

Responsible Financial Officer Reports (9 – 15)**9. RFO Report** - (for information – financial update)

Bank balances - as at 30 September 2022 are as follows:

HSBC	96,696.99
Lloyds Debit card	1,984.22
Cornwall Council deposit	698,558.58
<u>TOTAL</u>	<u>£797,239.79</u>

Cattle Market Makers Financial Update

ERDF - We are awaiting a variation of the match funding grant, in line with the variation on the main funding to reflect to removal of the capital build from the project. On receipt we will be able to request drawdown of 90% of the funding totalling £21,387.52. Our ERDF grant claim for the quarter 1 Jan – 31 March 2022 remains on hold until the percentage of outputs achieved matches the percentage spend. Some discrepancies between the recordings on the CLLD system and the project team records have been identified and the Project Manager is focusing on correcting these, so all achievements are credited. It is anticipated this will be complete by the end of October when the outstanding claim can be paid, and a new claim can be submitted for the period 1 April – 30 September 2022.

ESF – A new claim covering the period 1 April – 30 September 2022 is being submitted. Expenditure totalled £12,662.97 with an eligible grant to be paid of £10,130.38.

Following the resignation of the project administrator we have carried out a review with the CLLD manager. As the project is confident of achieving all output targets on the ERDF project it has been agreed to recruit to replace the 14 hours per week funded by ERDF. The ESF targets are more challenging, particularly due to the weighting on people from the core area. This is being experienced both across Cornwall and nationally for ESF funded projects. As a result, we will not replace the ESF funded hours, as we do not want our costs to exceed the percentage of target we can achieve, and risk not being able to reclaim them. Recruitment will commence when CLLD have approved the revised job description for the role.

Office Update

The Accounts Clerk has recovered well from her operation and was able to fully return to work on 13 October. The accounts will be up to date to inform the budgeting process in November.

10. Budget Monitoring 2022/23 - To receive and accept a budget report to 31 August 2022 for monitoring purposes.

Attachment: 10. Budget Monitoring to 31 August 2022

On target spend should now be at 41.67%

The following points should be noted:

- Salaries (4000) the NJC rates for 2022/23 have not yet been confirmed – agreement is now expected after 1 November. Based on the final offer made, increases are likely to be greater than the 2.75% budgeted (4.86 – 10.4% dependent upon the spinal column point), this will have a knock-on effect on employer NI and pension costs. Backpay will need to be paid once the rates are agreed.
- PAYE & NI (4010) and Pension (4020) lines include only three month's expenditure – 25% as this is paid a month behind until year end. Pensions also includes payment of the annual lump sum contribution of £6,100. The pension fund is undergoing its triannual valuation, and as a result contribution rates for next year may change. We will not receive the results of the valuation until the end of November.
- Bank Charges (4130) have increased with HSBC, and these are being monitored and reviewed.
- Insurance (4200) will overspend significantly – see item 14
- Office Supplies (4250) paper costs have increased significantly, and photocopy/print volumes are increasing – this budget line is likely to overspend.

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 2022 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	152.40			1	48.00
Public Hall Discount			1	96.90		
Guildhall rents	1	451.00			1	41.70
Guildhall utilities						
Allotments						
Miscellaneous						
Totals	2	£603.40	1	£96.90	2	£89.70

The two amounts outstanding for more than 91 days are being actively chased by the Facilities Manager in line with the Credit Management Policy and Procedures but are a

cause for concern. The remaining three amounts are not a cause for concern and are expected to be paid in the near future.

Recommendation - To accept the report on aged debtors

13. External Auditor Report and Certificate 2021/22 – To receive and accept the External Auditor Report and Certificate 2021/22

Attachment: 13. External Audit Certificate

The external audit has been completed and there were no matters that came to their attention giving cause for concern that relevant legislation and regulatory requirements have not been met. They have drawn our attention to an error in the information filed with the charity commission on the government website relating to the Philip Blamey and King George V (Thorn Park) Trusts, and this has now been corrected.

The 'Notice of Conclusion of Audit' was published on our website on 30 September 2022 and the Council must ensure copies of the Annual Governance and Accountability Return remain available to the public for a period of at least 5 years.

Recommendation: To receive and accept the External Audit Report and Certificate

14. Insurance – To accept a quote from Aviva totalling £21,807.05 with a three year rating stability agreement for the Town Council's insurance, as recommended by our brokers

The Town Council's 3 year rate stability agreement with RSA expires on 1 November 2022, and they are no longer offering this business. Our brokers, James Hallam have gone out to market and are recommending the policy is placed with Aviva at a total of £21,807.05.

The new policy cover and excesses do not exactly match the current expiring policy, in particular:

- The regalia chains will need to be stored in the Euro dual access combination safe when out of use. However, the Mayor's chain will be covered while on the overseas visit to Quimperle, provided reasonable steps are taken for its care such as storage in a hotel safe if available while not in use.
- Public Liability limit of indemnity with Aviva is £10,000,000 (it has been £15,000,000 since 2019 which was RSA uniform cover).
- Fidelity Guarantee (Crime) excess is £15,000 (previously £1,000)
- Other excesses £500 (previously £250) – subsidence remains at £1,000
- No cyber cover for recovering systems, dealing with ransoms etc, however Data Protection and related legal expenses included. Systems all have local back ups and could be recovered with minimal disruption.

Aviva are prepared to offer a 3 year rating stability agreement with a premium escalator of 5%. As the sum assured on the building's portfolio will increase in line with inflation each

year, this will mean an overall premium increase annually of approx. 7.5%. Premiums will be paid annually in advance.

As expected, this is a significant increase in premiums (61%), however it is less than increases reported by other Town Councils locally.

Recommendation: To accept the quote from Aviva totalling £21,807.05 with a three year rating stability agreement.

15. Draft Budget Setting 2023/2024 – To begin drafting a budget for the Finance committee

Attachment: 15. Draft Budget FED&GP 2023/2024

A draft budget has been presented to commence the budgeting process for 2022/2023 which must be finalised with the precept by 31 January 2023 at the latest. There will be no Council Tax Support Grant paid in 2023/24 and Cornwall Council have not yet released the tax base information required to calculate the precept.