

**REDRUTH TOWN
COUNCIL**



**CONSEL AN DRE
RESRUDH**

Redruth Civic Centre, Alma Place, Redruth, Cornwall TR15 2AT

Tel No: 01209-210038 e-mail: admin@redruth-tc.gov.uk

Town Mayor: Cllr Ms D L Reeve

Town Clerk: P B Bennett

See Distribution

Our Reference:

RTC/460/2/Mtg

Date:

13th January 2021

Dear Councillor

Audit & Accounting Governance Committee Meeting – 19th January 2021

You are summoned to attend a Meeting of the Redruth Town Council Audit & Accounting Governance Committee to be held virtually and remotely on Tuesday 19th January 2021. The meeting will commence promptly at 6:30 p.m.

The Agenda and associated papers are enclosed for your reference and information.

Yours sincerely

A handwritten signature in black ink, appearing to read 'PB', followed by a long horizontal line extending to the right.

Peter Bennett
Town Clerk

Enclosures:

Agenda and associated documentation.

Distribution:

Action:

Cllr Barnes
Cllr Biscoe
Cllr Mrs Biscoe
Cllr Brown
Cllr Mrs Davidson
Cllr Garrick
Cllr Ms Reeve
Cllr Tregunna

Information:

All other Town Councillors
Press & Public

Redruth Town Council

Audit & Accounting Governance Committee Meeting – 19th January 2021

AGENDA

PART I – PUBLIC SESSION

1. To confirm members can communicate with others at the meeting and to receive apologies for absence.
2. Members to declare any disclosable pecuniary interests or non-registerable interests (including details thereof) in respect of any item(s) on this Agenda.
3. *To suspend Standing Orders to allow the public to speak.*
4. To allow the public to put questions to the Council on any item on this agenda.
5. *To reinstate Standing Orders.*
6. To confirm the Minutes of the:
 - 6.1 Meeting of the Audit & Accounting Committee held on 19th October 2021. [Minutes attached]
7. Town Clerk's Report. [See report attached]
8. To review Income/Expenditure for the period ending December 2020. [See schedule attached]
9. To approve the list of current Direct Debit Payments. [See report attached]
10. To approve the Treasury Management Strategy for Financial Year 2020-21. [See report attached]



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Tel No: 01209-210038 e-mail: admin@redruth-tc.gov.uk

Town Mayor: Cllr Ms D L Reeve

Town Clerk: P B Bennett

Minutes of a Meeting of the Redruth Town Council Audit & Accounting Governance Committee
held virtually and remotely on Monday 19th October 2020

Present: Cllr C Garrick Chairman
Cllr S Barnes
Cllr M Brown
Cllr Ms D Reeve

In attendance: P B Bennett Town Clerk
Cllr I Thomas

PART I – PUBLIC SESSION

1371.1 **Apologies for absence.**

1371.1.1 Apologies were received from Cllrs Mrs Biscoe, Mrs Davidson and Tregunna (all had family commitments).

1371.2 **Members to declare any disclosable pecuniary interests or non-registerable interests (including details thereof) in respect of any item(s) on this Agenda.**

1371.2.1 Cllr Thomas declared an interest in Item 9 on the agenda as he has a licence with the Town Council for a unit in Market Way.

1371.3 **To confirm the minutes of:**

The Audit & Accounting Governance Committee Meeting held on 20th January 2020:

1371.3.1 RESOLVED by a majority that the minutes of the Audit & Accounting Governance Committee Meeting held on Monday 20th January 2020 were a true and accurate record of proceedings. [Proposed: Cllr Barnes; Seconded: Cllr Ms Reeve]. Cllr Garrick abstained as he was not present at the meeting.

1371.4 **Town Clerk's Report**

1371.4.1 The Town Clerk's report had been circulated prior to the meeting and was noted.

1371.4.2 Cllrs Barnes and Garrick were nominated to carry out this committee's audit checks and to report back to the meeting in January 2021.

1371.5 **To receive and interim internal audit report for the year ending 31st March 2020 from the independent internal auditor**

Unanimously RESOLVED that the interim internal audit report is noted and that the recommendations are actions accordingly. [Proposed: Cllr Ms Reeve; Seconded: Cllr Brown]

1371.6 To review Income & Expenditure for the period ending September 2020

1371.6.1 A report had been circulated to members prior to the meeting outlining income and expenditure for the period up to 30 September 2020. In particular, reference was made detailing the effects of the Covid-19 pandemic on the council's finances. Members were advised that we had received a grant of up to £15k to allow for the re-opening of the High Street, but expenditure was yet to be reclaimed. They were also advised that due to the level of reserves held, the Town Council was unable to reclaim any government grant funding initially paid to Cornwall Council and had not received any grants specific to our work and services, but that the precept had been received in full. The effect of business rate grants had no impact as we receive no business rates from the principal authority.

