

Responsible Financial Officer Reports (9-13)

9. RFO Report - (for information – bank balances, Cattle Market Makers project financial update, internal audit, budget setting, insurance and trust update)

Bank balances - as at 30 September 2023 are as follows:

HSBC	85,334.03
Lloyds Debit card	806.46
Cornwall Council deposit	444,600.77
HSBC Money Market Deposit	375,000.00
<u>TOTAL</u>	<u>£905,741.26</u>

Cattle Market Makers Financial Update

The unused match funding of £12,349.97 has now been refunded to Cornwall Council (CC) and there are no further actions outstanding on the project.

Internal Audit

The current internal auditor Hudson Accounting Ltd will be retained for a fifth year at the same cost of £950 pa, before a full review is undertaken. His work over the last four years has demonstrated his competence and he remains independent. The interim visit will take place in late November 2023 in preparation of the 2023/24 audit.

Budget Setting

The Town Clerk and the RFO attended a budget briefing on 12 October with the Section 151 officer and finance team at CC to discuss the 2024/25 budget and precept setting process. The precept calculator and other information will be received by the end of November. CC require the precept notification by 31 December, but extensions are available until 31 January 2024, which will be requested.

Town and Parish Councils requested a breakdown of the number of properties within each Council tax band within their parish, which will better inform the real impact on residents. Across the whole of Cornwall there are more band B and C properties although band D information is always the information quoted.

The 2023/24 local government pay award has not yet been confirmed, although it is anticipated that this will be resolved in time for the November payroll. CC are assuming 4.5% pay inflation for 2024/25 although realistically it is likely to be 6%, particularly for smaller Councils who have a higher percentage of staff paid at lower levels.

The RFO is currently seeking quotes for specialist VAT advice to inform the process.

Trust Update

An application of £383.93 has recently been received and approved from the Philip Blamey trust to assist a young person who will be undertaking an extended diploma in sport and exercise science at Truro college with kit and travel. This leaves a balance of £501.42 in the trust. No applications have been received to the Eva Bowles trust this year, and no payments made on the King George V (Thorn Park) Trust.

10. Budget Monitoring 2023/24 – To receive and accept a budget report to 31 August 2023 for monitoring purposes

Attachment: 10. Budget Monitoring to 31 August 2023

On target spend should now be at 41.67%

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

- Staff Salary (4000) the 2023/24 pay award has not yet been agreed and will need to be backdated to 1 April 2023
- PAYE & NI (4010) and Pension (4020) lines show only four month's expenditure (33.33%) as this is paid a month behind until year end. The annual lump sum (secondary) pension contribution of £4,900 was paid in May.
- Ellis Whittam (now Worknest) (4140) annual payments made
- Subscriptions & memberships (4190) annual CALC and NALC membership fees have been paid
- CCTV (4360) annual maintenance and monitoring costs have been paid
- Sports Pitch Working Party (4380) all expenditure is to be reclaimed from s106 monies held by Cornwall Council and the income is shown in the Grants and Donations Received (1100) line

Recommendation: to note and approve the budget monitoring report

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

Attachment: 11. Schedule of Payments

Recommendation: to approve the schedule of payments

12. Aged Debtors - To receive a report on aged debtors and agree any further action required

As at 30 September 2023 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	31.00			1	70.10
Public Hall Discount						
Guildhall rents						
Guildhall utilities						
Allotments	1	36.60				
Miscellaneous					1	64.80
Totals	2	£67.60	0	£0.00	2	£134.90

91+ Days - As reported in June, the Facilities Manager and Town Clerk have spoken with the client responsible for the £70.10 outstanding, which relates to additional services provided while their event was taking place. All processes have been followed and this is now deemed unrecoverable. No future booking will be accepted from this hirer. The £64.80 relates to the hire of equipment by a local business which has gone into voluntary liquidation with assets insufficient to cover its preferential creditors, and therefore this cannot be recovered. Both amounts should be written off.

31 – 60 Days – Both are regular hirers and not a cause for concern.

Recommendation - To accept the report on aged debtors and approve the write off of invoices for £70.10 and £64.80 both outstanding for more than 90 days.

13. Annual Insurance Renewal – To approve the annual insurance renewal

The Town Council insurance renewal is due on 1 November 2023. In 2022, it was switched to Aviva on a 3 year long term arrangement with only inflationary increases (5%) in premiums, unless there are changes to cover. It appears the 3 year arrangement was not set up, however the same terms have been offered with the option to commence a 3 year agreement from this year.

The Facilities Manager and RFO carried out a full review of cover with the broker on 7 September.

Renewal Premium Summary:

The table below represents our recommendations in relation to your requested covers.

Policy Type	Insurer	Effective Date	Quoted / Renewal	Premium (GBP)	IPT (GBP)	Admin Fee (GBP)	Total (GBP)
Commercial Combined	Aviva Insurance Limited	01/11/23	Renewal	20,671.47	2,480.58	25.00	23,177.05
Aviva GPA/Sickness/Business Travel	Aviva Insurance Limited	01/11/23	Renewal	368.47	44.22	25.00	437.69
Total				21,039.94	2,524.80	50.00	23,614.74

RENEWAL COMPARISON

For your reference, we have summarised below the cost of your renewal for last year. All amounts in the below table include tax and fees where applicable.

	Cover at Start of Last Year (GBP)	Renewal Quote (GBP)
Commercial Combined	21,369.39	23,177.05
Aviva GPA/Sickness/Business Travel	437.66	437.69
Total (GBP)	21,807.05	23,614.74

2023 Basis for Renewal:

Negotiations have incorporated the following amendments to cover/information as provided during this year's pre-renewal review:

Amendments:

- Property Damage Section – Guildhall, Pike Street Premises – the description/occupancy has been amended to read:
“Four self-contained shops - Greengrocers, DVD/Pre-owned games, Florist and a community fridge.
Architects office (now mainly used as his archive store) and Martial Arts studio on first floor. Includes small storage area used by the Insured”
- Property Damage Section – Guildhall, Pike Street Premises – the Machinery, Plant & All Other contents Item has been deleted.

3. Property Damage Section – Anywhere in Liskeard – CCTV – the Declared Value figure has been increased to £80,000
4. Property Damage Section – Anywhere in Liskeard – new Item added to cover 5 x Millennium Celtic Granite Posts (each circa 5ft in height) – at a total sum insured £10,000
5. Business All Risks Section – new Item added in respect of Marquees – at a sum insured of £1,098.00 (stored at the Public Hall when not in use and taken out for events a few times during the year).
6. Business Interruption Section – 36 months Rent Receivable – sum insured increased to £270,000
7. Employers Liability Section – Estimates wages for 2023-24:
 - Clerical unaltered at £160,000 (11 employees)
 - Manual wages increased to £100,000 (net of insurance & pension contributions)
8. Public/Products Liability Section – Estimated Annual Income including Precept figure for 2023-24 increased to £600,000
9. Public/Products Liability Section – Insurers have noted that there is 1 x Play Area at Thorn Park (NOT used as skatepark or BMX park)
10. Fidelity Guarantee/Crime Section – Limit of Indemnity increased to £825,000

All other sums insured remain unaltered.

The brokers have suggested the council consider a new buildings valuation as the last one which cover is based on is only a desktop carried out at the cost of the previous insurer in December 2019. A quote has been requested.

Recommendation - To approve renewal of the insurance with Aviva at a total cost of £23,614.74 including taxes and charges and enter into a three-year long term arrangement.