

**Responsible Financial Officer Reports (11 - 18)****11. RFO Report**

(for information – including bank balances, internal controls, internal audit interim review, and Council Tax Support Grant)

**Attachment: 11i. Internal Control check 9.11.20**

Bank balances - as at 31 October 2020 are as follows:

|                            |                    |                  |
|----------------------------|--------------------|------------------|
| HSBC                       | 35,200.49          |                  |
| Lloyds Debit card          | 1,588.80           | as at 30.9.20    |
| Cornwall Council deposit   | 431,951.87         |                  |
| United Trust (1 year bond) | 145,000.00         | Matures 27/11/20 |
|                            |                    |                  |
| <b>TOTAL</b>               | <b>£613,741.16</b> |                  |

Internal Controls – Councillor Cassidy completed a quarterly internal control check on contracts and salaries on 9 November 2020 and all was in order – the confirmation report is attached.

Internal Audit Interim review – The internal auditor collected our records for an interim review on 17 November. He will be returning them on 20 November and his feedback will follow.

Council Tax Support (CTS) Grant – We have received advice from Cornwall Council that the CTS grant for 2021/22 will be £18,808.57 which is a £2,965 (13.6%) reduction on the current year. It is proposed that this will reduce by 50% in 2022/23 to £9,404 and be withdrawn completely in 2023/24 subject to approval in February 2021. This will be reflected in our draft budgets for 2021/22.

**12. Budget Monitoring to 31 October 2020**

To receive and accept a budget report to 31 October 2020 for monitoring purposes

**Attachment: 12. Budget Monitoring to 31.10.20**

On target spend should be at 58.3%. The report shows all committee budgets to provide a full picture, although the Communications & Engagement and Facilities committee budgets are now being monitored again with the recommencement of their bi-monthly meeting.

There was a delay in closing the September accounts due to a problem reconciling the card payments received on TIC sales. The October report is not yet complete. Items not currently shown include; salary related payments and expenditure through the debit card account (small amounts less than £2,000) as the records are with the internal auditor; and direct cash book payments such as bank charges, interest received and credit card payment receipts. An updated report will be circulated on Monday 23 November ahead of the meeting.

The following points should be noted:

- All PAYE & NI (4010) and Pension (4020) lines include only five months expenditure - 41.7% (to be six - 50% on updated report) as this is paid a month behind until year end. The Finance committee budget for Pensions includes payment of the annual lump sum contribution of £6,100. The PAYE & NI line in the Facilities budget includes a refund of Statutory Maternity Pay.
- Bank Charges (4130) will overspend as this includes the set-up fee for the new bacs payment system which when budgeting we expected to be paid in the previous financial year.
- Audit fees (4150) will overspend by £250 due to new internal audit costs
- Equipment & IT Purchase (4230) has now been overspent with the purchase of laptops, webcams, a tablet, replacement of the facilities manager's desktop and other associated equipment.
- Equipment & IT M'tnce/Support (4240) includes the unexpected cost of virtual meetings platform licences, and therefore may overspend.
- Mayor's allowance (4340) – one month's payment of £139.17 has been paid to the Mayor, with two further months payments donated to the Mayor's charities as agreed at a meeting of the Mayor and Chairs but is not reflected in the budget line. The Mayor has indicated that she will draw November's allowance for Christmas expenses, but does not wish to receive further payments as due to the current covid restrictions she is unable to carry out many of the usual engagements.

**Recommendation: To note the incomplete budget report to 31 October 2020**

**13. Aged Debtors**

To receive a report on aged debtors and agree any further action required

As at 31 October 2020 the following amounts were outstanding:

| Outstanding          | 31 - 60 Days     |                | 61 - 90 Days     |               | 91+ Days         |                  |
|----------------------|------------------|----------------|------------------|---------------|------------------|------------------|
|                      | No. of customers | Amount         | No. of customers | Amount        | No. of customers | Amount           |
| Public Hall Standard | 1                | 60.00          | 1                | 19.00         | 3                | 171.00           |
| Public Hall Discount | 0                | 0.00           | 0                | 0.00          | 4                | 43.00            |
| Guildhall rents      | 0                | 0.00           | 0                | 0.00          | 1                | 279.50           |
| Guildhall utilities  | 0                | 0.00           | 0                | 0.00          | 0                | 0.00             |
| Allotments           | 4                | 71.50          | 0                | 0.00          | 0                | 0.00             |
| Miscellaneous        | 0                | 0.00           | 0                | 0.00          | 2                | 6,161.90         |
|                      |                  |                |                  |               |                  |                  |
| <b>Totals</b>        | <b>5</b>         | <b>£131.50</b> | <b>1</b>         | <b>£19.00</b> | <b>10</b>        | <b>£6,655.40</b> |

Public Hall Standard includes the amount of £119 being pursued via the small claims court. Miscellaneous relates to grants due from Cornwall Council for the CCTV installation and footpath maintenance (2019/20).

**Recommendation: to accept the report with no additional action required**

**14. External Audit**

To receive and accept the External Auditors report and certificate 2019/20

**Attachment: 14. External Audit report and certificate 2019/20**

The external audit has been completed by PKF Littlejohn, who have not reported any issues. The Notice of Conclusion of Audit must now be published on our website by 30 November 2020, advising that the Annual Governance & Accountability Return is available for inspection by any local government elector of the area of Liskeard Town Council. This must remain available for 5 years, although there is no requirement for the period the notice must be displayed.

**Recommendation: to accept the External Audit report and certificate 2019/20****15. United Trust Bond maturity**

To agree placement of the monies from the maturing United Trust 1 year fixed rate bond

The existing £145,000 in a 1 year bond paying 1.8% matures on 27 November 2020. United Trust have offered the following options for reinvestment:

| <b>Term</b>           | <b>Gross Rate</b> |
|-----------------------|-------------------|
| Business 3 month bond | 0.80%             |
| Business 6 month bond | 0.90%             |
| Business 1 year bond  | 1.10%             |
| Business 2 year bond  | 1.20%             |
| Business 3 year bond  | 1.25%             |

As usual these are preferential to those available to new customers (1 year at 0.9%) but must be taken up immediately on maturity.

Fixed interest rates have dropped since last year, and this remains competitive, with the best of other providers offering comparable products which would meet our needs offering up to 1% on a 1 year bond. These products do not provide any access to the funds during the fixed rate term.

Liskeard Town Council also holds surplus credit balances with Cornwall Council in a call account which is instantly accessible and pays a fluctuating daily rate of interest compounded monthly (in September 2020 this averaged 0.75%). The best comparable options within the market are offering 0.7%, with a slightly better rate available for 3 months' notice. From its website United Trust also offer a 100 day notice account currently paying 1.0% but this is not a fixed rate.

The Council should aim to maximise returns on its cash holdings, while keeping enough funds accessible to meet all its commitments as they fall due. Monies which should remain

accessible include; six months precept of £225,773 to meet expenditure, and monies to cover projects funded from earmarked reserves which will be undertaken over the next year. In addition, the Council will be undertaking the Cattle Market Makers project commencing in the first half of 2021 for which we must pay expenditure before it can be reclaimed from the funders (e.g. expenditure paid months 1, 2 and 3 – claim month 4 – receive payment month 5) which in the early stages when the capital payments are due will be substantial. Costs are not yet finalised for this part of the project but estimated quarterly at Q1 £67,875, Q2 £160,000, Q3 £160,000, Q4 £80,000 plus revenue expenditure. Depending on when these fall within the cycle of the financial year this many require all our available funds. (An interest free loan is available to cover these if needed).

We are also in uncertain times which are impacting on our other sources of income, and it is likely we will be drawing on reserves in the short term to complete previously planned projects.

Given that an investment of £100,000 for a 1 year fixed rate term will only yield an additional £350 pa it may be prudent to retain all surplus funds with Cornwall Council, or consider a shorter fixed term.

