



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

Tel No: 01209-210038 e-mail: [admin@redruth-tc.gov.uk](mailto:admin@redruth-tc.gov.uk)

**Town Mayor: Cllr M J Brown**

**Town Clerk: P B Bennett**

*Our Reference:*  
RTC/460/2/Mtg  
*Date:*  
14<sup>th</sup> July 2021

See Distribution

Dear Councillor

**Audit & Accounting Governance Committee Meeting – 19<sup>th</sup> July 2021**

You are summoned to attend a Meeting of the Redruth Town Council Audit & Accounting Governance Committee to be held which will be held in the Langman Room, Redruth Civic Centre, Alma Place, on Monday 19<sup>th</sup> July 2021, commencing at 7 p.m.

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

In order to comply with Covid-19 guidelines, and to restrict possible contact, Members are asked not to attend the Council building before 6:50 p.m. Entry to the building will be through the main access doors to the Library, and we ask that you wear a face covering unless exempt and sanitise hands on entry. At the conclusion of the meeting members are asked to vacate the building promptly through the external door in the Langman Room to Alma Place.

Yours sincerely

A handwritten signature in black ink, appearing to read 'PB', with 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 Craze  
Cllr Ms Reeve  
Cllr Thomas  
Cllr Tremayne  
Admin & Finance Assistant

Information:

All other Town Councillors  
Press & Public

**Redruth Town Council**

**Audit & Accounting Governance Committee Meeting – 19<sup>th</sup> July 2021**

**AGENDA**

**PART I – PUBLIC SESSION**

1. 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 20<sup>th</sup> April 2021. [Minutes attached]
7. Town Clerk's Report.
8. To review Income/Expenditure for the period ending June 2021. [See schedule attached]
9. To approve the Treasury Management Strategy for Financial Year 2021-22. [See report attached]



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**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 Tuesday 20<sup>th</sup> April 2021

Present: Cllr C Garrick Chairman  
Cllr S Barnes  
Cllr Mrs A Biscoe  
Cllr H Biscoe  
Cllr M Brown  
Cllr Ms D Reeve

In attendance: P B Bennett Town Clerk  
Mrs J Pascoe Admin & Finance Assistant  
Cllr I Thomas

PART I – PUBLIC SESSION

- 1405.1 **To confirm Members can communicate with others at the meeting and to receive apologies for absence.**
- 1405.1.1 All Members confirmed that they could communicate with others at the meeting, and apologies were received from Cllrs Mrs Davidson (other commitments) and Tregunna (unwell).
- 1405.2 **Members to declare any disclosable pecuniary interests or non-registerable interests (including details thereof) in respect of any item(s) on this Agenda.**
- 1405.2.1 There were no interest declared.
- 1405.3 **To confirm the minutes of:**  
*The Audit & Accounting Governance Committee Meeting held on 19<sup>th</sup> January 2021:*
- 1405.3.1 Unanimously RESOLVED that the minutes of the Audit & Accounting Governance Committee Meeting held on Monday 19<sup>th</sup> January 2021 were a true and accurate record of proceedings. [Proposed: Cllr Reeve; Seconded: Cllr Brown].
- 1405.4 **Town Clerk's Report**
- 1405.4.1 The Town Clerk's report had been circulated prior to the meeting and was noted.
- 1405.4.2 Cllrs Barnes and H Biscoe were nominated to carry out this committee's audit checks, if guidelines allow, and to report back to the meeting in July 2021.

**1405.5 To review Ear Marked Reserves (EMRs)/General Fund at the year ended 31<sup>st</sup> March 2021**

1405.5.1 A report had been circulated to members prior to the meeting outlining recommendations in relation to EMRs and the level of the General Fund at the year end. The matter was discussed in some detail with some transfers to EMRs regular and others to allow additional expenditure in relation to proposals for the forthcoming financial year.

1405.5.2 Unanimously RESOLVED that the following amounts in budget headings be transferred at the year-end – Staff Costs, £40100; Mayors Allowance £1853; Events Contingency £10000; Elections £500; Signs £5500; CCTV £3500; Floral Displays £6000; Climate Change £20000; and Bus Shelters £2000. [Proposed: Cllr Barnes; Seconded: Cllr Reeve]

**1405.6 To consider the Town Council Accounts for the year ended 31<sup>st</sup> March 2021 and to make recommendations to Council**

1405.6.1 A report had been circulated prior to the meeting with a completed Annual Return, a copy of the Annual Internal Audit Report and other associated documentation required by the external auditor as part of the year end process. Members discussed each of the documents in turn and it was agreed that the Chairman of Audit & Accounting Governance submit a report to the next Council meeting recommending that Council approve the Accounts as submitted.

