

**5. TOWN CLERK'S REPORT - FINANCE AND GENERAL PURPOSES COMMITTEE – For Information – Update on Resolutions from 25 September 2018**

Minute	Follow Up
214/18 – New Accounting Package	Item raised at a meeting on 17 <sup>th</sup> October with the CALC (larger towns group) – other councils (Helston, Camborne and St Agnes) with recent procurement experience recommended potential alternative systems. Note that advice has been received that from April 2019 reporting of VAT must be directly via accounting packages. This element is not within the current SAGE accounting package will need to be included in the specification of accounting package sought by the council.
220/18 – Internal Auditors – Year End Report 2017/2018	The Internal Auditor's view has been sought on whether the proposed increased frequency with which our current risk register (subject to any necessary amendments in content) from annual to quarterly monitoring would meet the requirement of identified at 5.9.8 in the Accounts and Audit Regulations 2015.

**7. GRANT APPLICATIONS - a). Plastic Free Liskeard. b). Revitalise c). Lighthouse Centre CIC – Minute 216/18 25<sup>th</sup> September 2018 Finance & General Purposes Committee “the applicant be contacted regarding: the high specification (and hence cost) of the IT, the possible progression of a joint application with other groups proposing similar projects that might be more successful in bidding for funding to other larger scale arts specific grant programmes.”**

Background – a). Plastic Free Liskeard (PFL) – Question as only 250 jute bags were being proposed Plastic Free Liskeard were asked whether they intend to sell the jute bags to fund a second production run or to give them away? Answer it would be reasonable to supply the jute bags at cost to traders, who could then decide whether to give them away, or sell them on at cost or at a profit. A couple of traders have indicated to PFL they did not want to profit from the sales of the jute bags to customers and would themselves simply absorb the cost.

c). Lighthouse Centre CIC have sourced a quote as attached for second-hand IT equipment. It is much less than the £3,000 requested at the last meeting. They have also indicated that they are aware of the work of other groups and work with them when the theme and age range is appropriate.

Date Approved	Grants Budget 2018/2019	£8,160
22/5/18	Liskeard Radio	£500
22/5/18	St Martins Church - laptop	£500
22/5/18	Liskeard Air Cadets – two-way radios	£1,400
	Approved	£2,400
	Unallocated	£5,760
24/7/18	Ploughman’s Festival	£150
24/7/18	Liskeard Memory Café	£500
24/7/18	Liskeard Lights Up	£1,500
	Approved at Committee	£2,150
	Total Approved	£4,550
	Unallocated	£3,610
25/9/18	iSight Cornwall	£450
25/9/18	Sterts Centre	£250
25/9/18	Lighthouse Centre CIC - purchase of IT equipment	-
	Approved at Committee	£700
	Total Approved	£5,250
	Unallocated	£2,910
Date to be considered		
27/11/18	Lighthouse Centre CIC – purchase of second-hand IT equipment.	£279
27/11/18	Plastic Free Liskeard – purchase of jute and paper bags with Plastics Free Liskeard logo.	£500
27/11/18	Revitalise – Patient and Family Respite Service.	£354
	Total considered at this Committee	£1,133
	Unallocated	£2,910
	Remaining budget to the year-end if all approved	£1,777

**RECOMMENDATIONS:** That the Committee considers for approval the following grant requests a). Plastic Free Liskeard Request £500 b). Revitalise – Request £354 c). Lighthouse Centre Community Interest Company – Request £279.

**8. REPORTING LINES OF ECONOMIC DEVELOPMENT ACTIVITIES TO COUNCIL** – To approve the reporting lines of economic development activity to Council.

**8.1 Background** – The Council has delegated some of its decision-making powers to the Finance & General Purposes Committee. Hence, F&GP is the senior committee of the Council. This means that decision making can be obtained every month (except for August – but a special meeting could even then be called). The Council has been progressing key projects such as the Neighbourhood Plan, the Agri-Hub and the Employment Demand Assessment through the F&GP Committee and

Council reporting and decision-making cycle. This process has helped to involve all councillors in important decision making in a clear and transparent way.

At the last meeting of Council 30<sup>th</sup> October, Minute 253/18, several decisions were made regarding the managerial and committee reporting lines for the new economic development post and Town Clerk. The role profile for the new economic development post was approved as were the indicators, to which that the post would be working. These are set out below.

8.2 Role Reporting – The direct line management of the economic development post should be via the Town Clerk (given that persons previous employment experience). The economic development function (both the new post and the Town Clerk) should report to councillors at Council itself and the Finance & General Purposes Committee. This would ensure monthly reporting to give updates and obtain approval.

