



Ref: Agenda/F&GP– 03/09/2024

29th August 2024

Dear Sir/Madam

All Members of the Finance & General Purposes Committee are hereby summoned to the Finance & General Purposes Committee Meeting of Biggleswade Town Council that will take place on **Tuesday 3rd September 2024** at the **Offices of Biggleswade Town Council, The Old Court House, Saffron Road, Biggleswade** commencing at **7:00pm**, for the purpose of considering and recommending the business to be transacted as specified below.

Yours faithfully

Peter Tarrant
Town Clerk & Chief Executive

Distribution: All Town Councillors
Notice Boards
The Press

Committee Members:

Cllr. D. Strachan (Chairman)
Cllr. I. Agnew (Deputy Chairman)
Cllr. D. Albone
Cllr. G. Barrett (ex-officio Member)
Cllr. M. Foster (ex-officio Member)
Cllr. M. Knight
Cllr. M. North
Cllr. M. Russell
Cllr. S. Sajid
Cllr. C. Thomas

AGENDA

1. APOLOGIES FOR ABSENCE

Schedule 12 of the Local Government Act 1972 requires a record be kept of the Members present and that this record form part of the minutes of the meeting. Members who cannot attend a meeting should tender apologies to the Town Clerk.

2. DECLARATIONS OF INTEREST

To receive Statutory Declarations of Interests from Members in relation to:

- a. Disclosable Pecuniary interests in any agenda item.
- b. Non-Pecuniary interests in any agenda item

3. **CHAIRMAN'S ANNOUNCEMENTS**

4. **PUBLIC OPEN SESSION**

To adjourn for a period of up to 15 minutes to allow members of the public to put questions or to address the Council, through the Chairman, pertaining to matters listed on the agenda.

Please register in advance for this webinar:

https://us06web.zoom.us/webinar/register/WN_cYu_lmzmQRu8MhZ-3W9yAw

Each Speaker will give their name to the Chairman, prior to speaking, which will be recorded in the minutes, unless that person requests otherwise. Each Speaker will be allowed **one three-minute slot**.

5. **INVITED SPEAKER**

None.

6. **MEMBERS' QUESTIONS**

7. **MINUTES AND RECOMMENDATIONS OF MEETINGS**

- a. The Minutes of the Finance & General Purposes Committee Meeting held on **Tuesday 2nd July 2024** at the Offices of Biggleswade Town Council, The Old Court House, Saffron Road, Biggleswade.

8. **MATTERS ARISING**

- a. The Minutes of Finance & General Purposes Committee Meeting held on **Tuesday 2nd July 2024**.

9. **ITEMS FOR CONSIDERATION**

- a. **General Reserves Policy**

For Members to receive and consider a written report from the Head of Finance & Deputy RFO.

10. **ITEMS FOR INFORMATION**

- a. **Bank Reconciliation**

Members to note that the bank reconciliation report for the end of the first quarter 30th June 2024 was presented to Town Council on 13th August 2024. The bank reconciliation report for the end of the second quarter 30th September 2024 will be presented to the Town Council on 12th November 2024.

- b. **Budget Planning Cycle 2025-2026**

Officers will update Members on the progress of the Budget Planning Cycle for 2025-2026 at the 3rd December 2024 Finance & General Purposes meeting. Please refer to the attached appendix for the existing planning cycle for 2025/26.

c. **Grant Applications 24/25 – Tranche One**

The deadline for the receipt of the application for the first cycle (June to August 2024) is 31st August 2024. The report and all grant applications will be shared with Members at the Council Meeting on 8th October 2024. This approach has been agreed with the Chairman and Deputy Chairman of Finance and General Purposes.

d. **BTC Contracts**

The Council continues to maintain a Contracts Database. This is regularly reviewed by Officers to ensure compliance with the Council's Financial Regulations and proper procurement practices.

e. **S106 Progress**

The Council is in receipt of a variation of the S106 available funds as of 19th June 2024. This does not recognise the latest commitments and any variations to grants. The Council has consistently requested an updated copy from CBC. This has not been forthcoming.