1405.6.2 Unanimously RESOLVED that

- a. this committee recommends that Council approves the Annual Governance Statement in Section 1 of the Annual Return, as outlined above, and primarily evidenced by the work of our independent internal auditor and this committee's work on internal audit checks, thereby accepting our responsibility for the preparation of the statement of accounts and for the Council's internal controls.
- b. this Committee recommends to the Council that the Accounting Statements 2020-21 for the Town Council be approved and signed off at Section 2 of the Annual Return.
- b. this committee recommends that Council in approving the Statement of Accounts in Section 1 of the Annual Return confirms the explanation of the variances exceeding +/- 15% for Boxes 2, 3, and 6, and the difference between Boxes 7 & 8.
- c. this committee approves the details to be included in our response to the intermediate level review, as outlined above.
- d. this committee recommends the Council notes with gratitude the work of the internal independent auditor and his reports.

[Proposed: Cllr Biscoe; Seconded: Cllr Brown]

**Chairman**

**Redruth Town Council**

**Town Clerks Report – Audit & Accounting Governance Committee**

**Meeting Date: 19<sup>th</sup> July 2021**

<b>Min No</b>	<b>Item</b>	<b>Action</b>	<b>Response</b>
1405.4	Quarterly Checks by nominated Committee Members		2 Members to be nominated for quarterly checks and report back to October meeting
1405.6	Town Council Accounts for year ended 31 <sup>st</sup> March 2020.	AGAR and other documentation submitted following approval at Council meeting held on 26 <sup>th</sup> April 2021.	Accounts currently under scrutiny of public rights and examination by the external auditor (period ends 23 <sup>rd</sup> July 2021) Likely to receive audited accounts during next month.

## Detailed Income &amp; Expenditure by Budget Heading 30/06/2021

Month No: 3

## Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
<b>101 Administration-Staff Costs</b>						
4101 Wages/Salaries	66,624	329,222	262,598		262,598	20.2%
4102 Tax/NIC	12,971	91,748	78,777		78,777	14.1%
4103 Mileage	0	88,878	88,878		88,878	0.0%
4104 Pensions	(5,063)	0	5,063		5,063	0.0%
Administration-Staff Costs :- Indirect Expenditure	<b>74,532</b>	<b>509,848</b>	<b>435,316</b>	<b>0</b>	<b>435,316</b>	<b>14.6%</b>
<b>Net Expenditure</b>	<b>(74,532)</b>	<b>(509,848)</b>	<b>(435,316)</b>			
<b>102 General Administration</b>						
1176 Precept Received	422,438	844,876	422,438			50.0%
1177 CTSG Received	15,473	0	(15,473)			0.0%
General Administration :- Income	<b>437,911</b>	<b>844,876</b>	<b>406,965</b>			<b>51.8%</b>
4104 Pensions	17,917	0	(17,917)		(17,917)	0.0%
4201 Stationery	171	1,200	1,029		1,029	14.2%
4202 Telephone/Internet	476	690	214		214	69.0%
4203 Mobile Phones	552	2,500	1,948		1,948	22.1%
4204 Annual Subscriptions	4,713	7,620	2,907		2,907	61.9%
4205 Photocopier Contract	286	1,250	964		964	22.8%
4206 Postage	178	700	522		522	25.4%
4207 Advertising	0	1,000	1,000		1,000	0.0%
4208 Audit	(1,550)	3,250	4,800		4,800	(47.7%)
4210 Mayor's Budget	0	2,000	2,000		2,000	0.0%
4212 Development Resources	0	1,000	1,000		1,000	0.0%
4213 Tablets	766	3,065	2,299		2,299	25.0%
4214 Newspapers	0	340	340		340	0.0%
4215 Refreshments	0	400	400		400	0.0%
4216 Volunteer Support Fund	0	500	500		500	0.0%
4217 Lib Events & Activities	0	500	500		500	0.0%
4220 Miscellaneous Expenses	0	200	200		200	0.0%
4221 Loan Repayment	8,658	17,388	8,730		8,730	49.8%
4222 IT Support	403	8,560	8,157		8,157	4.7%
4223 HR Outsourcing	7,990	7,500	(490)		(490)	106.5%
4224 TIC Bulk Buy	0	2,000	2,000		2,000	0.0%
General Administration :- Indirect Expenditure	<b>40,560</b>	<b>61,663</b>	<b>21,103</b>	<b>0</b>	<b>21,103</b>	<b>65.8%</b>
<b>Net Income over Expenditure</b>	<b>397,351</b>	<b>783,213</b>	<b>385,862</b>			
6001 less Transfer to EMR	15,473					
<b>Movement to/(from) Gen Reserve</b>	<b>381,878</b>					

