. This was re-adopted at the first Annual meeting of the new Council on 15th May 2023 and will apply for the 4-year term to May 2027.

Conclusion

There are no matters arising that require a formal comment or recommendation.

Expenditure

Our objective is to confirm that:

- Council resources are released in accordance with approved procedures and budgets;
- Payments are supported by appropriate documentation, either in the form of an original trade invoice or other appropriate form of document confirming the payment as due and/or an acknowledgement of receipt, where no other form of invoice is available;
- Official orders have been raised for purchases, where appropriate;
- Any discounts due on goods and services supplied are identified and appropriate action taken to secure the discount;
- The correct expense codes have been applied to invoices when processed; and
- VAT has been appropriately identified and coded to the control account for periodic recovery.

We have completed our review of the procedures in place in this area. To test compliance with the above criteria, we reviewed a sample of non-pay related payments from across the financial year. Our test sample included all payments in excess of £7,500, together with a more random selection of every 80th payment as recorded in the Omega cashbook. The

overall value of expenditure in our sample totalled £1,958,295, equating to approximately 54% of the gross non-pay related expenditure in 2023-24. There were no matters arising.

The Council makes use of a NatWest Commercial Credit Card, with a monthly limit of £6,000, which is used mainly for items such as internet purchases and subscriptions. There are currently three users, each with a monthly expenditure limit of £2,000. The Card is settled monthly by direct debit. We reviewed the statements for two sample months (November and December 2023), confirming that all purchases were adequately supported by receipts and were appropriate to the Council's business, and that, where appropriate, VAT was accounted for correctly.

A Fuel Card is also in use, for the purchase of fuel for the Council's vehicle fleet. We confirmed that appropriate receipts had been obtained to support the payments made in one sample month (December 2023). We noted that the use of the Fuel Card is now significantly less than in previous years, due to restrictions on the entitlement to use 'red diesel'.

VAT Returns continue to be submitted quarterly in electronic format, as required by extant legislation, with the detail being reconciled to the Omega financial ledger. We confirmed that the VAT Returns for all four quarters of 2023-24 were submitted on a timely basis.

During our first interim audit, we reviewed the approach followed for the tender of work in relation to the High Street Heritage Action Zone (HSHAZ) project. We confirmed that a sound approach was taken to the management of the tender process, including the involvement of specialist external architects in the evaluation of tenders received and that, in accordance with the national regulatory requirements, the tender was published on the Government's Contracts Finder website.

The one matter we noted from our review was that the minutes of the Community Services Committee of 30th October 2023, at which the outcome of the tender process was reported, did not formally confirm Member approval the award of the contract, which is required by the Council's standing orders. We confirmed that committee or Full Council approval (as appropriate) would be formally minuted in respect of all future tender decisions.

At our final audit visit, we reviewed the approach taken for one further tender – IT Support, Infrastructure, Telephony and Connectivity. We confirmed that, once again, the national regulatory requirements had been followed and that, following a detailed evaluation process and presentations by the two highest scoring bidders, the award of the contract was formally approved and minuted at the F&GP Committee meeting on 18th March 2024.

Conclusion

There are no matters arising that require a formal comment or recommendation.

Assessment and Management of Risk

Our objective is to confirm that the Council has put in place appropriate arrangements to identify all potential areas of significant risk of both a financial and health and safety nature, whilst also ensuring that appropriate arrangements exist to monitor and manage those risks in order to minimise the opportunity for their coming to fruition.

There is a requirement for the Council to formally review and approve its risk management arrangements during each financial year. We confirmed that the overall approach to risk management has been updated significantly during 2023-24. At the F&GP meeting on 22nd January 2024, a new Risk Management Policy was formally adopted, together with revisions to the detailed Corporate & Financial Risk Assessment and a Business Continuity Plan.

The Council's primary insurance cover continued to be provided by Zurich Municipal during 2023-24 and we reviewed the schedule for the policy in force up to the year-end to confirm that an appropriate level of cover remained in place. The policy includes Employer's Liability and Public Liability of £10 million, and Fidelity Guarantee cover of £2.0 million, all of which appear to be adequate to meet the current needs of the Council.

