

Responsible Financial Officer Reports (9 – 12)**9. RFO Report** - (for information)

Bank balances - as at 28 December 2022 are as follows:

HSBC	46,610.04
Lloyds Debit card	1,296.10
Cornwall Council deposit	601,604.99
TOTAL	<u>£649,511.13</u>

Cattle Market Makers Financial Update

The table below shows a summary of project expenditure and claims to date, and percentage of overall project spend which CLLD are closely monitoring against percentage of outputs achieved before payment of claims.

To ensure we do not put LTC at risk of not being able to recover expenditure it should be ensured that expenditure is limited to total expected achievements.

CMM Project Expenditure Summary

ERDF - Total Project Expenditure approved £88,442.53 (Intervention rate 72%)

Claim/spend period	Expenditure	Exp to date	% of total project	
Start - 31/12/21	11,871.51	11,871.51	13	Paid
01/01/22 - 31/03/22	13,261.36	25,132.87	28	Paid
01/04/22 - 30/06/22	8,653.86	33,786.73	38	Paid
01/07/2022 - 30/09/22	8,999.22	42,785.95	48	Awaiting claim form
01/10/22 - 31/12/22				
01/01/23 - 31/03/23				

ESF - Total Project Expenditure approved £63,359.06 (Intervention rate 80%)

Claim/spend period	Expenditure	Exp to date	% of total project	
Start - 31/12/21	3,684.43	3,684.43	6.8	Paid
01/01/22 - 31/03/22	5,695.14	9,379.57	14.8	Paid
01/04/22 - 30/09/22	13,513.34	22,892.91	36	Double claim - Paid
01/10/22 - 31/12/22	3,987.09	26,880.00	42	Awaiting submission
01/01/23 - 31/03/23				

The ERDF project has been spending approx. 10% per quarter, however due to the reduced administrator hours this will be less in the final two quarters. The P11 target is 50% complete, with a further 6 participants pending, which if all complete will take us to 100%. The C1/C5 target is currently 70%

complete with two participants pending, and the expectation that two current P11s will transition to take us to 100%. The position for expected expenditure against projected outputs looks secure.

The ESF project spent 6% in the last quarter, and this will reduce considerably in the final quarter due to reduction in the project staff, therefore overall spend is not expected to exceed 50%. The project has achieved 50% participants to date, with half of these becoming results as required. The position for expected expenditure against projected outputs looks secure.

10. Schedule of Payments - To receive and approve the schedule of payments.

Attachment: 10. Schedule of Payments

Recommendation: to approve the schedule of payments

11. Budget Monitoring 2022/23 - To receive and accept a budget report to 30 November 2022 for monitoring purposes.

Attachment: 11. Budget Monitoring to 30 November 2022

On target spend should now be at 66.67%

The following points should be noted on the Administration (101) budget (other budgets monitored within the relevant committees):

- Interest Received (1090) is more than budgeted due to rising interest rates and could be upwardly revised in the 2023/24 budget
- Salaries (4000) now includes new salary rates for 2022/23
- PAYE & NI (4010) and Pension (4020) lines include only seven month's expenditure – 58.33% as this is paid a month behind until year end. New salary rates have taken the PAYE & NI line just over budget. Pensions also includes payment of the annual lump sum contribution of £6,100, so should even out further towards year end.
- Staff Expenses (4100) will overspend this year due to the cost of medical assessments for current and previous staff.
- Bank Charges (4130) have increased with HSBC and will increase further with the introduction of the new payment system.
- Insurance (4200) has overspent significantly due to increased rates.
- Equipment & IT M'tnce/Support (4240) has overspent but includes a 2 year anti-virus subscription, and some computers have been upgraded rather than replaced, reducing spend on line 4230 Equipment Purchase.
- Office Supplies (4250) paper costs have increased significantly, and photocopy/print volumes are increasing – this budget line is likely to overspend.
- Covid Emergency Expenses (4430) no further expenditure is anticipated on this line.

Recommendation: to note and approve the budget monitoring report

12. Draft Budget and Precept Setting 2022/2023 – To agree the budget and precept for 2023/2024
Attachment: 12i. 2023/2024 Budget and Precept Setting, 12ii. FED&GP Draft Budget 2023/24 Jan23, 12iii. C&E Draft Budget 2023/24 Jan23, 12iv. Facilities Draft Budget 2023/24 Final

The budgets submitted from the final meetings of the committees total gross expenditure of £656,943 and after deduction of projected income, grants and transfers from reserves leaves a precept requirement of £523,075 which is a 6.69% increase. These are summarised in the first attachment.