## Detailed Income &amp; Expenditure by Budget Heading 30/06/2021

Month No: 3

## Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
<b>201 Christmas Festival</b>						
4304 Christmas Lights	0	17,200	17,200		17,200	0.0%
4305 Christmas Events	0	6,000	6,000		6,000	0.0%
Christmas Festival :- Indirect Expenditure	0	23,200	23,200	0	23,200	0.0%
<b>Net Expenditure</b>	<b>0</b>	<b>(23,200)</b>	<b>(23,200)</b>			
<b>202 Other Events</b>						
4716 Remembrance	0	850	850		850	0.0%
4717 Poppy Parade	0	2,000	2,000		2,000	0.0%
4722 Covid Celebration	0	2,000	2,000		2,000	0.0%
Other Events :- Indirect Expenditure	0	4,850	4,850	0	4,850	0.0%
<b>Net Expenditure</b>	<b>0</b>	<b>(4,850)</b>	<b>(4,850)</b>			
<b>203 Administration Services</b>						
4207 Advertising	0	2,200	2,200		2,200	0.0%
4701 Elections	0	5,000	5,000		5,000	0.0%
4703 Office Equipment	0	500	500		500	0.0%
4706 Council Website	290	700	410		410	41.4%
4708 Training	55	5,000	4,945		4,945	1.1%
4709 Donations	700	5,000	4,300		4,300	14.0%
4710 Christmas Goodwill	0	500	500		500	0.0%
4711 Youth Council	11	1,000	990		990	1.1%
4715 Town Website	0	450	450		450	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	4,091	29,550	25,460	0	25,460	13.8%
<b>Net Expenditure</b>	<b>(4,091)</b>	<b>(29,550)</b>	<b>(25,460)</b>			
<b>204 RIM&amp;PF</b>						
4401 Marshals	0	370	370		370	0.0%
4402 Music Acts	0	3,000	3,000		3,000	0.0%
4403 Street Ents	0	1,000	1,000		1,000	0.0%
4404 Marketing/Advertising	0	2,500	2,500		2,500	0.0%
4405 Equip/Toilets/Tables/Chairs	0	1,000	1,000		1,000	0.0%
4407 First Aid	0	450	450		450	0.0%
4408 Bunting	0	275	275		275	0.0%
4410 Marquees	0	700	700		700	0.0%

## Detailed Income &amp; Expenditure by Budget Heading 30/06/2021

Month No: 3

## 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	250	250		250	0.0%
4416 Fun Day	0	400	400		400	0.0%
4419 Generators	0	1,700	1,700		1,700	0.0%
4421 Electricity	0	100	100		100	0.0%
4422 Miners Day Activities	0	100	100		100	0.0%
<b>RIM&amp;PF :- Indirect Expenditure</b>	<b>0</b>	<b>11,945</b>	<b>11,945</b>	<b>0</b>	<b>11,945</b>	<b>0.0%</b>
<b>Net Expenditure</b>	<b>0</b>	<b>(11,945)</b>	<b>(11,945)</b>			
<b>205 Murdoch</b>						
4401 Marshals	0	1,000	1,000		1,000	0.0%
4402 Music Acts	1,350	1,200	(150)		(150)	112.5%
4403 Street Ents	1,150	1,000	(150)		(150)	115.0%
4404 Marketing/Advertising	600	1,000	400		400	60.0%
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	0	300	300		300	0.0%
4418 Afternoon Dance	0	200	200		200	0.0%
4427 Schools	0	1,650	1,650		1,650	0.0%
<b>Murdoch :- Indirect Expenditure</b>	<b>3,100</b>	<b>10,855</b>	<b>7,755</b>	<b>0</b>	<b>7,755</b>	<b>28.6%</b>
<b>Net Expenditure</b>	<b>(3,100)</b>	<b>(10,855)</b>	<b>(7,755)</b>			
<b>206 St Piran Festival</b>						
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%
4424 Transport	0	350	350		350	0.0%
<b>St Piran Festival :- Indirect Expenditure</b>	<b>0</b>	<b>4,800</b>	<b>4,800</b>	<b>0</b>	<b>4,800</b>	<b>0.0%</b>
<b>Net Expenditure</b>	<b>0</b>	<b>(4,800)</b>	<b>(4,800)</b>			



