

**Responsible Financial Officer Reports (9-18)****9. RFO Report** - (for information – bank balances, s106 expenditure, Cattle Market Makers project financial update)

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

HSBC	88,310.19
Lloyds Debit card	498.18
Cornwall Council deposit	615,525.15
<b>TOTAL</b>	<b>£704,333.52</b>

**S106 Expenditure**

A summary of invoices paid to date and s106 payments received is shown. A separate claim is required when each invoice is received and paid.

<b>Supplier</b>	<b>Amount (net)</b>	<b>s106 funds received</b>	<b>Notes</b>
Ploszajski Lynch Consulting Ltd	4,069.60	01/06/2023	Feasibility Study 20% initial fee
Cornwall Council	6,395.17	27/06/2023	Heritage assessment and geophysical survey
Ploszajski Lynch Consulting Ltd	6,104.40	11/07/2023	Feasibility Study 30% interim payment

**Cattle Market Makers Financial Update**

The table below shows a summary of project expenditure and percentage of overall project spend. All claims and evaluation have now been submitted and are awaiting final checks and payment on the ERDF claim (this was submitted on 24 April and has been acknowledged). It is anticipated that unused matched funding will need to be repaid to Cornwall Council, this is expected to total approx. £12,349.55.

**CMM Project Expenditure Summary**

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

<b>Claim/spend period</b>	<b>Expenditure</b>	<b>Exp to date</b>	<b>% of total project</b>	
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	9,003.11	42,789.64	48	Paid
01/10/22 - 31/12/22	8,393.75	51,183.40	58	Paid
01/01/23 - 31/03/23	5,117.01	56,300.41	64	<b>Awaiting payment</b>

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

<b>Claim/spend period</b>	<b>Expenditure</b>	<b>Exp to date</b>	<b>% of total project</b>	
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	Paid
01/01/23 - 31/03/23	2,003.76	28,883.76	46	Paid

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

**Attachment: 10. Budget Monitoring to 31 May 2023**

*On target spend should now be at 16.67%*

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

- PAYE & NI (4010) and Pension (4020) lines show only one month's expenditure 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
- Civic Duty & Members Expenses (4350) include purchase of magnolia trees and civic service/duty for the coronation, and memorial flowers
- CCTV (4360) annual maintenance costs have been paid. Annual monitoring fees of £8,603 have been paid in June and will reflect in the next report

**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. Christmas Lights and Events** – To approve a project plan to include a budget for support of Christmas lights and events

**Attachment: 12. Project Plan – Nadelik Lyskerrys 2023**

Full details with options are provided in the project plan.

**13. Credit Balances** - To consider and approve alternative short term deposit arrangements to maximise interest earned

Liskeard Town Council currently has approx. £600,000 on deposit with Cornwall Council. This provides instant access, and can be topped up at anytime, e.g. on receipt of the next precept instalment of £254,927 due in September 2023. Drawdowns are made in tranches as required to top up the HSBC current account, to cover monthly payroll and bacs runs. It has a daily fluctuating interest rate, set on the basis of the monthly average interest rate Cornwall Council receives (likely to be based on money market deposits), less a 0.25% admin fee. Interest is calculated on a daily basis and capitalised monthly. As an example, during June there were 13 rate changes both up and down, between 3.31 – 3.50%. This currently equates to approx. £1,700 per month in total, and due to rising interest rates will exceed the annual projected income for interest received (Finance budget 1090) of £6,000 for 2023/24. There is no minimum balance on this deposit, and the maximum balance is £1 million.

In 2017, the Council took out a 1 year fixed rate bond with United Trust Bank at 1.45% with an initial deposit of £175,000, which was reinvested until December 2020, when it was repaid at maturity, as the Council had reduced its reserves due to expenditure on the Public Hall refurbishment, and was anticipating the need to cashflow the Cattle Market Makers project, including the capital build. United Trust Bank are still providing some of the highest interest rates for business fixed rate savings bonds, offering 4.75% for 1 year, rising to 4.85% for 3 years (as at 18/7/23).

An alternative would be to directly place a deposit in the money markets. This can be done via our bankers, HSBC using a Business Money Market Fixed Deposit Account.