NB - Town Council deposits are not protected by the UK Financial Services Compensation Scheme while its annual budget exceeds 500,000 euros (approx. £430,000). Last year a check on the credit standing of United Trust was carried out before reinvestment – this has not yet been renewed.

**Recommendation: To agree that funds from the maturing United Trust bond should be transferred to the Cornwall Council deposit**

#### **16. Defibrillator Monitoring**

To agree arrangements for defibrillator monitoring commencing December 2020 and February 2021

Liskeard Town Council currently pays for the annual monitoring costs of the defibrillators located on the outside of the Public Hall (Barras Street), Geoffrey Harris Tyres, Addington Shop and Hillfort School, which are owned by FLEET (Front Line Emergency Equipment Trust) who purchased them following fundraising activity within the town. There are also additional costs (£100 per unit) for the four-yearly replacement of the pads if they have not been used – which was completed in January 2020 for all units.

The current monitoring contract for the Public Hall defibrillator expires on 22/12/2020 and the other three on 10/02/2021. An alternative provider has come forward, and FLEET have indicated that this would be equally acceptable to them, and they are already working successfully with them in other locations. The details are as follows:

| <b>Provider</b>  | <b>Cost per defibrillator</b> |
|------------------|-------------------------------|
| Current provider | <b>£315 pa</b>                |

|                      |   |
|----------------------|---|
| Alternative provider | £160 pa<br>*One off set up fee £125 per unit<br><b>Total cost for 2020/21 £285 per unit</b> |
|----------------------|---|

*\*One off set up fee - For this they will change the front door to the cabinet to have a digital coded lock so access can be made 24/7, regardless of power and internet connections.*

Both providers offer rolling annual contracts.

Both providers send out notifications to us on the status of the cabinet - such as deployed and removed.

The alternative provider includes the costs of providing replacement pads as required within the annual fee.

**Recommendation: to appoint the alternative contractor to provide defibrillator monitoring services on all four units as the contracts fall due for renewal**

#### **17. Schedule of Payments**

To receive and approve the schedule of payments

**Attachment: 17. Schedule of Payments**

**Recommendation: to approve the schedule of payments**

#### **18. Reserved Car Parking Space**

To agree requirements for a reserved parking space in Westbourne carpark for 2021/22

The reserved car parking space was previously considered by Council on 30 April 2019, when it was known that the incoming Mayor, Councillor Brooks did not drive. The following resolution was made:

**564/18 MAYORS CAR PARKING SPACE 2019/2020** – *Following discussion, Councillor Shand proposed, Councillor Cassidy seconded and the Council **RESOLVED** to not retain the parking space for 2019/2020 but refund the parking costs of the current Mayor until 22<sup>nd</sup> May and revisit this issue in spring 2020, once it is known, whom will be the Mayor in 2020/2021. At that point the town council, could ask to reinstate the parking space (with the space identified as a “Public Hall” space) or to add something to the Mayor’s allowance, if they need to park in town.*

However, when Cornwall Council were contacted to arrange the cancellation they advised that they could not guarantee the space would be available if it were required again in the future, and therefore the space was retained in 2019/20 in case it should be needed in 2020/21 and budget provision made ahead of the proposed review.

At the last meeting of Council on 27 October 2020, it was agreed that as budget provision had been made then the space should be renewed for 2020/21 for a single vehicle registration permit (currently assigned to the Deputy Mayor). This was at a reduced rate of £238.32, since Cornwall Council provided a period of free parking to all at the start of the pandemic which was reflected in the cost.

To inform budget setting for 2021/22 consideration of reserved parking requirements from May 2021 should be made. The costs will be as follows:

|   |         |
|---|---------|
| 1 permit (1 vehicle registration*)        | £362.84 |
| 2 permits (2 vehicle registrations*)      | £408.20 |
| 5 permits (5 vehicle registrations*)      | £453.55 |
| 5 permits (not tied to specific vehicles) | £659.75 |

*\*One change for each vehicle registration allowed at a cost of £10 – further changes will require upgrade of permit*

Season and Multi-purchase tickets are not available in Westbourne carpark.

**Recommendation: To agree a course of action for May 2021**