1371.6.2 Unanimously RESOLVED that the Income & Expenditure for the period ending September 2020 is agreed and meets the expected budgetary requirements; and that we recommence rental charges for the units in Market Way with a 50% charge for November and December 2020, resuming to 100% charges from January 2021, subject to changes in national guidelines . [Proposed: Cllr Ms Reeve; Seconded: Cllr Brown]

1371.7 To consider and approve the consolidation of Ear Marked Reserves

1371.7.1 A report had been circulated identifying where we could consolidate the reserves held by the Council.

1371.7.2 Unanimously RESOLVED to consolidate ear marked reserves in accordance with the report. [Proposed: Cllr Ms Reeve; Seconded: Cllr Barnes]

1371.8 To review the effectiveness of our system of internal audit Internal Controls

1371.8.1 A report had been circulated prior to the meeting outlining the system of internal audit procedures currently used by the Council during FY 2020-21. This matter was considered and discussed in depth.

1371.8.2 Unanimously RESOLVED that the committee make a recommendation to Council that our system of internal audit for FY 2020-21 is considered effective and meets the requirements of the Council. [Proposed: Cllr Ms Reeve; Seconded: Cllr Brown]

1371.9 To review the Town Council's Risk Assessment of Financial Management

1371.9.1 Members considered a report circulated prior to the meeting outlining the Council's Risk Assessment of Financial Management.

1371.9.2 Unanimously RESOLVED that the Council's Risk Assessment of Financial Management is considered effective and meets the requirements of the Council. [Proposed: Cllr Barnes; Seconded: Cllr Brown]

Chairman

Redruth Town Council

Town Clerks Report – Audit & Accounting Governance Committee

Meeting Date: 19th January 2021

Min No	Item	Action	Response
1371.4	Quarterly inspections by Committee Members	Recommence inspections	Two Members to be nominated to carry out inspection and report to next meeting in April 2021, subject to current guidelines.
Other	Town Council Accounts for year ended 31 st March 2020.	AGAR and other documentation submitted following approval at Council meeting held on 6 th July 2020.	External Auditor response dealt with at Council meeting of 26 th October 2020.

Detailed Income & Expenditure by Budget Heading 31/12/2020

Month No: 9

Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
101 Administration-Staff Costs						
4101 Wages/Salaries	176,022	273,551	97,529		97,529	64.3%
4102 Tax/NIC	35,882	60,894	25,012		25,012	58.9%
4104 Pensions	40,326	63,628	23,302		23,302	63.4%
Administration-Staff Costs :- Indirect Expenditure	252,231	398,073	145,843	0	145,843	63.4%
Net Expenditure	(252,231)	(398,073)	(145,843)			
102 General Administration						
1100 Income-Miscellaneous	60	0	(60)			0.0%
1176 Precept Received	720,615	720,615	0			100.0%
1177 CTSG Received	32,725	32,725	0			100.0%
1190 Interest Received	450	0	(450)			0.0%
General Administration :- Income	753,849	753,340	(509)			100.1%
4201 Stationery	613	1,000	388		388	61.3%
4202 Telephone/Internet	796	1,500	704		704	53.1%
4203 Mobile Phones	662	1,500	838		838	44.2%
4204 Annual Subscriptions	7,740	6,500	(1,240)		(1,240)	119.1%
4205 Photocopier Contract	1,181	1,650	469		469	71.6%
4206 Postage	611	700	89		89	87.3%
4207 Advertising	0	1,000	1,000		1,000	0.0%
4208 Audit	1,250	2,500	1,250		1,250	50.0%
4210 Mayor's Budget	147	2,000	1,853		1,853	7.3%
4212 Development Resources	1,450	1,000	(450)		(450)	145.0%
4213 Tablets	2,323	2,500	177		177	92.9%
4214 Newspapers	0	260	260		260	0.0%
4215 Refreshments	20	400	380		380	5.0%
4216 Volunteer Support Fund	0	500	500		500	0.0%
4217 Lib Events & Activities	0	500	500		500	0.0%
4220 Miscellaneous Expenses	234	200	(34)		(34)	117.0%
4221 Loan Repayment	17,532	17,532	0		0	100.0%
4703 Office Equipment	118	0	(118)		(118)	0.0%
General Administration :- Indirect Expenditure	34,675	41,242	6,567	0	6,567	84.1%
Net Income over Expenditure	719,174	712,098	(7,076)			
6001 less Transfer to EMR	16,362					
Movement to/(from) Gen Reserve	702,812					