**HSBC BUSINESS MONEY MARKET FIXED DEPOSIT ACCOUNT**

***What is the interest rate?***

*We pay credit interest at a fixed interest rate and the rate is set when you open your account. We calculate interest based on your available balance each day*

- *For fixed deposits of less than 6 months - interest is paid when the deposit matures*
- *For fixed deposits between 6 & 12 months - interest can be paid when the deposit matures or monthly on the same day of the month that you opened the account*
- *For fixed deposits of more than 12 months - interest can be paid monthly on the same day of the month that you opened the account or annually on the anniversary of the day you opened your account*

***Can the Bank change the interest rate?***

*No, once the deposit has been placed the rate will remain fixed for the duration of the deposit and subsequent reinvestments or renewals will be priced at the prevailing interest rate.*

**Minimum/Maximum balance:**

- *Minimum deposit*

*£250,000 for fixed deposits of less than seven days*

*£50,000 for fixed deposits of three months to five years*

- *No maximum balance limit*

**Can I withdraw money?**

*You can't withdraw any of the deposit before it matures if you've invested £50,000 or more.*

**When your fixed deposit matures:**

- *We can transfer all or part of the money into a sterling business current or business instant access savings account with us, or*
- *Reinvest all or part of the money in a new fixed deposit on the prevailing interest rate and term*

*If you haven't given us any instructions about what to do, we'll renew it for the same length of time and amount, at the prevailing interest rate and terms.*

An indication of rates given on 18/7/23 are:

<b>Term</b>	<b>Rate</b>	<b>Monthly interest earned per £100,000</b>
1 month	4.55%	£379.17
2 months	4.67%	£389.17
3 months	4.82%	£401.67
6 months	5.23%	£435.83
1 year	5.52%	£460.00

A combination of deposits would be possible e.g. £100,000 for 3 months, plus £100,000 for 1 year.

Accounts can be opened by phone and would require one Councillor who is a signatory to be present in the office when this is done.

NB – Liskeard Town Council is not currently covered by the Financial Services Compensation Scheme, which is limited to small local authorities with an annual budget of less than €500,000 (approximately £431,000 on current exchange rates). However, earlier this year NALC agreed to lobby for an increase in the maximum threshold.

The Council currently has £339,294 in the General reserve (the Reserves Policy recommends 6 months expenditure – approx. £330,000). In February, it approved additional spends of £11,500, a net repayment of CMM matched funding is anticipated of £8,666, and the previous agenda item proposes additional spend of which £20,000 has been allowed. This

leaves a balance of £299,128. After allowing for a 20% contingency £239,302 could be transferred to a fixed term deposit.

Earmarked reserves total £227,260 of which £54,105 were budgeted to be spent this year, after allowing a further 20% contingency, £138,524 could be transferred to a fixed term deposit.

**Recommendation: To agree to transfer £375,000 to an HSBC Business Money Market Fixed Deposit Account for 6 months, to mature when the 2024/25 budget and precept are to be confirmed (noting that the interest rate will not be set until the deposit is placed).**

**14. Training & Development Policy** - To review and approve the updated Training & Development Policy

**Attachment: 14. Training & Development Policy**

The existing policy was provided by the external consultant, Chris Rowley as part of the review of the Council in 2016. Since then, NALC published a template in December 2019 which takes a different approach. As there are merits to both documents the new policy has been drafted based on combining the relevant sections of each. Additions to the original policy are shown in blue on the draft policy attached.

**Recommendation: To approve the updated Training & Development Policy**

**15. Anti-Fraud, Bribery & Corruption Policy** – To review and approve the updated Anti-Fraud, Bribery & Corruption Policy

**Attachment: 15. Anti-Fraud, Bribery & Corruption Policy**

This policy was first adopted in May 2020 as a requirement of the Cattle Market Makers project funders. The policy has been reviewed but no updates are recommended.

**Recommendation: To confirm the reviewed Anti-Fraud, Bribery & Corruption Policy**

**16. Equality & Diversity Policy** - To review and approve the updated Equality & Diversity Policy

**Attachment: 16. Equality & Diversity Policy**

This policy was first adopted in June 2020 as a requirement of the Cattle Market Makers project funders. The policy has now been updated to include a new section on the Public Sector Equality Duty.

**Recommendation: To approve the updated Equality & Diversity Policy**

**17. Safeguarding Policy** - To review and approve the updated Safeguarding Policy  
**Attachment: 17. Safeguarding Policy**

This policy was reviewed by the safeguarding Officer prior to commencing maternity leave.

**Recommendation: To approve the updated Safeguarding Policy**

**18. Criminal Records Checks Policy** – To approve a new Criminal Records Checks Policy  
**Attachment: 18. Safeguarding Policy**

During the budget setting process, provision was made for possible basic DBS checks for all Councillors and staff, subject to the development of a suitable policy. As a result of further research, and advice and information from the Head of Legal and Governance at Cornwall Council this policy has been developed by the Communications & Engagement Committee and is recommended for adoption by Council.

**Recommendation: To approve the new Criminal Records Checks Policy**