By reporting through existing structures, this would save time being spent on managing new committees. Where relevant pre-applications and planning applications were received the economic development function could report though the Planning Committee. Where the economic function is inputting into marketing, such as, literature and events, this could be reported through the Communications & Engagement Committee.

### 8.3 Indicators

#### 3 - 5 year Indicators

Increase provision of B1, B2 and B8 business space on business park type developments and where appropriate to provide town centre B1 type premises in Liskeard.

#### 5 - 10 year Indicators

- Increase the number of good quality higher paid jobs in Liskeard.
- Reduce the relative ranking of Liskeard in the Index of Multiple Deprivation (IMD).
- Improve the relative ranking of Liskeard in the indices used by commercial investors.
- To increase the number of businesses registered in Liskeard.

### 8.4 Proposed Economic Development post – role profile

#### Main Role

- To support significant public and private sector investments which increase the stock of B use class premises at business park and suitable town centre locations.

Secondary Roles – (to be delivered in conjunction with the existing responsible agencies)

- To support the expansion of relevant local businesses with good employment growth potential, including Growth Hub referrals.
- To secure inward investment, including working with 'Invest In Cornwall'.
- To produce and update the literature and websites in relation to relevant business support content, including vacant business premises.
- To support the organising and holding of targeted business support events.
- To build up an operating knowledge of grants and loans applicable to high value/high growth businesses.
- To build and maintain a network of contacts.

8.4. Points for Consideration as Next Steps – Given the approvals at last council, the next steps are to consider the adoption of:

8.4.1 Finance & General Purposes Committee – this title could be changed to Finance & Economic Development Committee – this would reflect the Council's increasing emphasis on developing the economy to support business growth and reduce deprivation.

8.4.2 Economic Development Working Party – to set up an Economic Development Working Party as a working party of the Council and F&GP committee (F&ED). This would meet once every two months. It would progress the project work relevant to the Councils approved activities some of which has arisen from the work of the "Attracting Business to Liskeard Working Party. It would have co-opted relevant private sector partners and representatives of partner agencies with which we are working. Would could Council wish to delegate a budget to the Working Party?

8.4.3 "Attracting Business to Liskeard" Working Party – The establishment of the Economic Development Working Party has advantages over the current "Attracting Business to Liskeard" Working Party. It is proposed that relevant items of work are transferred to the Economic Development Working Party and the "Attracting Business to Liskeard" Working Party is discontinued.

8.4.4 Community Network Panel – The approvals made by council would cover working with partners on projects that fit the indicators and role profile of the Town Council. Cornwall Council would be a key partner regarding for example, the regeneration of the cattle market, employment land provision and the agri-hub. However, there is neither the staff time, nor do the approvals cover the Town Council accepting a general responsibility for providing an economic development service over the whole of the Community Network Panel area, nor indeed across the South East Cornwall in general.

**RECOMMENDATION: to consider and approve the steps outlined at 8.4 above, including those regarding working parties.**

**9. BUDGET AND PRECEPT SETTING 2019/2020 – to receive and consider the draft 2019/2020 budgets and recommend to Council a draft budget and draft precept figures for 2019/2020.**

9.1 Background – several external and internal factors need to be considered when looking at precept and budget setting and making recommendations to Council. Cornwall Council have supplied the Council Support Grant (15th November), Council Tax Base and Precept Calculator (19th November) to assist the Committee and Council in setting the 2019/2020 budget and precept figures.

9.2 Council Tax Base - Cornwall Council has provided the Council Tax Base figure for 2018/2019. This reflects residential completions and conversions within the town boundary. This increases the number of households that might use Town Council facilities. This has the impact of spreading any precept that the Town Council might set over a greater number of households, thereby reducing the impact on individual households. The increase in the Council Tax Base indicated in the table below means that the Town Council could increase the Precept by approximately £10,986 in 2019/2020 and there would be no actual increase in the Town Council element of household bills.

Financial Year	Council Tax Base
2018/2019	3030.59
2019/2020	3111.52
Increase in Council Tax Base	80.93

9.3 Cornwall Council – Council Support Grant (C.S.G.) – The Council Support Grant is part of an annual block grant paid by the Government to Cornwall Council. Once deductions have been made to cover Council Tax Support provided with the town boundary, Cornwall Council then pays the remaining sum to the Town and Parish Councils. In 2014/2015, the amount was £54,971. Cornwall Council have indicated that as the Government block grant is reduced annually so will the payment to the Town and Parish Councils.

Financial Year	Council Tax Support
2018/2019	£27,430
2019/2020	£25,221
Reduction	£2,209
Percentage reduction in Council Support Grant	8%

Taking account of the increase in the Council Tax Base (£+10,986) with the cut in our Council Support Grant -£2,209, the difference of £8,777. This is the amount of leeway when looking at budget and precept setting.