Detailed Income & Expenditure by Budget Heading 31/12/2020

Month No: 9

Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
201 Christmas Festival						
4220 Miscellaneous Expenses	0	100	100		100	0.0%
4304 Christmas Lights	17,159	17,200	41		41	99.8%
4305 Christmas Events	0	6,000	6,000		6,000	0.0%
Christmas Festival :- Indirect Expenditure	<u>17,159</u>	<u>23,300</u>	<u>6,141</u>	<u>0</u>	<u>6,141</u>	<u>73.6%</u>
Net Expenditure	<u>(17,159)</u>	<u>(23,300)</u>	<u>(6,141)</u>			
202 Section 137 Floral Displays						
4306 Floral Displays	0	15,000	15,000		15,000	0.0%
Section 137 Floral Displays :- Indirect Expenditure	<u>0</u>	<u>15,000</u>	<u>15,000</u>	<u>0</u>	<u>15,000</u>	<u>0.0%</u>
Net Expenditure	<u>0</u>	<u>(15,000)</u>	<u>(15,000)</u>			
203 Administration Services						
4207 Advertising	308	2,200	1,892		1,892	14.0%
4701 Elections	0	5,000	5,000		5,000	0.0%
4703 Office Equipment	0	500	500		500	0.0%
4706 Council Website	140	700	560		560	20.0%
4708 Training	720	7,500	6,780		6,780	9.6%
4709 Donations	0	5,000	5,000		5,000	0.0%
4710 Christmas Goodwill	0	500	500		500	0.0%
4711 Youth Council	0	1,500	1,500		1,500	0.0%
4715 Town Website	690	400	(290)		(290)	172.5%
4716 Remembrance	0	850	850		850	0.0%
4718 Town Guide	3,035	6,200	3,165		3,165	49.0%
4719 C4L	0	2,500	2,500		2,500	0.0%
4720 Plastic Champion	0	500	500		500	0.0%
Administration Services :- Indirect Expenditure	<u>4,893</u>	<u>33,350</u>	<u>28,457</u>	<u>0</u>	<u>28,457</u>	<u>14.7%</u>
Net Expenditure	<u>(4,893)</u>	<u>(33,350)</u>	<u>(28,457)</u>			
204 RIM&PF						
4401 Marshals	0	500	500		500	0.0%
4402 Music Acts	453	3,000	2,547		2,547	15.1%
4404 Marketing/Advertising	0	2,700	2,700		2,700	0.0%
4405 Equip/Toilets/Tables/Chairs	0	1,000	1,000		1,000	0.0%
4407 First Aid	0	460	460		460	0.0%
4408 Bunting	0	275	275		275	0.0%
4410 Marquees	0	750	750		750	0.0%

Detailed Income & Expenditure by Budget Heading 31/12/2020

Month No: 9

Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
4413 Road Closures/Licenses	0	100	100		100	0.0%
4414 Hospitality	0	100	100		100	0.0%
4416 Fun Day	0	400	400		400	0.0%
4419 Generators	0	1,200	1,200		1,200	0.0%
4421 Electricity	0	50	50		50	0.0%
RIM&PF :- Indirect Expenditure	453	10,535	10,082	0	10,082	4.3%
Net Expenditure	(453)	(10,535)	(10,082)			
<u>205 Murdoch</u>						
4401 Marshals	10	1,000	990		990	1.0%
4402 Music Acts	724	1,200	476		476	60.4%
4403 Street Ents	0	1,000	1,000		1,000	0.0%
4404 Marketing/Advertising	150	1,000	850		850	15.0%
4405 Equip/Toilets/Tables/Chairs	0	300	300		300	0.0%
4407 First Aid	0	460	460		460	0.0%
4408 Bunting	0	275	275		275	0.0%
4410 Marquees	0	900	900		900	0.0%
4411 Stage	0	900	900		900	0.0%
4412 Market Stalls	0	1,250	1,250		1,250	0.0%
4413 Road Closures/Licenses	0	420	420		420	0.0%
4415 Misc Expenses	210	300	90		90	69.9%
4418 Afternoon Dance	0	200	200		200	0.0%
4427 Schools	0	1,650	1,650		1,650	0.0%
Murdoch :- Indirect Expenditure	1,094	10,855	9,761	0	9,761	10.1%
Net Expenditure	(1,094)	(10,855)	(9,761)			
<u>206 St Piran Festival</u>						
4401 Marshals	0	350	350		350	0.0%
4402 Music Acts	0	3,000	3,000		3,000	0.0%
4405 Equip/Toilets/Tables/Chairs	0	250	250		250	0.0%
4406 Printing Programmes	0	500	500		500	0.0%
4408 Bunting	0	275	275		275	0.0%
4413 Road Closures/Licenses	0	75	75		75	0.0%
4430 Transport	0	350	350		350	0.0%
St Piran Festival :- Indirect Expenditure	0	4,800	4,800	0	4,800	0.0%
Net Expenditure	0	(4,800)	(4,800)			