The Clerk has written to the Chief Executive of CBC to formally request both an accurate copy and that the information be placed on CBC's external facing website on a regular basis, so as to facilitate grant applications and understanding.

f. **Capital Borrowing Regulations 2025/26 Onwards**

A detailed paper was considered on 2nd July 2024 that laid out future strategy associated with capital borrowing and emerging commitments. Officers will prepare a paper for Full Council on 8th October 2024 that looks to provide a detailed overview in relation to all emerging projects. This will also provide an overview on the capital and general reserve. Members can then make a determination as to the projects they would like to support and an appropriate strategy that allows eventual deployment.

11. **PUBLIC OPEN SESSION**

To adjourn for a period of up to 15 minutes to allow members of the public to put questions or to address the Council, through the Chairman, in respect of any other business of the Town Council.

Please register in advance for this webinar:

https://us06web.zoom.us/webinar/register/WN_cYu_lmzmQRu8MhZ-3W9yAw

Each Speaker will give their name to the Chairman prior to speaking, which will be recorded in the minutes, unless that person requests otherwise. Each Speaker will be allowed **(one) three-minute slot**.

12. **EXEMPT ITEMS**

The following resolution will be **moved** that it is advisable in the public interest that the public and press are excluded whilst the following exempt items are discussed.

(None).

Pursuant to section 1(2) of the public bodies (Admission to Meetings) Act 1960 Council **resolve** to exclude the public and press by reason of the confidential nature of the business about to be transacted.



**MINUTES OF THE FINANCE & GENERAL PURPOSES COMMITTEE MEETING ON
TUESDAY 2nd JULY 2024 AT THE OFFICES OF BIGGLESWADE TOWN COUNCIL, THE
OLD COURT HOUSE, 4 SAFFRON ROAD, BIGGLESWADE COMMENCING AT 7.00PM**

PRESENT:

Cllr D Strachan (Chairman)
Cllr I Agnew (Deputy Chairman)
Cllr D Albone
Cllr G Barrett
Cllr M Foster
Cllr M Knight
Cllr M North
Cllr S Sajid
Cllr C Thomas

Mr P Tarrant – Town Clerk & Chief Executive
Mr K Hosseini – Head of Governance & Strategic Partnerships
Mr E Bour – Head of Finance & Deputy RFO
Mx K Chambers – Committee Clerk

Members of the Public – 1 (online)

Meeting Formalities:

Following a reminder to meeting attendees, both panel and public, that this is a formal meeting, the Chairman advised that members of the public will be given an opportunity to speak during public open session but not at other times. The meeting is being filmed and by being present attendees are deemed to have agreed to be filmed and to the use of those images and sound recordings. The Chairman advised that attendees should not disclose any personal information of individuals as this would infringe the Data Protection Rights of the individual. The Chairman asked everyone to mute their microphones when not speaking.

1. APOLOGIES FOR ABSENCE

Cllr M Russell, Cllr S Sajid.

2. DECLARATIONS OF INTEREST

a. Disclosable Pecuniary interests in any agenda item:

None.

b. Non-Pecuniary interests in any agenda item:

None.

3. CHAIRMAN'S ANNOUNCEMENTS

The Chairman had no announcements.

4. PUBLIC OPEN SESSION

No members of the public wished to speak.

5. **INVITED SPEAKER**

No guest speaker was invited.

6. **MEMBERS' QUESTIONS**

None.

7. **MINUTES AND RECOMMENDATIONS OF MEETINGS**

No amendments were made to the minutes.

The Minutes were **APPROVED** as an accurate record of the Finance & General Purposes Committee held on 19th March 2024.

8. **MATTERS ARISING**

None.

9. **ITEMS FOR CONSIDERATION**

a. **Risk Management Policy**

The Head of Governance & Strategic Partnerships introduced the report, highlighting the minor changes to the document that have been made within the review.

Members **RESOLVED** to approve the risk management policy document to enable Officers to publish it on the Town Council website.

b. **Capital Borrowing 2025/26 Onwards**

The Town Clerk & Chief Executive highlighted and reiterated key information within the report. He noted that the purpose of the report was not to determine any actions or discussions, but to serve as a statement at a point in time.

Members discussed whether reports must be provided three days before the meeting date. The Town Council confirmed that standing orders require the agenda to be released three days before, but that reports can be distributed later.