As part of its wider health and safety arrangements, a regular programme of reviews of the Council's playgrounds and play equipment is undertaken. This includes daily and weekly inspections by the Council's own staff, with quarterly external inspections by the Play Inspection Company to confirm compliance with national regulatory standards. At our first interim audit, we reviewed the summary of inspection findings provided by the Grounds Operations Manager, which summarised the results of the inspections undertaken in September 2023. We confirmed that no significant risks had been identified and that, where remedial works were required, these were being addressed by the Grounds Maintenance team. At our final audit, we noted that a further round of external inspections had been completed in February 2024 and confirmed that, once again, where necessary, remedial work had been undertaken by the Grounds Maintenance team.

Conclusion

There are no matters arising that require a formal comment or recommendation.

Budget Setting, Budgetary Control and Reserves

Our objective is to confirm that the Council has robust procedures in place for identifying and approving its future budgetary requirements and the level of Precept to be drawn down from Central Bedfordshire Council, and that an effective reporting and monitoring process is in place. We also consider whether the Council retains appropriate funds in earmarked and general reserves to finance its ongoing spending plans, whilst retaining appropriate sums to cover any unplanned expenditure that might arise.

At our first interim audit we considered the information provided to the Council on progress against the 2023-24 budget. We confirmed that the F&GP Committee continued to receive financial monitoring reports at each meeting, with over/under-spends and the level of earmarked reserves the subject of regular review. At our subsequent audit visits, we confirmed that this approach continued throughout the financial year.

In the course of our second interim audit, we reviewed the approach taken by the Council to setting its budget and Precept for 2024-25. As in previous years, the budget process involved detailed consideration by the various committees, in particular F&GP, before the Precept was formally approved by the Full Council at its meeting on 6th February 2024. The Precept has been set at £2,933,469 (£2,791,245 for 2023-24), which represents a £219.93 Council Tax charge per annum for a Band D property, an increase of 4.98% from the previous year.

We are satisfied that Members were provided with an appropriate level of information on which to base the budget decision, with comprehensive supporting documentation within the budget pack produced by the Head of Corporate Services (RFO) and the Town Clerk & Chief Executive. This included detailed consideration of future reserve requirements and the level of fees and charges that will apply in 2024-25.

At 31st March 2024, the Council's overall reserves stood at £2,168,306 (compared to £2,860,550 as at the previous year-end). Of the total reserves, Earmarked Reserves amounted to £1,410,733, compared to £2,305,620. The main reason for the decrease has been expenditure in the year on major capital projects, the most significant being £447,178 on the High Street Heritage Action Zone project and £98,127 on the Luton Road Multi-use Games Area. Other significant changes in the year included the transfer to the General Reserve of £144,000 that had been held in a 'Capital Finance Account' to the General Reserve, of which just over £73,000 was subsequently re-allocated to other Earmarked Reserves.

The Council's remaining funds are held in the General Reserve. At 31st March 2024, the balance of this reserve stood at £757,573, compared to £553,930 at the previous year end. As noted in previous years, the Council's aim, as set out in the Treasury Management Policy, has been to maintain a minimum General Reserve balance equivalent to 25% of the salary budget. The year-end balance is significantly above this target, but we note that, as set out in the budget report, it is the Council's intention to use the surplus to support the 2024-25 revenue budget.

Conclusion

There are no matters arising that require a formal comment or recommendation.

Income

The Council receives income from a wide variety of sources including the Allotments, Cemetery, Creasey Park, Specialist Markets, Priory House, plus bank and deposit interest.

Our objective is to confirm that robust procedures are in place to ensure that all income due to the Council is identified and invoiced (where appropriate), with recovery effected within a reasonable time span, and also that it is banked promptly, in accordance with the Financial Regulations. In the course of our audits, we undertook the following work in relation to income areas:

Fees and charges: We confirmed that the fees and charges for 2023-24 were approved by the Council as part of the annual budget setting process, following detailed consideration by the F&GP Committee. As noted in the previous section, a similar approach has been taken in determining the fees and charges for 2024-25.