Council has previously indicated that it would like to limit the increase to 5% which would equate to a precept of £514,767. This could be achieved by funding a further £8,308 of the proposed next phase of the Public Hall refurbishment from reserves (there is £938 remaining in the Public Hall Refurbishment reserve, and a further £7,370 could be made up from the Large Property reserve still leaving a balance of £59,863). As this and the Guildhall works cannot commence until specialist VAT advice has been obtained to established whether the VAT can be recovered and possible wider impact on the Town Council's VAT position, it is possible that the project costs will vary, and advice may suggest phasing.

In 2022/23 the only other large town in Cornwall to set a 0% precept increase was Looe, who have just set a 5% increase for 2023/24.

Benefits – 5% increase

- Increase approx. half the current rate of inflation
- Reduces pressure on future budgets for a large increase (but does not remove it)
- Liskeard precept per household will remain one of the lowest town councils in Cornwall
- Less than 60p per month increase at band D (see full band breakdown below)

Challenges – 5% increase

- Reduction in precept in real terms (following no inflationary increase for the last 3 years, facilitated by a significant increase of 28% in 2015/16) putting pressure on future budgets
- There will be more demand on Council resources in future years due to ongoing devolution (both large assets devolved by agreement to the Town Council e.g. Castle Park, and the possible maintenance of services no longer provided by Cornwall Council, e.g. dog bins, salt bins, etc.).
- Some reliance on the use of reserves. Use of reserves reduces the Council's ability to fund existing projects and later phases and consider future projects and new ideas.
- Referenda principles may be extended to town and parish councils in the future reducing the ability to raise large increases.

Breakdown of 5% increase at band level

Band	2022/23 Precept	2023/24 Precept	Annual increase	Monthly equivalent
A	94.05	98.76	4.71	0.39
B	109.73	115.22	5.49	0.46
C	125.40	131.67	6.27	0.52
D	141.08	148.13	7.05	0.59
E	172.43	181.05	8.62	0.72
F	203.78	213.97	10.19	0.85
G	235.13	246.89	11.76	0.98
H	282.16	296.27	14.11	1.18

Recommendation: To set a gross budget of £656,943 and a precept of £514,767 (5% increase)Large Town Precepts 2022/23 – for information

Town	% increase	Amount of increase £	Band D rate £	Total Band D Council Tax £	Total Precept £	% of Council Tax
Redruth	16.95	33.77	233.00	2,196.67	1,027,921	10.61
Penzance	16.36	34.62	246.31	2,209.98	1,754,515	11.15
Bodmin	15.18	41.64	316.02	2,279.69	1,530,689	13.86
St Ives	14.95	22.07	169.74	2,133.41	864,914	7.96
St Austell Town	9.95	12.83	141.81	2,105.48	905,520	6.74
St Agnes	7.10	8.50	128.32	2,091.99	415,750	6.13
Launceston	6.62	17.02	274.04	2,237.71	856,041	12.25
Penryn	6.42	8.22	136.20	2,099.87	308,392	6.49
Helston	5.33	8.35	165.04	2,128.71	603,400	7.75
Wadebridge	4.89	10.82	231.93	2,195.60	568,975	10.56
Saltash	4.28	9.39	228.78	2,192.45	1,255,690	10.43
Lostwithiel	4.14	8.37	210.45	2,174.12	238,708	9.68
Torpoint	4.02	6.22	161.02	2,124.69	379,981	7.58
Camelford	3.93	10.00	264.38	2,228.05	286,255	11.87
Bude-Stratton	3.00	7.23	248.28	2,211.95	976,041	11.22
Truro	2.93	7.84	275.40	2,239.07	2,019,651	12.30
Hayle	2.09	4.54	221.47	2,185.14	682,992	10.14
Callington	1.96	4.61	240.18	2,203.85	479,760	10.90
Falmouth	1.83	6.80	377.97	2,341.64	2,863,663	16.14
Camborne	1.81	3.80	213.49	2,177.16	1,342,147	9.81
Newquay	1.56	3.46	225.78	2,189.45	1,909,000	10.31
Liskeard	0.00	0.00	141.08	2,104.75	472,485	6.70
Looe	0.00	0.00	197.71	2,161.38	441,390	9.15