9.4 Town Council Element of the 2018/2019 Council Tax

The information supplied by Cornwall Council also includes a table giving the proportion of the Band D Council Tax bill per household in 2018/2019 indicating the proportion that the Town Council element makes of the whole bill.

Town Council	Proportion of Band D Bill 2018/2019
Bodmin	15.3%
Falmouth	13.28%
Truro	12.87%
Bude-Stratton	12.15%
Camelford	11.77%
Newquay	11.51%
Penzance	10.54%
Launceston	10.62%
Callington	10.43%
Camborne	9.042%
Looe	8.36%
<b>Liskeard</b>	<b>7.76%</b>
Torpoint	7.38%

9.5 Budget and Precept Setting 2019/2020 – Feedback by Committee as below:

9.6 Communication & Engagement Committee – Proposed 2019/2020 (see attached C&E EXCEL spreadsheet for full detail). The main points are:

1. Set a museum grant of £8,700 for 2019/20.
2. The museum coordinator role is retained for another one year, with a refined job description and specific goals set.
3. A C&E budget of £67,560 for 2019/20 (a reduction from the previous year), and a total budget including the museum grant of £76,260 which is a 0.4% increase on the previous year.
4. The underspends on Brown Signs and Heritage Projects in the current year 2018/19 are carried forward into nominated reserves to make provision for larger future projects which are being worked on.

9.7 Facilities Committee – Proposed 2019/2020 (see attached Facilities EXCEL spreadsheet for full detail). Main points are below:

1. The draft 2019/2020 net budget is £226,243. That is an increase of £11,759 or 5.4%. The gross expenditure is increased to £292,488. Among other things, this will permit a higher specification for elements of the Public Hall Refurbishment Project and assist with building up a dilapidations reserve.
2. However, the Government is introducing legislation, regarding Uniform Business Rates (UBR) collection. If approved this would reduce the amount the Council needs to budget by £3,129. The increase in the net expenditure of the Facilities Committee would then be £8,590 or 4%.

9.8 Finance & General Purposes Committee – Proposed 2019/2020 (see attached EXCEL spreadsheet for full details). The main points are:

1. £45,000 – added support the creation of a new economic development role with changes to the Town Clerk/RFO, Support Service Manager and the Support Services Administration Assistant.
2. Grants Budget increase to £10,000.
3. Draft 2019/2020 – budget of £217,112 which is £49,127 more – an increase of 29%.

9.9 Budget Comparison 2018/2019 – Proposed 2019/2020 budget and precept.

Committee	Current 2018/2019	Proposed 2019/2020
Gross Expenditure		
C&E (Museum)	£75,936	£76,260 (0.4% increase)
Facilities	£262,304	£292,488 (11.5 % increase £30,184 – 10.3% £27,055 if toilet UBR legislation comes into effect)
F&GP	£167,985	£217,112 ( £49,127 – 29.2% increase)
Total Spend	£506,225	£585,860 (16.3% increase - £78,210)
Income Internal		
In Year Movements from Reserves	-£5,436 (*-£2,000 C&E, -£3,711 F&GP +£275 Facilities)	
C&E (Museum)	-£3,000	-£3,000 (unchanged)
Facilities	-£47,820 (*gross income figure)	-£66,205 (*gross income incl. rents from 6 tenants at Guildhall, maintenance and allotments) (Increase £18,385 – 38.4%)
Council Support Grant	-£27,430	-£25,221 (reduction of 8%)
Precept	-£422,539	-£491,434 £68,895 (16.3%) * Increase in Council Tax Base £8,777
	-£506,225	-£585,860

9.10 Draft Precept figure for 2019/2020 is £491,434. This is an increase of £68,895 on the 2018/2019 precept. The increase is 16.3%. A Band D property currently paying £139.42 per year will increase to £157.94 per year in 2019/2020. This is an increase of 13.2% which will mean £18.52 per year or 35p a week. (Note the council has tried to set small increases in the precept. In the previous two consecutive financial year's Band D increases were 2p a week. The last significant increase was in 2015 when the precept was increased by 30.4% to fund a range of improvements including the fitting of PV panels to the roof of the Public Hall).

**RECOMMENDATIONS:** a). to recommend to Council the approval of the 2019/2020 budget of £585,860 and b). to recommend to Council the approval of the 2019/2020 precept of £491,434.

**10. EXTERNAL AUDITOR – YEAR END AUDIT 2017/2018** – to receive the External Auditor’s Year End Report and adopt the recommendations.