Banking of income: As noted earlier in this report, we have checked and agreed three sample months' receipts transactions from the cashbooks to the relevant bank statements, confirming the timeliness and accuracy of transactions.

Creasey Park Community Football Centre – facilities hire: We reviewed the booking records for a sample week in September 2023, confirming that all of the hires in that week were

either covered by a long-term hire agreement or subsequent bookings and that, in the case of one-off function bookings, these had been paid for in advance. There were no issues arising.

Cemetery-related fees and charges: We have reviewed the interment applications and other cemetery-related activities for a sample month (November 2023). We confirmed that, in all cases, the correct amounts had been charged and that, with minor exceptions, the income due had been received and banked on a timely basis.

Allotment income: We reviewed the records for the current allotment year (which commenced on 1st January 2024), confirming that requests for rental payment were sent to all allotment holders on a timely basis. At the time of our second interim visit, only a very few payments remained outstanding and reminder letters have been sent. At the time of our second interim, revised allotment agreements were being sent out to allotment holders, to apply from 1st April 2024 onwards. At our final audit visit, we confirmed that the introduction of the new agreements has been delayed, on the advice of the National Allotment Society.

Specialist markets: We reviewed the spreadsheet records maintained in relation to the Christmas “Twilight” market held on 8th December 2023 to supporting information, to confirm that the correct amounts had been charged to stallholders, that payments were received on a timely basis, and that the details of insurance cover required by the Council had been provided. There were no matters arising.

Outstanding debts: We reviewed the Sales Ledger as at 31st March 2024. We were pleased to note that the overall value of long-standing debts remains relatively low and we confirmed that effective control arrangements remain in place, with appropriate action being taken in relation to outstanding payments.

Historically, the most significant outstanding debts, by value, have related to the football clubs using the Creasey Centre Community Football Centre, who are billed on a seasonal basis (running to the end of May each year). At our second interim audit, the Council had just been informed of the loss of the management contract for Creasey Park with effect from 31st March 2024 and an exercise was being undertaken to ensure that appropriate arrangements were in place to recover all outstanding hire fees due for the period up to the end of the financial year. At our final audit, we confirmed that all of the required billing has been undertaken, but that discussions regarding outstanding payments were still being held with the clubs involved and in relation to other potential commitments relating to the Creasey Park contract. *(Any suggestions to improve wording and do you need to flag up to members in here about unforeseen potential costs to the Council of the late termination of the contract).*

Conclusion

There are no matters arising that require a formal comment or recommendation.

Petty Cash

As part of the internal audit certification process on the Council’s AGAR, we are required to consider and comment upon the controls in place over the operation of petty cash accounts at the Council. Our objective in this area is, therefore, to ensure that appropriate controls are in place; that expenditure incurred is adequately supported by trade invoices or till receipts; that

the expenditure is appropriate for the Council's requirements; that VAT has been separately identified for periodic recovery and that cheque reimbursements from the main cashbooks are properly recorded.

At our first interim audit visit, we reviewed the procedures in place for the main petty cash account holding at Grove House, which is effectively operated on an Imprest basis with a float of £150. We checked and agreed the cash balance held at the date of the first interim audit to the petty cash ledger, and confirmed that there was appropriate supporting information for petty cash payments made since the date of the last reconciliation. We also checked and agreed the balance of the petty cash and the bar till floats held at Creasey Park.

At our second interim, we confirmed that regular reviews of other petty cash floats are being undertaken by the Finance team. We reviewed the Priory House petty cash schedule that had been submitted for the period to 27th February 2024 and confirmed that all payments were supported by appropriate receipts.

At our final audit, we confirmed that the year-end petty cash balances had been subject to independent review and that the correct overall petty cash balance had been included in the 'cash and bank' figure in Section 2, Line 8 of the AGAR.