Detailed Income & Expenditure by Budget Heading 31/12/2020

Month No: 9

Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
207 Amenities Services						
4601 Non-domestic Business Rate	3,182	0	(3,182)		(3,182)	0.0%
4604 Electricity	180	0	(180)		(180)	0.0%
Amenities Services :- Indirect Expenditure	3,362	0	(3,362)	0	(3,362)	
Net Expenditure	(3,362)	0	3,362			
210 Other Services						
1080 Income-Footpaths	0	1,668	1,668			0.0%
Other Services :- Income	0	1,668	1,668			
4501 Purchases & Works	5,731	6,500	769		769	88.2%
4506 Signs	0	5,500	5,500		5,500	0.0%
4507 Town Clock Maintenance	246	1,500	1,254		1,254	16.4%
4514 CCTV Monitoring	8,008	8,000	(8)		(8)	100.1%
4515 CCTV R&M	3,364	4,100	736		736	82.0%
4516 CCTV Capital	0	3,500	3,500		3,500	0.0%
4520 Weed Control	4,772	5,000	228		228	95.4%
4521 Vehicle Fuel	702	2,500	1,798		1,798	28.1%
4522 Machinery Fuel	192	1,000	808		808	19.2%
4523 Floral Displays	5,934	0	(5,934)		(5,934)	0.0%
4524 GWaT Maintenance	2,812	5,000	2,188		2,188	56.2%
Other Services :- Indirect Expenditure	31,761	42,600	10,839	0	10,839	74.6%
Net Income over Expenditure	(31,761)	(40,932)	(9,171)			
301 The Chamber						
1001 Income-Rent-KCU	0	3,000	3,000			0.0%
The Chamber :- Income	0	3,000	3,000			0.0%
4209 Insurance	6,250	6,250	0		0	100.0%
4601 Non-domestic Business Rate	9,656	10,600	945		945	91.1%
4602 Gas	787	2,000	1,213		1,213	39.3%
4603 Water	1,278	500	(778)		(778)	255.6%
4604 Electricity	3,570	500	(3,070)		(3,070)	714.1%
4605 Waste	644	0	(644)		(644)	0.0%
4606 Lifts	170	420	250		250	40.5%
4610 Building Maintenance	796	10,000	9,204		9,204	8.0%
4611 Air Conditioning	0	800	800		800	0.0%
4615 Hygiene Contracts	0	360	360		360	0.0%
4616 Security Systems	0	350	350		350	0.0%
The Chamber :- Indirect Expenditure	23,151	31,780	8,629	0	8,629	72.8%
Net Income over Expenditure	(23,151)	(28,780)	(5,629)			

Detailed Income & Expenditure by Budget Heading 31/12/2020

Month No: 9

Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
302 Market Way						
1002 Income - MW Retail	2,950	27,000	24,050			10.9%
Market Way :- Income	2,950	27,000	24,050			10.9%
4209 Insurance	3,424	0	(3,424)		(3,424)	0.0%
4220 Miscellaneous Expenses	0	3,800	3,800		3,800	0.0%
4601 Non-domestic Business Rate	33,128	27,000	(6,128)		(6,128)	122.7%
4602 Gas	1,541	3,000	1,459		1,459	51.4%
4603 Water	0	3,000	3,000		3,000	0.0%
4604 Electricity	9,826	8,000	(1,826)		(1,826)	122.8%
4605 Waste	1,065	4,000	2,935		2,935	26.6%
4606 Lifts	85	420	335		335	20.2%
4607 Cleaning	10,366	12,500	2,134		2,134	82.9%
4610 Building Maintenance	12,844	5,000	(7,844)		(7,844)	256.9%
4611 Air Conditioning	0	1,500	1,500		1,500	0.0%
4615 Hygiene Contracts	731	2,000	1,269		1,269	36.5%
4616 Security Systems	823	1,500	677		677	54.9%
Market Way :- Indirect Expenditure	73,833	71,720	(2,113)	0	(2,113)	102.9%
Net Income over Expenditure	(70,883)	(44,720)	26,163			
303 Library						
1020 Income - Fines/Lost Items	5	0	(5)			0.0%
1022 Income - Photocopy	46	0	(46)			0.0%
1027 Income - Sale of Books	135	0	(135)			0.0%
1028 Income - Seagull Sacks	126	0	(126)			0.0%
Library :- Income	312	0	(312)			
4214 Newspapers	0	340	340		340	0.0%
4601 Non-domestic Business Rate	129	0	(129)		(129)	0.0%
4603 Water	1,918	0	(1,918)		(1,918)	0.0%
4604 Electricity	4,661	0	(4,661)		(4,661)	0.0%
4605 Waste	107	0	(107)		(107)	0.0%
4610 Building Maintenance	168	0	(168)		(168)	0.0%
Library :- Indirect Expenditure	6,982	340	(6,642)	0	(6,642)	2053.6%
Net Income over Expenditure	(6,670)	(340)	6,330			
304 Public Toilets						
1085 Income - Toilets	320	4,000	3,680			8.0%
Public Toilets :- Income	320	4,000	3,680			8.0%