Members noted that surplus could be used to pay back PWLB ahead of time. Officers agreed that this could be an option going forward.

Members **RESOLVED** to:

- Note the information provided by Officers.
- Adopt the capital sign off process. If there is any surplus which could be used elsewhere, this must return to Council for approval.
- Adopt the funding menu of options.
- Note that PLOS and F & GP will consider individual project proposals prior to detailed deliberation at Council.

Members also **RESOLVED** that, although Council had approved a loan application, this would not be drawn down on until there was a subsequent resolution of Council.

10. ITEMS FOR INFORMATION

a. **AGAR 2023/24**

Officers confirmed that the Notice of the Exercise of Public Rights was published on 28th June 2024. Also AGAR with other supporting documents for 2023-24 has been submitted to the External Auditor on 19th June 2024.

Members **NOTED** the item.

b. **Bank Reconciliation**

The Head of Finance & Deputy RFO highlighted that, according to the Council's financial regulations, the bank reconciliation needs to come to F & GP Committee every quarter. He confirmed that these has been presented to the Chairman and Deputy Chairman on 22nd April 2024 and have been signed by the Town Clerk & Chief Executive and a Member of the F & GP Committee.

The Head of Finance & Deputy RFO also noted that the bank statements and reconciliation for 30th June 2024 will be submitted to Council on 13th August 2024 as agreed by the Chairman and Deputy Chairman of F & GP.

Members queried where account information for the Lindsell Bequest Charity would be shared. The Head of Finance & Deputy RFO confirmed that this will be shared at an appropriate time to the full Council. He also noted that, at the recommendation of the external auditor, the Lindsell Bequest Charity's bank account is now considered separately to the Council.

Members **NOTED** the report.

c. **Financial Regulations**

The Town Clerk & Chief Executive confirmed that Officers received the new NALC Model Financial Regulations in May 2024 and are reviewing the Council's Financial Regulations to ensure it is up to date. The final suggested version of the Financial Regulations will be shared with Members at the Council on 13th August 2024.

Members **NOTED** the report.

11. PUBLIC OPEN SESSION

a. No one from the public wished to speak.

12. EXEMPT

None.

The Chairman closed the meeting at **7:33pm**.

BIGGLESWADE TOWN COUNCIL
Finance & General Purposes Committee 3rd September 2024
Item 9a: General Reserves Policy Update

Implications of Recommendations

Corporate Strategy: Good Governance - ensure that the Town Council continues to operate within legislation, regulation, ethical guidelines and best practice.

Finance: Not applicable.

Equality: Not applicable.

Environment: Not applicable.

Community Safety: Not applicable.

Background

The Council is required, under statute, to maintain adequate financial reserves to meet the needs of the organisation. Section 49A of the Local Government Finance Act 1992 requires that billing and precepting authorities in England have regard to the level of reserves needed to meet estimated future expenditure when calculating the budget requirement.

The general reserve is also a contingency for unforeseen expenditure or loss of income.

Summary

The Draft General Reserve Policy (Appendix A) has the support of the Chairman/Deputy Chairmen of Finance and General Purposes.

Recommendation

Members approve the Draft General Reserve Policy and recommend to Council to adopt the policy at the next Council Meeting.

Ernest Bour
Head of Finance and Deputy RFO

Appendix A: Draft Reserve Policy.



General Reserves Policy

1. Introduction

The Council is required, under statute, to maintain adequate financial reserves to meet the needs of the organisation. Section 49A of the Local Government Finance Act 1992 requires that billing and precepting authorities in England have regard to the level of reserves needed to meet estimated future expenditure when calculating the budget requirement.

NALC's "Governance & Accountability for Local Councils – Practitioners' Guide" recommends that Councils hold minimum General Reserve equivalent to at 3 months gross expenditure.

As Councils have no legal powers to hold revenue reserves other than those for reasonable working capital needs or for specifically Earmarked purposes, whenever a council's year-end general reserve is significantly higher than the annual precept, an explanation should be provided to the auditor.

The Council's policy on the establishment, maintenance and adequacy of reserves and balances will be considered annually.