## Detailed Income &amp; Expenditure by Budget Heading 30/06/2021

Month No: 3

## Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
<b>210 Other Services</b>						
4501 Purchases & Works	3,956	6,500	2,544		2,544	60.9%
4507 Town Clock Maintenance	0	1,500	1,500		1,500	0.0%
4514 CCTV Monitoring	1,050	8,250	7,200		7,200	12.7%
4515 CCTV R&M	807	5,000	4,193		4,193	16.1%
4516 CCTV Capital	0	3,500	3,500		3,500	0.0%
4520 Weed Control	2,430	5,000	2,570		2,570	48.6%
4521 Vehicle Fuel	386	1,500	1,114		1,114	25.8%
4522 Machinery Fuel	96	1,000	904		904	9.6%
4523 Floral Displays	0	15,000	15,000		15,000	0.0%
4524 GWaT Maintenance	69	4,000	3,932		3,932	1.7%
4525 PPE	0	1,500	1,500		1,500	0.0%
Other Services :- Indirect Expenditure	<b>8,795</b>	<b>52,750</b>	<b>43,955</b>	<b>0</b>	<b>43,955</b>	<b>16.7%</b>
<b>Net Expenditure</b>	<b>(8,795)</b>	<b>(52,750)</b>	<b>(43,955)</b>			
<b>301 The Chamber</b>						
4209 Insurance	6,250	6,250	0		0	100.0%
4601 Non-domestic Business Rate	3,218	10,800	7,583		7,583	29.8%
4602 Gas	769	2,050	1,281		1,281	37.5%
4603 Water	534	550	16		16	97.1%
4604 Electricity	1,265	550	(715)		(715)	230.0%
4605 Waste	174	0	(174)		(174)	0.0%
4606 Lifts	0	420	420		420	0.0%
4610 Building Maintenance	296	2,000	1,704		1,704	14.8%
4611 Air Conditioning	0	850	850		850	0.0%
4615 Hygene Contracts	0	365	365		365	0.0%
4616 Security Systems	0	355	355		355	0.0%
The Chamber :- Indirect Expenditure	<b>12,506</b>	<b>24,190</b>	<b>11,684</b>	<b>0</b>	<b>11,684</b>	<b>51.7%</b>
<b>Net Expenditure</b>	<b>(12,506)</b>	<b>(24,190)</b>	<b>(11,684)</b>			
<b>302 Market Way</b>						
1002 Income - MW Retail	6,209	0	(6,209)			0.0%
Market Way :- Income	<b>6,209</b>	<b>0</b>	<b>(6,209)</b>			
4209 Insurance	3,650	3,750	100		100	97.3%
4601 Non-domestic Business Rate	9,739	32,000	22,261		22,261	30.4%
4602 Gas	1,018	3,000	1,982		1,982	33.9%
4603 Water	0	3,000	3,000		3,000	0.0%
4604 Electricity	5,160	8,000	2,840		2,840	64.5%