Conclusion

There are no matters arising that require a formal comment or recommendation.

Staff Salaries

In examining the Council's payroll function, our objective is to confirm that extant employment legislation is being adhered to, that the requirements of HM Revenue and Customs (HMRC) legislation are satisfied regarding the deduction and payment over of income tax and NI contributions and that the requirements of the local government pension scheme are met.

To meet this objective, we undertook the following:

- We confirmed that the Council applied the approved employee pay rates for the financial year – noting that the annual pay settlement to apply from 1st April 2023 was agreed at the start of November and that back-pay was included in that month's payroll;
- From review of the contracts of employment for a sample of full and part-time staff whose employment commenced during 2023-24, we confirmed that appropriate signed contracts of employment are held;
- We examined the payroll procedures in place and the computations undertaken for the payments to staff in 2023-24 by reference to the November 2023 payroll documentation produced by the Council's external payroll bureau (Payroll Options Ltd, Milton Keynes). Our work involved:
 - Checking and agreeing the detail of the salary payments (including the back-pay for the annual pay settlement) made to a sample of staff in November 2023, to the latest schedule of salaries and pay scales;

- Confirming that tax and NI deductions have been made applying the appropriate tax code and NI Table, also ensuring that appropriate amounts are paid to HMRC;
- Confirming that the appropriate employee and employer contributions to the pension scheme have been applied in accordance with the current arrangements and confirmed that these have been paid over to the Pension Fund Administrators on a timely basis, and
- Confirming that the monthly net salary payments to staff agreed to the underlying records.

Conclusion

There are no matters arising that require a formal comment or recommendation.

Asset Register

During the 2023-24 financial year, the Council purchased the RBS ‘Asset Inventory’ software to replace its existing asset records. An exercise was undertaken to populate the inventory from existing asset records so that it could be used to complete the asset and investment figure in the 2023-24 AGAR.

At our final audit, we confirmed that the details of assets held at the start of the year had been set up accurately in the Asset Register and that details of additions in the year (there were no disposals) had been recorded. We also confirmed that the updated total cost of assets held as at 31st March 2024, £8,207,590, has been reported correctly in the draft AGAR (Section 2, Line 9).

Conclusion

There are no matters arising that require a formal comment or recommendation.

Investments and Loans

Our objective is to confirm that an appropriate investment/treasury management policy is in place, that any funds not required for immediate use, whether temporarily or on a longer-term basis are invested in line with that strategy and that interest earned is brought to account correctly and appropriately in the accounting records. We also confirm that any loan repayments due to or payable by the Council are transacted in accordance with the relevant loan agreements.

During the course of our audit work, we confirmed the following:

- As required by the ‘Statutory Guidance on Local Government Investments’, a Treasury Management Policy is in place and this was last updated and approved at the F&GP meeting on 18th September 2023;
- At present, the Council does not hold any long-term investments. As noted earlier in the report, surplus funds are held in either the NatWest (instant access) Business Reserve Account or the two CCLA Public Sector Deposit Fund accounts, and
- The Public Works Loan Board (PWLB) loan instalment repayments made in the year agree to the third party “demand” notices from the UK Debt Management Office;

- The repayments of principal and interest (the latter reported on an accrual basis) and the overall loan balances outstanding at the year-end have been reported correctly in the draft AGAR (Section 2, Lines 5 and 10, respectively)..

Conclusion

There are no matters arising that require a formal comment or recommendation.

Statement of Accounts and AGAR

We have reviewed the detailed financial statements produced by DCK Accounting Solutions Ltd from the RBS Omega software and also the draft of the statutory 'Accounting Statements 2023-24' (Section 2 of the AGAR) that the accountants have produced, and which the Council is required to formally approve. We have confirmed that the AGAR entries reconcile to the detailed financial statements and to other related documentation.

Conclusions

There are no matters arising from this area of our review that require any formal comment or recommendation. We look forward to receiving a copy of the finalised AGAR (Sections 1 and 2), once the document has been approved by the Council.