Detailed Income & Expenditure by Budget Heading 31/12/2020

Month No: 9

Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
4601 Non-domestic Business Rate	2,471	3,500	1,030		1,030	70.6%
4603 Water	781	2,500	1,719		1,719	31.2%
4604 Electricity	356	1,000	644		644	35.6%
4607 Cleaning	5,980	10,500	4,520		4,520	57.0%
4610 Building Maintenance	28	1,000	972		972	2.8%
4615 Hygene Contracts	458	375	(83)		(83)	122.1%
Public Toilets :- Indirect Expenditure	10,073	18,875	8,802	0	8,802	53.4%
Net Income over Expenditure	(9,753)	(14,875)	(5,122)			
305 St Rumons Gardens						
4603 Water	36	50	14		14	71.2%
4604 Electricity	1,614	320	(1,294)		(1,294)	504.2%
4605 Waste	867	860	(7)		(7)	100.8%
4610 Building Maintenance	0	500	500		500	0.0%
St Rumons Gardens :- Indirect Expenditure	2,516	1,730	(786)	0	(786)	145.5%
Net Expenditure	(2,516)	(1,730)	786			
306 EEPF						
4511 Grounds Maintenance	2,008	2,800	792		792	71.7%
4512 Play Equipment Inspections	69	250	182		182	27.4%
4513 Play Equipment Maintenance	100	1,500	1,400		1,400	6.7%
4605 Waste	978	970	(8)		(8)	100.8%
EEPF :- Indirect Expenditure	3,155	5,520	2,365	0	2,365	57.2%
Net Expenditure	(3,155)	(5,520)	(2,365)			
307 Plain-an-Gwarry						
4512 Play Equipment Inspections	301	250	(51)		(51)	120.2%
4513 Play Equipment Maintenance	0	1,500	1,500		1,500	0.0%
4605 Waste	612	620	8		8	98.8%
Plain-an-Gwarry :- Indirect Expenditure	913	2,370	1,457	0	1,457	38.5%
Net Expenditure	(913)	(2,370)	(1,457)			
320 Capital Expenditure						
4503 Climate Change	0	20,000	20,000		20,000	0.0%
4504 Bus Shelters	0	2,000	2,000		2,000	0.0%
4508 Compound Rent	1,500	2,000	500		500	75.0%
4510 Vehicles	11,226	17,700	6,474		6,474	63.4%