14:30

## Detailed Income &amp; Expenditure by Budget Heading 30/06/2021

Month No: 3

## Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
4605 Waste	855	4,000	3,145		3,145	21.4%
4606 Lifts	0	420	420		420	0.0%
4607 Cleaning	1,877	12,500	10,623		10,623	15.0%
4610 Building Maintenance	3,553	7,000	3,447		3,447	50.8%
4611 Air Conditioning	0	1,000	1,000		1,000	0.0%
4615 Hygene Contracts	204	2,000	1,796		1,796	10.2%
4616 Security Systems	0	1,500	1,500		1,500	0.0%
<b>Market Way :- Indirect Expenditure</b>	<b>26,056</b>	<b>78,170</b>	<b>52,114</b>	<b>0</b>	<b>52,114</b>	<b>33.3%</b>
<b>Net Income over Expenditure</b>	<b>(19,848)</b>	<b>(78,170)</b>	<b>(58,322)</b>			
<b>303 Library</b>						
1022 Income - Photocopy	124	0	(124)			0.0%
1024 Income - Reservations	10	0	(10)			0.0%
1028 Income - Seagull Sacks	427	0	(427)			0.0%
<b>Library :- Income</b>	<b>561</b>	<b>0</b>	<b>(561)</b>			
4604 Electricity	1,156	0	(1,156)		(1,156)	0.0%
<b>Library :- Indirect Expenditure</b>	<b>1,156</b>	<b>0</b>	<b>(1,156)</b>	<b>0</b>	<b>(1,156)</b>	
<b>Net Income over Expenditure</b>	<b>(594)</b>	<b>0</b>	<b>594</b>			
<b>304 Public Toilets</b>						
1085 Income - Toilets	380	0	(380)			0.0%
<b>Public Toilets :- Income</b>	<b>380</b>	<b>0</b>	<b>(380)</b>			
4601 Non-domestic Business Rate	(2,745)	0	2,745		2,745	0.0%
4603 Water	0	2,500	2,500		2,500	0.0%
4604 Electricity	76	1,000	924		924	7.6%
4607 Cleaning	2,740	10,500	7,760		7,760	26.1%
4610 Building Maintenance	3,246	1,000	(2,246)		(2,246)	324.6%
4615 Hygene Contracts	76	375	299		299	20.3%
<b>Public Toilets :- Indirect Expenditure</b>	<b>3,394</b>	<b>15,375</b>	<b>11,981</b>	<b>0</b>	<b>11,981</b>	<b>22.1%</b>
<b>Net Income over Expenditure</b>	<b>(3,014)</b>	<b>(15,375)</b>	<b>(12,361)</b>			
<b>305 St Rumons Gardens</b>						
4603 Water	0	50	50		50	0.0%
4604 Electricity	44	320	276		276	13.8%
4605 Waste	0	875	875		875	0.0%
4610 Building Maintenance	0	1,000	1,000		1,000	0.0%
<b>St Rumons Gardens :- Indirect Expenditure</b>	<b>44</b>	<b>2,245</b>	<b>2,201</b>	<b>0</b>	<b>2,201</b>	<b>2.0%</b>
<b>Net Expenditure</b>	<b>(44)</b>	<b>(2,245)</b>	<b>(2,201)</b>			

## Detailed Income &amp; Expenditure by Budget Heading 30/06/2021

Month No: 3

## Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
<b>306 EEPF</b>						
4511 Grounds Maintenance	857	2,800	1,943		1,943	30.6%
4512 Play Equipment Inspections	69	250	182		182	27.4%
4513 Play Equipment Maintenance	0	1,500	1,500		1,500	0.0%
4605 Waste	0	985	985		985	0.0%
<b>EEPF :- Indirect Expenditure</b>	<b>926</b>	<b>5,535</b>	<b>4,609</b>	<b>0</b>	<b>4,609</b>	<b>16.7%</b>
<b>Net Expenditure</b>	<b>(926)</b>	<b>(5,535)</b>	<b>(4,609)</b>			
<b>307 Plain-an-Gwarry</b>						
4512 Play Equipment Inspections	93	250	157		157	37.2%
4513 Play Equipment Maintenance	0	1,500	1,500		1,500	0.0%
4605 Waste	0	625	625		625	0.0%
<b>Plain-an-Gwarry :- Indirect Expenditure</b>	<b>93</b>	<b>2,375</b>	<b>2,282</b>	<b>0</b>	<b>2,282</b>	<b>3.9%</b>
<b>Net Expenditure</b>	<b>(93)</b>	<b>(2,375)</b>	<b>(2,282)</b>			
<b>320 Capital Expenditure</b>						
4503 Climate Change	0	10,000	10,000		10,000	0.0%
4508 Compound Rent	333	2,000	1,667		1,667	16.7%
4510 Vehicles	5,127	18,000	12,873		12,873	28.5%
4526 Toilet Refurb	0	25,000	25,000		25,000	0.0%
4527 Mobile Speed Signs	0	10,000	10,000		10,000	0.0%
4528 Library Furniture	416	1,000	584		584	41.6%
<b>Capital Expenditure :- Indirect Expenditure</b>	<b>5,876</b>	<b>66,000</b>	<b>60,124</b>	<b>0</b>	<b>60,124</b>	<b>8.9%</b>
<b>Net Expenditure</b>	<b>(5,876)</b>	<b>(66,000)</b>	<b>(60,124)</b>			
<b>401 Planning</b>						
4721 Neighbourhood Plan	0	5,000	5,000		5,000	0.0%
<b>Planning :- Indirect Expenditure</b>	<b>0</b>	<b>5,000</b>	<b>5,000</b>	<b>0</b>	<b>5,000</b>	<b>0.0%</b>
<b>Net Expenditure</b>	<b>0</b>	<b>(5,000)</b>	<b>(5,000)</b>			
<b>999 Ear Marked Reserves</b>						
1100 Income-Miscellaneous	3,175	0	(3,175)			0.0%
<b>Ear Marked Reserves :- Income</b>	<b>3,175</b>	<b>0</b>	<b>(3,175)</b>			
4903 Elections EMR	0	18,533	18,533		18,533	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%