On the basis of the work undertaken during the course of our review for the year, we have completed and signed the 'Annual Internal Audit Report' on page 3 of the AGAR, assigning positive assurances in all areas of internal control.

Internal Audit outline programme (detail in hours)

	2022-23	2023-24	2024-25
Corporate Governance & Risk			
General Management Arrangements (incl. Review of Standing Orders, Financial Regulations, Policies & Procedures & Council minutes)	3	3	3
Assessment and Management of Risk, including insurance	2	2	2
Asset Management	1	1	1
	6	6	6
Expenditure			
Tendering/contracting and purchasing procedures	2	2	1
Approval and release of payments	4	4	4
Salaries & wages	4	3.5	4
Petty cash	1	0.5	1
	11	10	10
Income			
Cash receipting & banking	2	3	2
Burial fee & associated income	2	-	2
Creasey Park – Sports hire. Bar and catering	4	3	3
Priory House – Shop sales and Tea Room catering	2	-	3
Tenancies: Priory House & Grove House	-	1	-
Allotments	-	2	-
Other miscellaneous income	1	3	2
	11	12	12
Accounting Arrangements			
Ledger & Cash books (incl. Bank reconciliations)	3	3	3
Budgetary Control & Reserves (incl. External funding on holding accounts)	2	2	2
Year-end Accounts / Annual Return	2	2	2
	7	7	7
Total hours	35	35	35
Total days	5	5	5

DUNSTABLE TOWN COUNCIL
TREASURY MANAGEMENT POLICY AND PRACTICES

1. Dunstable Town Council defines its treasury management activities as “the management of the Council’s cash flows, its banking, money market and capital market transactions, the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks”.
2. The Town Council regards the successful identification, monitoring and control of risk to be prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for Dunstable Town Council.
3. The Town Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving best value in treasury management, and to employing suitable performance measurement techniques within the context of effective risk management.
4. The borrowing of monies purely to invest or on-lend and make a return is unlawful and this Council will not engage in such activity.
5. The Council will only enter into further long-term borrowing through the Public Works Loan Board when absolutely necessary for essential major works or capital purchases.
6. A general balance is maintained to protect the Council from unforeseen events and to give time to respond to such events. The Council will work towards maintaining a general balance of £522,205 or 25% of the salary budget.
7. The general policy for the Council is the prudent investment of its treasury balances. The Council’s investment priorities are:
 - The security of capital and
 - The liquidity of its investments
8. The Council will aim to achieve the optimum return on its investments commensurate with the proper levels of security and liquidity.
9. The Council maintains investments with CCLA, providing instant access to funds, with no penalties for withdrawals.
10. **Investment Objectives:**
 - 10.1. In accordance with Section 15 (1) of the Local Government Act 2003, the Council will have regard to
 - such guidance as the Secretary of State may issue, and
 - such other guidance as the Secretary of State may by regulations specify.
 - 10.2. Both the CIPFA Code and the CLG Guidance require the Council to invest its funds prudently, and to have regard to the security (protecting the capital sum from loss) and liquidity (ensuring funds are easily available/available when required) of its investments before seeking the highest rate of return/yield.

10.3. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. The Council will therefore aim to achieve the optimum return on its investments commensurate with appropriate levels of security and liquidity.

10.4 The Council's investment priorities therefore are, in order of importance:

- the **security** of its reserves
- the adequate **liquidity** of its investments
- the **return** (yield) on investments

10.5 All investments will be made in sterling.

10.6. The Department for Communities and Local Government maintains the borrowing of money purely to invest or to lend and make a return is unlawful and the Council will not engage in such activity.

DUNSTABLE TOWN COUNCIL**FINANCE AND GENERAL PURPOSES COMMITTEE****MONDAY 17 JUNE 2024****Purpose of Report:**

- i. To update Members on the Council's Corporate Compliance and Facilities Management

1 ACTION RECOMMENDED

- 1.1 Members to note the update on the Corporate Compliance and Facilities.