Background – the External Auditor – (for the first year PKF Littlejohn LLP) have audited the councils’ year end 2017/2018 Annual Governance & Accountability Return (AGAR). Their findings are attached as a pdf entitled “Annual Return”. The council should adopt their recommendations. We have already prepared and published the relevant “Notice of conclusion of audit”. Other actions including the retention of the full AGAR for public access for a period not exceeding 5 years. The item would be placed on the website.

**RECOMMENDATION:** the council shall adopt the recommendations of the External Auditor.

**11. MAYOR’S CADET** – to receive a report on the adoption of a Mayors Cadet.

Background – Mayor’s Cadets are appointed by town councils across the country. Other town councils in Cornwall were approached for further information. Torpoint, Falmouth and St Austell have provided feedback. From which, if Liskeard Town Council were to adopt a Mayor’s Cadet this could form a basic outline to the scheme:

- The uniformed cadet services in the town would be approached on a rolling annual rota basis to provide one of their cadets for the year.
- The Mayors’ Cadet would be appointed at the Mayor Choosing each year. They would attend the Civic Parade and Remembrance Day Parade with the Town Council.
- A sash could be obtained and modified to carry the Mayors Cadet logo. This would be passed onto the next cadet. (At the time of writing, it was not possible of finding a sash supplier holding stock).

**RECOMMENDATION:** to decide whether the Council should adopt a Mayors’ Cadet.

**12. FREEDOM OF THE TOWN** – to receive a report on the Town Council adopting the granting of “Freedom of the Town” to units and organisations.

Background – Previously, the Town and Parish Council sector did not have the lawful power to grant a “Freedom of the Town”. This might explain the origin of the “Honoured Burgess” concept. However, it would appear that the legislation has been



updated and that it is now possible to adopt the process. Nationally, a number of other towns have done this. Further information was sought from other town councils in Cornwall. Responses were received from Falmouth, Torpoint and Helston Town Councils. From their responses the following is of interest and relevance should Liskeard Town Council wish to adopt this process.

- Military Unit – all three towns have either operational naval bases in their town or their port has a long-standing support contract and association with the Royal Fleet Auxiliary. It has been suggested that Liskeard could approach 6<sup>th</sup> Rifles as the county regiment, although their depots are in Bodmin and Truro.
- Presentation of an Item to indicate the granting of the Freedom – scrolls could be presented as a rolled scroll. More usually it would be presented as with a framed certificate. In some cases, a small silver item might be presented.
- Freedom of the Town – the unit being granted the “Freedom of the Town” would normally parade through the town annually or every two years. The operational requirements of a unit would determine their availability.

Should the council indicate a willingness to pursue this initiative, 6<sup>th</sup> Rifles could be approached as the most likely suitable unit.

**RECOMMENDATION: That the committee considers whether it wishes to approach a unit for adoption.**

### **13. VAT – OPTION TO TAX – PUBLIC HALL – to receive the advice of the specialist VAT advisor and feedback from the Facilities Committee.**

Background – VAT regulations relating to capital works are complex. Advice has been obtained from a specialist consultant. The letter is attached. It sets out the basic positions regarding:

- a). Opting to tax – which would mean the Council could reclaim the VAT element on the capital project, but the council would have to charge and collect 20% VAT on our charges to hirers.
- b). Not reclaiming – which would mean having to find (probably from the General Reserves) the VAT amount. However, the council would not then need to put a charge of 20% VAT on the room hire rates.

Facilities Committee – from his advice there appeared to be a need to consider the reclaiming of VAT on a capital project alongside, the ongoing charging policy and future refurbishment works for the Public Hall. For example,

- a). Opt to Tax – Immediate benefit of keeping £40,000 – However, if the fees and charges are put up by 20% to cover the VAT element, the money passes out of the town for 20 years.

b). If to not opting to tax – Immediate cost of finding the VAT element from the General Reserve – However, there is the opportunity of using the biggest refurbishment since the 1990's to increase the fees and charges ourselves by 20% (about £7,400 pa) and using the money over the next 6-7 years to recoup the £40,000 VAT on the current capital item. For the, the remaining 14 years of the 20 year period, we could use the uplift to invest in things in the public hall like new lighting, radiators, curtains, sound system, rewiring etc.

This item was referred to Facilities Committee for their view, which will be reported back to the Finance & General Purposes Committee meeting.

**RECOMMENDATION:** To consider the report of the VAT advisor and the feedback of the Facilities Committee.

**14. SCHEDULE OF PAYMENTS AND REPORTING OF THE BANK RECONCILIATION FOR APPROVAL** – to receive and approve the payments schedule.

**RECOMMENDATION:** That the payments schedule and bank reconciliation is approved.