Detailed Income & Expenditure by Budget Heading 31/12/2020

Month No: 9

Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
4603 Water	0	800	800		800	0.0%
4604 Electricity	0	800	800		800	0.0%
Capital Expenditure :- Indirect Expenditure	12,726	43,300	30,574	0	30,574	29.4%
Net Expenditure	(12,726)	(43,300)	(30,574)			
999 Ear Marked Reserves						
1079 Income Grants	8,600	0	(8,600)			0.0%
Ear Marked Reserves :- Income	8,600	0	(8,600)			
4902 Office Equipment EMR	6,109	6,109	0		0	100.0%
4903 Elections EMR	0	13,533	13,533		13,533	0.0%
4904 Playgrounds EMR	0	11,770	11,770		11,770	0.0%
4905 Grounds Equipment EMR	0	5,731	5,731		5,731	0.0%
4907 Regeneration EMR	200	200	0		0	100.0%
4908 SK8 Park	416	24,066	23,650		23,650	1.7%
4909 Bus Shelters EMR	0	1,988	1,988		1,988	0.0%
4910 Station Hill Site EMR	0	1,200	1,200		1,200	0.0%
4911 Signs EMR	0	442	442		442	0.0%
4912 Training EMR	0	531	531		531	0.0%
4913 Website EMR	0	1,622	1,622		1,622	0.0%
4914 Building Contingency	22,633	41,397	18,765		18,765	54.7%
4915 Running Costs EMR	0	4,659	4,659		4,659	0.0%
4917 Receptions EMR	0	650	650		650	0.0%
4918 Tourism EMR	95	1,251	1,156		1,156	7.6%
4921 Neighbourhood Plan EMR	4,898	2,343	(2,555)		(2,555)	209.0%
4922 Members Allowances EMR	183	183	0		0	99.8%
4923 Vehicles EMR	1,589	1,589	0		0	100.0%
4924 Mayors Allowance EMR	0	3,466	3,466		3,466	0.0%
4925 CCTV	0	2,719	2,719		2,719	0.0%
4926 Building Maintenance EMR	1,429	0	(1,429)		(1,429)	0.0%
4927 Public Realms	0	2,000	2,000		2,000	0.0%
4928 Christmas Lights EMR	0	1,479	1,479		1,479	0.0%
4929 Transition	42,644	68,046	25,402		25,402	62.7%
4930 Town Trail Leaflets	0	5,637	5,637		5,637	0.0%
4931 Toilets	949	15,348	14,399		14,399	6.2%
4934 Bunting/Flags	0	2,427	2,427		2,427	0.0%
4935 Youth Council	0	1,410	1,410		1,410	0.0%
4936 Redruth Community Centre	0	9,000	9,000		9,000	0.0%
4937 Legacy	0	2,500	2,500		2,500	0.0%
4940 Events Contingency EMR	4,365	5,123	758		758	85.2%

Detailed Income & Expenditure by Budget Heading 31/12/2020

Month No: 9

Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
4942 Advertising EMR	0	2,860	2,860		2,860	0.0%
4943 Market Way EMR	0	12,976	12,976		12,976	0.0%
4944 Library EMR	18,693	0	(18,693)		(18,693)	0.0%
4945 PWLB EMR	18,000	18,000	0		0	100.0%
4946 CIL	(12,428)	0	12,428		12,428	0.0%
Ear Marked Reserves :- Indirect Expenditure	109,775	272,255	162,480	0	162,480	40.3%
Net Income over Expenditure	(101,175)	(272,255)	(171,080)			
6000 plus Transfer from EMR	122,203					
6001 less Transfer to EMR	21,028					
Movement to/(from) Gen Reserve	0					
Grand Totals:- Income	766,032	789,008	22,976			97.1%
Expenditure	588,752	1,027,645	438,893	0	438,893	57.3%
Net Income over Expenditure	177,280	(238,637)	(415,917)			
plus Transfer from EMR	122,203					
less Transfer to EMR	37,390					
Movement to/(from) Gen Reserve	262,092					

REDRUTH TOWN COUNCIL

REPORT FOR: Meeting of the Audit & Accounting Governance Committee on 19th January 2021

1.0 SUBJECT OF REPORT: To approve the list of current Direct Debit Payments

2.0 SUMMARY OF IMPLICATIONS

- a. Policy - Yes
- b. Financial - No
- c. Legal - No

3.0 TERMS OF REFERENCE

- 3.1 Council are required to approve annually those Direct Debits which have been set up in the Council's name

4.0 REPORT

- 4.1 When setting up Direct Debits from the Council's bank, two Members and the Clerk sign to ensure that our mandate is met. This approval lasts for the duration of the Direct Debit, though they should be approved annually.
- 4.2 Attached therefore is a list of all those variable Direct Debits payments for review and approval:

<u>Company</u>	<u>Reference</u>	<u>Purpose</u>	<u>Date Paid</u>
BIFFA Waste Service	R36029	Waste Contracts at Chambers/RCC	04-Jan-21
Cornwall Council	800297361	NDBR	04-Jan-21
Cornwall Council	802378181	NDBR	02-May-17
Cornwall Council	802658743	NDBR	04-Jan-21
Cornwall Council	802549460	NDBR	04-Jan-21
De Lage Landen Lea	95340449882	Photocopier Lease	07-Oct-20
Francotyp-Postalia	T030478	Franking Machine	17-Mar-20
Francotyp-Postalia	500604	Franking Machine	04-Jan-21
GC Re Sage Software	GDNV9Y	Sage Cover	16-Dec-20
Lloyds Bank Corporate	5.56314E+15	Credit Card	16-Dec-20
Opie Oils	A03399	Machinery Fuel	15-Oct-20
Public Work Loan Board	REDRUTH	Public Works Loan Board	02-Nov-20
South West Water	1072124801	Water Charges - Chambers	04-Jan-21
South West Water	2147244101	Water Charges – St Rumon's Gardens	04-Jan-21
Total Gas & Power	1178442	Electricity Charges	22-Dec-20
Total Gas & Power	1178436	Electricity Charges	22-Dec-20
Total Gas & Power	1184137	Electricity Charges	22-Dec-20
Total Gas & Power	1178443	Electricity Charges	22-Dec-20
Total Gas & Power	1178438	Electricity Charges	22-Dec-20