14:30

## Detailed Income &amp; Expenditure by Budget Heading 30/06/2021

Month No: 3

## Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
4908 SK8 Park	5,640	23,054	17,414		17,414	24.5%
4909 Bus Shelters EMR	0	3,988	3,988		3,988	0.0%
4910 Station Hill Site EMR	0	1,200	1,200		1,200	0.0%
4911 Signs EMR	0	5,942	5,942		5,942	0.0%
4912 Training EMR	0	531	531		531	0.0%
4913 Website EMR	0	9,622	9,622		9,622	0.0%
4914 Building Contingency	0	4,387	4,387		4,387	0.0%
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	0	1,156	1,156		1,156	0.0%
4921 Neighbourhood Plan EMR	686	1,081	395		395	63.5%
4924 Mayors Allowance EMR	40	5,319	5,279		5,279	0.8%
4925 CCTV	0	6,219	6,219		6,219	0.0%
4926 Building Maintenance EMR	0	14,719	14,719		14,719	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	588	24,697	24,109		24,109	2.4%
4930 Town Trail Leaflets	715	5,637	4,922		4,922	12.7%
4931 Toilets	0	14,399	14,399		14,399	0.0%
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%
4938 Floral Displays	0	6,000	6,000		6,000	0.0%
4940 Events Contingency EMR	0	10,758	10,758		10,758	0.0%
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	0	1,307	1,307		1,307	0.0%
4946 CiL	0	12,428	12,428		12,428	0.0%
4947 Staffing	0	40,100	40,100		40,100	0.0%
4948 Climate Change	0	20,000	20,000		20,000	0.0%
Ear Marked Reserves :- Indirect Expenditure	<u>7,669</u>	<u>288,539</u>	<u>280,870</u>	<u>0</u>	<u>280,870</u>	<u>2.7%</u>
<b>Net Income over Expenditure</b>	<u>(4,494)</u>	<u>(288,539)</u>	<u>(284,045)</u>			
6000 plus Transfer from EMR	7,669					
6001 less Transfer to EMR	3,175					
<b>Movement to/(from) Gen Reserve</b>	<u>0</u>					

## Detailed Income &amp; Expenditure by Budget Heading 30/06/2021

Month No: 3

## Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
Grand Totals:- Income	448,236	844,876	396,640			53.1%
Expenditure	188,798	1,196,890	1,008,092	0	1,008,092	15.8%
<b>Net Income over Expenditure</b>	<u>259,438</u>	<u>(352,014)</u>	<u>(611,452)</u>			
plus Transfer from EMR	7,669					
less Transfer to EMR	18,648					
<b>Movement to/(from) Gen Reserve</b>	<u>248,459</u>					

**REPORT FOR: Audit & Accounting Governance Committee Meeting of 19<sup>th</sup> July 2021**

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**1.0 SUBJECT OF REPORT: To approve the Treasury Management Strategy for Financial Year 2021-22**

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**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 during the last financial year in January 2021), 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, particularly where investments returns are low, 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 2021-22 as attached.

P B Bennett  
Town Clerk & Responsible Financial Officer

Encs.

**REDRUTH TOWN COUNCIL**  
**TREASURY MANAGEMENT STRATEGY**  
**FINANCIAL YEAR 2021-22**

**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](mailto: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.