2 COMPLIANCE

- 2.1 The Corporate Performance and Compliance Manager (CP&CM) is reviewing the Council's current and future waste management requirements in preparation for re-tendering this financial year.
- 2.2 Personal Appliance Testing (PAT) has been completed across the Council and certification achieved at all sites.
- 2.3 All buildings have received an annual Gas Safety certification.
- 2.4 All buildings have had a Legionella Risk Assessment completed, which will be reviewed in 2 years.
- 2.5 The Town Council is working towards Cyber Essentials certification. By achieving this certification, the Council ensures controls are in place to protect and mitigate the risks posed from common cyber threats.

3 FACILITIES**3.1 Grove House**

- 3.2 An update on Grove House will be provided in the Grove House Building Maintenance recommendation report to this committee.

- 3.3 The tenants who lease space on the ground floor have voiced their intention to give notice in the coming months. This would result in financial loss to the Council, though would present an opportunity to repurpose the space to again hold civil ceremonies and negate some of those losses. If civil ceremonies could be held at Grove House this would also ease impact from the current loss of this service at Priory House.

3.4 Downside Community Centre (DCC)

- 3.5 Ringcraft Boxing Ltd have signed a one-year extension to their Licence to Occupy, this allows further time to agree Heads of Terms for a lease arrangement.
- 3.6 The UK Shared Prosperity Fund (UKSPF) project delivered by the Volunteer it Yourself CIC (VIY) has successfully been completed. The funding allowed for improvements to be

made to the community hall, toilets and kitchen. Ringcraft Boxing Ltd have reported that venue hire bookings enquires have recently increased.

- 3.7 There is an apparent issue with the waste cesspit system at the community centre causing the cesspit to require regular, costly emptying. The Council has commissioned specialist contractors to undergo investigations to determine the cause.

4 PROJECTS & PROCUREMENT

- 4.1 The contract for the IT & Telephony tender reported at the last committee meeting was awarded to Cloudy IT.
- 4.2 Cloudy IT has now migrated and taken over support of the Councils IT, Telephony and Connectivity.
- 4.3 Staff and councillors are benefitting from upgraded hardware, new software applications and programmes which will improve efficiency and ways of working.

5 HEALTH AND SAFETY

- 5.1 The CP&CM achieved certification via the Institution of Occupational Safety and Health (IOSH).

6 ENVIRONMENTAL

- 6.1 To continue work towards Dunstable Town Council becoming Carbon Neutral by 2030, the CP&CM has initiated the reconvening of the Town Council's Environmental Working Group. The working group will review the current Carbon baseline figure and agree proposed actions moving forward.
- 6.2 Recently Managers, Heads of Service and the Town Clerk & Chief Executive completed Carbon Literacy training and future reports will update on progress made.

7 AUTHOR

- 7.1 James Slack – Corporate Performance & Compliance Manager
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DUNSTABLE TOWN COUNCIL

FINANCE AND GENERAL PURPOSES COMMITTEE

MONDAY 17 JUNE 2024

GROVE HOUSE BUILDING MAINTENANCE

Purpose of Report: For members to approve release of funds from the Grove House Building Maintenance Reserve up to £226,550.

1. ACTION RECOMMENDED

- 1.1. To approve release of funds from the Grove House Building Maintenance Reserve of up to £226,550 to allow for essential repair and maintenance works.