Total Gas & Power	1179353	Electricity Charges	22-Dec-20
Total Gas & Power	1051013	Electricity Charges	22-Dec-20
UK Fuels Ltd	FLO00001837	Fuel Charges	29-Dec-20

5.0 **RECOMMENDATIONS**

- 5.1 It is recommended that this committee approve the renewal/continuation of the authority for the current variable direct debit payments.

P B Bennett
Town Clerk & Responsible Financial Officer

REPORT FOR: Audit & Accounting Governance Committee Meeting of 19th January 2021

1.0 SUBJECT OF REPORT: To approve the Treasury Management Strategy for Financial Year 2020-21

2.0 SUMMARY OF IMPLICATIONS

- a. Policy - Yes
- b. Financial - No
- c. Legal - No

3.0 TERMS OF REFERENCE

3.1 Council are required to issue a Treasury Management Strategy on an annual basis in accordance with the guidance laid down within the Local Government Act 2003, as amended, as our total investments exceed or are expected to exceed £100,000.

4.0 REPORT

4.1 Using the statutory guidance on Local Government Investments, I have prepared a Treasury Management Strategy (last updated in October 2019), and this is attached for your information. We are required to produce a strategy each financial year, so this will be brought back to committee on an annual basis for review, although I do not see many changes being made within the coming years, and in fact it is recommended that the strategy remain as previously approved. It is hoped that the information provided within the strategy is straightforward and self-explanatory.

5.0 RECOMMENDATIONS

5.1 It is recommended that this committee consider the proposed Treasury Management Strategy 2020-21 as attached.

P B Bennett
Town Clerk & Responsible Financial Officer

Encs.

REDRUTH TOWN COUNCIL
TREASURY MANAGEMENT STRATEGY
FINANCIAL YEAR 2020-21

1. Overview

This document gives guidance on borrowing and investments by Redruth Town Council in accordance with 'the Local Government Act 2003'. It highlights that the Council is committed to professional Treasury Management practices to ensure that:

- Capital expenditure plans are affordable
- All external borrowing and other long-term liabilities are within prudent and sustainable levels, and
- Treasury Management decisions are taken in accordance with good professional practice.

The CIPFA Treasury Management Code of Practice defines Treasury Management as:

"The management of the Council's cashflows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

2. INVESTMENT STRATEGY

2.1 Introduction

The Council acknowledges the importance of prudently investing the temporarily surplus funds held on behalf of the community.

This Strategy complies with the requirements set out in the Department for Communities and Local Government's Guidance on *Local Government Investments* and Chartered Institute of Public Finance and Accountancy's *Treasury Management in Public Services: Code of Practice and Cross Sectoral Guidance Notes* and takes account of Section 15(1)(a) of the Local Government Act 2003, as amended.

2.2 Investment Objectives

In accordance with Section 15(1) of the 2003 Act, the Council will *have regard to (a) such guidance as the Secretary of State may issue, and (b) to such other guidance as the Secretary of State may by regulations specify.*

The Council's investment priorities are the security of reserves and liquidity of its investments.

The Council will aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity.

All investments will be made in sterling.

The Ministry of Housing Communities and Local Government maintains that borrowing of monies purely to invest, or to lend and make a return, is unlawful and this Council will not engage in such activity.

Where external investment managers are used, they will be contractually required to comply with the Strategy.

2.3 Specified Investments

Specified Investments are those offering high security and high liquidity, made in sterling and which mature in no more than a year. Such short-term investments made with the UK

Government or a local authority or town or parish council will automatically be Specified Investments.

For the prudent management of its treasury balances, maintaining sufficient levels of security and liquidity, Redruth Town Council will only consider using:

- Deposits with UK Clearing banks, building societies, local authorities or other public authorities
- The debt management agency of HM Government
- Cornwall Council variable deposit scheme
- CCLA Public Sector Deposit Fund.