The Council will hold reserves for these three main purposes:

1. A working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of the general reserves;
2. A contingency to cushion the impact of unexpected events or emergencies – this also forms parts of general reserves;
3. A means of building up funds, often referred to as Earmarked Reserves, to meet known or predicted requirements; Earmarked Reserves are accounted for separately but remain legally part of the General Reserve.

2. General Reserves Balance

The General Reserve balance, commonly termed the 'working balance', is a balance on the Council's revenue account which is not held for any specific purpose other than to cushion the council's finances against any unexpected short-term problems in the Council's cash flow.

The General Reserve balance is to be maintained at a level based upon a risk assessment carried out annually by the Responsible Finance Officer (RFO) when setting the budget for the forthcoming year.

Adopted: 24.05.2022

Reviewed:

At no time should the General Reserves balance exceed the value of the current year Precept. Whenever a council's year-end general reserve is significantly higher than the annual precept, an explanation should be provided to the auditor.

Any surplus on the reserve above the required balance may be used to fund capital expenditure, be appropriated to Earmarked Reserves or used to limit any increase in the precept.

If in extreme circumstances General Reserves are exhausted due to major unforeseen spending pressures within a particular financial year, the Council would be able to draw down from its Earmarked Reserves to provide short term resources.

~~Even at times when extreme pressure is put on the Council's finances the Council must always keep a minimum balance, sufficient to pay three month's salary to staff, in General Reserves at all times.~~

3. Financial Risk Management

In order to assess the adequacy of the General Reserve when setting the annual budget, the RFO will take account of the strategic, operational and financial risks facing the council. The requirement of the level of the General Reserve balance for the forthcoming year will therefore be based upon a risk assessment of the Council's main areas of income and expenditure and take into account any provisions and contingencies that meat be required.

4. Earmarked Reserves

Earmarked Reserves represents amounts that are generally built up over a period of time which are earmarked for specific items of expenditure to meet known or anticipated liabilities or projects. The 'setting aside' of funds to meet known future expenditure reduces the impact of meeting the full expenditure in one year.

The Council, when establishing an Earmarked Reserve, will set out:

1. The reason / purpose of the reserve;
2. How and when the reserve can be used;
3. Procedures for the management and control of the reserve; a process and timescale for review of the reserve to ensure continuing relevance and adequacy.

~~The Currently the Council is only operating 1 Earmarked Reserve, that isbeing the 'Rolling Capital Programme'~~

5. Review of the Adequacy of Balances and Reserves

In accessing the adequacy of reserves the strategic, operational and financial risks facing the authority will be taken into account. The Joint Panel on Accountability and

Adopted: 24.05.2022

Reviewed:

Governance offers guidance on this point. The level of ~~E~~earmarked ~~R~~eserves will be reviewed as part of the annual budget preparation.

~~6. Current Level of Financial Reserves~~

~~The level of financial reserves held by the Council will be agreed by the Town Council during the discussions held regarding the setting of the budget for the next financial year.~~

~~The current level of General Reserves to be held by the Council is three twelfths of the annual precepted figure, i.e. to fully cover three months' expenditure. The figure of three twelfths of the precept is to be held rather than three months' expenditure costs.~~

~~This figure should currently be £356,043 for the total precept of £1,424,171 in the financial year of 2022/23.~~

~~The Council agreed to the following levels of reserves~~

~~General Reserves: £347,847~~

~~Rolling Capital Programme: £70,639~~

~~The above levels of reserves were agreed by the Town Council at the meeting on 25 January 2022, to be reviewed again in January 2023 when the budget for the financial year has been finalised.~~

Adopted: ~~24.05.2022~~

Reviewed:

2025 – 2026 ORIGINAL ESTIMATE PLANNING CYCLE

| Ref | Date | Description | Attendees/Officer Lead | Output | Stages | Status |
|-----|---------------------------------|--|--|--|------------------------------------|----------------|
| 1. | 6 th September 2024 | Communicate with Central Bedfordshire Council to acquire deadlines for submission of precept request. | Ernest Bour | Clean CBC timetable. | Determine budget timeline with CBC | Completed |
| 2. | 16 th September 2024 | Clean estimate of all payroll staffing costs, including projection of pay inflation. | Ernest Bour, Helen Calvert | Clean estimate of Staff costs for 25/26. | Produce draft budget | Meeting set-up |
| 3. | 25 th September 2024 | Review staff payroll costs. | Peter Tarrant, Ernest Bour and Helen Calvert | Staff costs reviewed in-depth. | Produce draft budget | Meeting set-up |
| 4. | 7 th October 2024 | Review latest projected outturn for 24/25 after half-year accounts finalised. | Peter Tarrant and Ernest Bour | Projected outturn 24/25. | Produce draft budget | Meeting set-up |
| 5. | 8 th October 2024 | Management Meetings to identify 25/26 growth requirements, revenue projections and current cost reviews. | Peter Tarrant, Ernest Bour, Karim Hosseini, Harry Henderson, Ian Campbell, Helen Calvert | Identification of 25/26 growth requirements, revenue projections and general reviews. | Produce draft budget | Meeting set-up |
| 6. | 9 th October 2024 | Management Meetings to identify 25/26 growth requirements, revenue projections and current cost reviews. | Peter Tarrant, Ernest Bour, Karim Hosseini, Harry Henderson, Ian Campbell, Helen Calvert | Identification of 25/26 growth requirements, revenue projections, identify cost reductions including efficiencies and general reviews. | Produce draft budget | Meeting set-up |
| 7. | 10 th October 2024 | Management Meetings to identify 25/26 growth requirements, revenue projections and current cost reviews. | Peter Tarrant, Ernest Bour, Karim Hosseini, Harry Henderson, Ian Campbell, Helen Calvert | Identification of 25/26 growth requirements, revenue projections, review all contracts to identify productivity gains and general reviews. | Produce draft budget | Meeting set-up |
| 8. | 14 th October 2024 | Entering suggested new Original Estimate for 25/26, onto Rialtas. | Ernest Bour | 25/26 original draft budget in Rialtas. | Produce draft budget | |
| 9. | 15 th October 2024 | Thorough accuracy and sense-check review of suggested | Peter Tarrant and Ernest Bour | 25/26 original draft budget in Rialtas fully reviewed for accuracy. | Produce draft budget | |

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|--|--|--|--|---|--------------------------------------|--|
| | | new Original Estimate for 25/26, on Rialtas. | | | | |
| 10. 21st October 2024 | | Evening meeting with Public Lands & Open Spaces Committee members. | All PLOS Committee Members, Peter Tarrant, Karim Hosseini and Ernest Bour | To discuss and review PLOS Budget for 25/26 by incorporating objectives of the Committee. | Incorporate Member commentary | |
| 11. 25th October 2024 | | Evening meeting with Town Centre Committee members. | All TCM Members, Peter Tarrant, Karim Hosseini and Ernest Bour | To discuss and review TCM Budget for 25/26 by incorporating objectives of the Committee. | Incorporate Member commentary | |
| 12. 30th October 2024 | | Evening meeting with Personnel Committee members. | All Personnel Committee Members, Peter Tarrant, Karim Hosseini and Ernest Bour | To discuss and review Personnel Budget for 25/26 by incorporating objectives of the Committee. | Incorporate Member commentary | |
| 13. 31st October 2024 | | Provide a thorough update to F&GP Chair and Deputy Chair. | Peter Tarrant, Ernest Bour, & Membres | Fully informed Chair and Deputy Chair of F&GP. | F & GP Chair & Deputy Chair Overview | |
| 14. 11th November 2024 | | Consultation with broader Members. | All Members | Broad Member sign off. | Broad Member consultation | |
| 15. 15th November 2024 | | Consultation with broader Members. | All Members. | Annual fees and White fleet. | Broad Member consultation | |
| 16. 3rd December 2024 | | Draft indicative budget reports, with detail presented to F&GP. | F&GP | Approved draft indicative budget reports. | Draft budget to F &GP | |
| 17. 14th January 2025 | | Sign off at F&GP Committee. | F&GP | Agree on a formal resolution ready to be presented to Town Council on 21st January. | F & GP resolution | |
| 18. 21st January 2025 | | Sign off at Town Council. | Town Council | Final precept agreed by Members. | Council consideration & resolution | |
| 19. 24th January 2025 | | Complete CBC forms with precept request. | Ernest Bour | To be signed by Peter Tarrant as RFO. | Communicate precept to CBC | |
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