2. BACKGROUND

- 2.1. The Grove House Building Maintenance Reserve current balance sits at £177,550 plus £49,000 from the 2024/25 contribution, totalling £226,550.
- 2.2. Brasier Freeth (BF) the Council's appointed Building Surveyors conducted two reports on Grove House, i. Planned Preventive Maintenance (PPM) Schedule ii. Property Survey.
- 2.3. The PPM schedule & Property Survey provide a broad overview of the conditions of the external & internal features of Grove House and identifies what BF consider to be the salient points and priorities for future work.
- 2.4. As reported to this committee in January 2024, officers have worked with BF to produce a succinct Schedule of Works to enable a 10-year plan of works in line with budgetary constraints.
- 2.5. An update is included in the Corporate Compliance & Facilities Report included in this Agenda regarding the main boiler in Grove House, which will likely need replacing before next winter and has become a priority. The boiler didn't feature as part of the original PPM & Property Survey conducted by BF.
- 2.6. The current tenants who occupy the ground floor area at Grove House (previously the Registrar, Marriage and Waiting room), have voiced an intention to give early notice on their lease within the coming months. They have been advised that the Council would support this.

3. MAIN CONSIDERATIONS

- 3.1 Main immediate building issues are:
- I. Boiler and heating generally.
 - II. Appearance of the front elevation.
 - III. Rainwater entry on the rear elevation affecting the North end of the building.

IV. Internal appearance of the Ground floor and first floor staff welfare areas.

3.2 Boiler Replacement

The Heating distribution is uneven, some areas are too warm, some too cold, there is no zonal control. Full replacement will be very expensive and disruptive and will inevitably involve, flooring, wall & ceiling damage and repairs, and redecoration at the very least.

An alternative option would be to divide the property into zones and install self-contained independent heating installations into each zone over a phased period.

The proposed new boiler to be installed could be re-purposed to serve on new zones at a later date.

The initial cost of a replacement boiler located on the South Side of the Building has been quoted at c £27k.

3.3 Appearance of the front elevation

The front elevation and interior need repair and redecoration.

A comprehensive refurbishment of the front elevation will be expensive and should ideally include removal of the cement render finishes and replacement with lime-based render, structural repair, and joinery replacement.

As an interim measure the existing external finishes could be locally repaired, to a reasonable standard and redecorated to enhance the cosmetic appearance of the front elevation. Hopefully, this will provide a 3- 5-year grace period to enable mobilisation of a more comprehensive repair scheme to address the longer-term issues in line with the Listed Status of the property.

The water ingress issues affecting the staff kitchen and toilets could be addressed in the initial works package.

3.4 Rear Wall 1st Phase

The rear parapet wall and gutter on the North end of the building need repair as soon as possible as water ingress remains an ongoing issue into the areas below this area of the building. These works could be undertaken independently of the other works packages.

3.5 Civil Ceremonies

If the ground floor area at Grove House (previously the Registrar, Marriage and Waiting room) become available the ability to hold civil ceremonies would be required soon as possible. To attract customers, the exterior and interior need to be attractive and marketable. The Internal areas designated for the Civil ceremonies could be refurbished and redecorated at the same time either in the external works contract or separately

- 3.6 Although release of the full reserve balance is being requested, it is not anticipated this will be required for the works proposed. Officers will always seek best price and commission work via the most economical method.

4. FINANCIAL IMPLICATIONS

- 4.1. The repair and maintenance works detailed in this report would require funds from the Grove House Building Maintenance Reserve up to the £226,550.

5. HEALTH AND SAFETY IMPLICATIONS

- 5.1. The failure to undergo works could result in future health and safety risks.

6. ENVIRONMENTAL CONCERNS

- 6.1. There are no environmental concerns, however if work is undertaken it will aid the Council's target to be Carbon Neutral by 2030.

7. POLICY AND CORPORATE PLAN, HUMAN RESOURCE, LEGAL AND EQUALITIES IMPLICATIONS

- 7.1. The repair and maintenance works detailed in this report accords directly with Council's Corporate Objective, *'To preserve and enhance the history and identity of the town, creating a sense of pride in Dunstable.'*
- 7.2. The repair and maintenance works detailed in this report accords directly with Council's Corporate Objective, of *'To continue to improve the organisational management, efficiency and environmental sustainability of the Town Council'.*

8. BACKGROUND PAPERS

- 8.1 Brasier Freeth's Planned Preventative Maintenance Schedule and Property Survey are available to view, please request via the Corporate Performance & Compliance Manager.

9. AUTHOR

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