2.4 Non-Specified Investments

These investments have greater potential risk – examples include investment in the money market, stocks and shares.

Given the unpredictability and uncertainties surrounding such investments, Redruth Town Council will not use this type of investment.

2.5 Liquidity of Investments

The Town Clerk, as Responsible Finance Officer, will determine the maximum periods for which funds may prudently be committed so as not to compromise liquidity and may transfer up to £100,000 between bank accounts as appropriate to take advantage of interest bearing deposit accounts while maintaining sufficient liquidity. Larger investments should be in accordance with this strategy and only be undertaken following consultation with the Audit & Accounting Governance Committee. Such investments will be subject to two signatures as with all payments.

Investments will be regarded as commencing on the date the commitment to invest is entered into, rather than the date on which the funds are paid over to the counterparty.

2.6 Long Term Investments

Long term investments are defined in the Guidance as greater than 12 months.

The Council does not currently hold any long-term investments.

No long-term investments are currently envisaged due to large expenditure associated with moving of assets and locations.

2.7 End of Year Investment Report

Investment forecasts for the coming financial year were accounted for when the budget was prepared. At the end of the financial year, the Town Clerk will report on investment activity to the Audit & Accounting Governance Committee.

3. EXTERNAL BORROWING STRATEGY

3.1 Introduction

The Council acknowledges the importance of borrowing funds and the financial impact on the Council and the local community. The Council will agree borrowing for specific capital projects (as defined in section 16 of the 2003 Act) and gain approval for borrowing by sending an application to the National Association of Local Councils (NALC). All borrowings must be approved by the full Council.

3.2 Principles

Before a council can borrow a sum of money, it must first receive an approval to borrow (loan sanction) from the Secretary of State by way of the Ministry of Housing Communities and Local Government (MHCLG), unless it is for a temporary loan or overdraft from a bank

or otherwise of sums which the council may temporarily require to meet revenue expenditure.

The process to be followed and the criteria applied in deciding whether or not approval should be forthcoming, are detailed in the Guide to Parish and Town Council Borrowing in England, jointly published by MHCLG and NALC.

The Council is only authorised to borrow a maximum of £500,000 in any single financial year for any single purpose.

The Council will ensure the following criteria when considering requesting a borrowing approval:

The borrowing should be only be used for the purpose of Capital expenditure as defined by Section 16 of the Local Government Act 2003.

- The borrowing amount should not be less than £5 multiplied by the number of local government electors in the area of the Council on the first day of the current financial year (1 April)
- Any unallocated balances including, where appropriate capital receipts beyond those required for the prudent financial management of the council, should be used in the project for which the borrowing is required.
- The Council should have a realistic budget for the servicing and repayment of the debt, taking into account the future effect on the council's precept and cashflow.
- The Council must not mortgage or charge any of its property as security for money borrowed.

3.3 Interest Rates

The Council will look around for the best possible terms when borrowing but will usually use the Public Works Loan Board (PWLB).

The Council feels that the fixed term rates offered by the PWLB are relatively cheap and that PWLB loans are most likely to offer stability for the financial planning of the council.

3.4 Period of Loan

The Council will determine the period of each loan which should not exceed the period for which the expenditure is forecast to provide benefit to the Council i.e. useful life of the asset.

The maximum period will begin on the date on which the money is borrowed, and will be;

- 50 years for acquisition of, or work on or to, land, buildings, roads or structures or
- 10 years in all other cases.

3.5 Current External Borrowing

The Town Council currently has a loan of £275,000 from PWLB repayable over 25 years on an Equal Instalments of Principle (EIP) basis. This loan commenced in November 2017 and was required for the acquisition of the Cornwall Centre building in Alma Place, Redruth.

3.6 Further Anticipated External Borrowing

The Council has no plans currently to incur capital expenditure which will require a loan sanction or external borrowing.

4. Review and Amendment of Regulations

This Strategy will be reviewed annually. The Annual Strategy for the coming financial year will be prepared by the Town Clerk and presented for approval to the Finance and General Purposes Committee.

The Council reserves the right to make variations to the Strategy at any time, subject to the approval of the full Council. Any variations will be made available to the public.

5. **Disability Discrimination Act 1995**

Copies of this document in large print (A3 Format) or larger font size, or recorded onto tape as a 'talking book' can be made available for those with sight impairment on request from the Council Office or by telephoning 01209 210038 or e-mailing admin@redruth-tc.gov.uk

The Council can also arrange to provide versions in other languages.

6. **Freedom of Information**

In accordance with the Freedom of Information Act 2000, this Document will be posted on the Council's website.