

## **Responsible Financial Officer Reports (8-12)**

- 8. RFO Report** – (for information) to include bank balances, Councillor verification of bank reconciliations (April – June 2020) and submission of external audit  
**Attachment – 8. Balance sheet as at 31.7.20**

A balance sheet is attached to show bank balances as at 31 July 2020 in the upper section, and reserve balances in the lower section.

Internal controls - Councillor Goldsworthy carried out a bank reconciliation verification check on 19 August 2020 for months April and May 2020 which was found to be in order, and will return within the next week to check June and July 2020.

External audit and public rights - The external audit and all required information were submitted on 31 July 202 to meet the deadline, and an acknowledgement of receipt received. They will contact us again once this has been processed. The period of public rights, when members of the public may inspect our accounting records for the year ended 31 March 2020, commenced on Monday 3 August 2020 and runs until Monday 14 September 2020 inclusive and is published on our website as required by law.

- 9. Annual review of Financial Regulations** – to adopt updated Financial Regulations, including incorporating the recommendation from the internal auditor

**Attachment – 9. Financial Regulations with proposed amendments**

Financial Regulations should be reviewed annually and are now due for review. The recent internal auditors report included a suggested action which has also been included.

**1. Financial Regulation 11.1(b) sets out the requirement to comply with the Public Contracts Regulations 2015 and places a limit of £60,000 (the Council's own threshold for a formal tender process).**

*The Regulations apply to procurements above £25,000 whether they are subject to a formal tender process or not and it is suggested that the wording is amended to reflect this and that the Regulations are followed for all such procurement activity.*

Other small changes are suggested, and all proposed amendments are highlighted yellow.

**Recommendation: to adopt the updated Financial Regulations**

**10. Budget Monitoring to 31 July 2020**

- a) to receive and accept a report on all committee budgets for monitoring purposes  
**Attachment – 10. Budget monitoring Report to 31 July 2020**

On target spend should be at 33%. The following points should be noted:

- All PAYE & NI and Pension lines include only three months expenditure as this is paid a month behind until year end. The Finance committee budget for Pensions includes payment of the annual lump sum contribution. The PAYE & NI line in the Facilities budget includes a refund of Statutory Maternity Pay.
- The Bank Charges line 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.
- Equipment & IT M'tnce/Support includes the unexpected cost of virtual meetings platform licences, and therefore may overspend.
- The first two months of the Mayor's allowance has been donated to the Mayor's charities as agreed by the Mayor and Chairs but is not reflected in the budget line.

**Recommendation: to accept the budget monitoring report to 31 July 2020**

b) to consider the financial impacts of covid 19

Lost income

- Public Hall – we had budgeted for income of £17,000 by 31 July 2020 but have only received £594 – a loss of £16,406. With limited hirers returning at present this trend is unlikely to improve in the next few months.
- Guildhall – we had budgeted for income of £8,667 by 31 July 2020 but have only received £1,584 – a loss of £7,083, however with tenants now returning to full rent payments this will be less impacted in future months.

Total £23,489 to date – estimated £50,000 to year end

Grants/support received

- Business Support Grant £25,000
- A grant application has been submitted to Cornwall Council to assist with expenditure related to reopening the town centre.

Additional expenditure

- Virtual meeting licenses - £155.97 so far with continuing commitment of £35.97 per month likely to be required until year end – expected total £407.76
- IT equipment - £90 so far (3 webcam and mics)
- Social Emergency Fund - £13,453 paid so far but a total of £20,000 initially committed – applications are now slowing down.
- Covid leaflets - £2,608 – these costs have currently been offset against reduced spends on the Events and Newsletter budgets
- Covid-19 Internal (new Facilities budget line) - £1,169
- Covid-19 External (new Facilities budget line) - £478 (some of these expenses may be recovered from a grant from Cornwall Council)

- Other PPE and Covid-19 related items - £2,235 (this does not include installation of hot water systems.

Total £26,898

Further expenditure is likely on new IT hardware for Councillors and repeated PPE purchases. As we continue to further open our facilities, there may be a greater demand on staff time to cope with the new cleaning regimes.

#### Reduced expenditure

- Office supplies – approx. £286 saving to date
- Mayor Choosing £640 saving
- Civic Duty & members expenses – approx. £243 saving to date
- TIC expenses – approx. £250 saving to date
- Foresters Hall Business Rates - £13,100 saving

Total £14,519

Cornwall Council are offering support to individual town and parish councils who are suffering hardship, on a case by case basis. They expect Councils to consider the use of their reserves before they offer assistance. Our general reserve currently stands at £168,775 and we should maintain a minimum £147,563 to ensure we can meet all our commitments as they fall due. When the budget was set a contingency fund of £2,016 was included which has not yet been allocated.

#### **Recommendation: to continue to closely monitor the impacts of Covid-19**

#### **11. Aged Debtors** – to receive a report on aged debtors and agree any follow up action required

As at 31 July 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	0	0.00	0	0.00	5	257.89
Public Hall Discount	0	0.00	0	0.00	7	152.00
Guildhall rents	0	0.00	0	0.00	1	279.50
Guildhall utilities	0	0.00	0	0.00	1	301.12
Allotments	0	0.00	0	0.00	2	27.00
Miscellaneous	0	0.00	0	0.00	2	6,161.90
<b>Totals</b>	<b>0</b>	<b>£0.00</b>	<b>0</b>	<b>£0.00</b>	<b>18</b>	<b>£7,179.41</b>

We ceased chasing outstanding invoices during the first 3 months of the pandemic but are now in contact with all account holders to discuss repayment. Public Hall Standard includes the amount of £130.89 being pursued via the small claims court. Miscellaneous relates to grants due for the CCTV and footpath maintenance.

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

**12. Schedule of Payments** – to receive and approve the schedule of payments.  
**Attachment – 12. Schedule of Payments**

**Recommendation: to approve the Schedule of Payments**