



# Penrith Town Council

Unit 1, Church House, 19-24 Friargate, Penrith, Cumbria, CA11 7XR

Tel: 01768 899 773 Email: [office@penrithtowncouncil.gov.uk](mailto:office@penrithtowncouncil.gov.uk)

**DATE: 09 January 2024**

**NOTICE IS HEREBY GIVEN** that an **ORDINARY MEETING** of **THE FINANCE COMMITTEE** will be held on **Monday 15 January 2024**, at **6.00pm** and you are hereby **SUMMONED** to attend to transact the business as specified in the agenda and reports hereunder.

The meeting will be held at the Penrith Town Council Office, Boardroom, Unit 1, Church House, 19-24 Friargate, Penrith.

To assist in the speedy and efficient dispatch of business', Members should read the agenda and reports in advance of the meeting. Members wishing to obtain factual information on items included on the Agenda are asked to enquire of the relevant officer **PRIOR** to 9.00am on the day of the meeting.

Members are asked to indicate if they wish to speak on an item **PRIOR** to the meeting (by 1.00pm on the day of the meeting at the latest) by emailing [office@penrithtowncouncil.gov.uk](mailto:office@penrithtowncouncil.gov.uk)

## COMMITTEE MEMBERSHIP

Cllr. Burgin	South Ward	Cllr. Lawson	Carleton Ward
Cllr. Jackson	North Ward	Cllr. Rudhall	East Ward
Cllr. D. Jayson	North Ward	Cllr. Shepherd	East Ward
Cllr. Kenyon	North Ward		

Mr I. Parker, Acting Town Clerk

## **Public Participation**

Members of the public are welcome to attend. Details about how to comment on an agenda item are available on the Town Council Website.

## **Filming**

**Please note that this meeting may be filmed for live or subsequent broadcast via the internet or social media.**

**Please be advised that the Town Council does not record or live stream meetings.**

Penrith Town Council fully supports the principle of openness and transparency and has no objection to filming and reporting at its Full Council, and Committee meetings that are open to the public. It also welcomes the use of social networking websites, such as Twitter and Facebook, to communicate with people about what is happening, as it happens. Filming will only commence at the beginning of a meeting when the Chair opens the meeting with apologies and will finish when the meeting is closed or when the public may be excluded from an exempt item. The Council, members of the public and the press may record/film/photograph or broadcast this meeting when the public and the press are not lawfully excluded.

## **General Power of Competence**

The Town Council resolved from 15 May 2023, until the next relevant Annual Meeting of the Council, that having met the conditions of eligibility as defined in the Localism Act 2011 and SI 965 The Parish Councils (General Power of Competence)(Prescribed Conditions) Order 2012, to adopt the General Power of Competence.

# **AGENDA FOR THE MEETING OF FINANCE COMMITTEE MONDAY 15 JANUARY 2024**

## **PART I**

### **1. Apologies for Absence**

Receive apologies from Members.

### **2. Minutes**

Authorise the Chair to sign, as a correct record, the minutes of the meeting of the Finance Committee held on Monday 13 November 2023.

### **3. Declarations of Interest and Requests for Dispensations**

Receive declarations by Members of interests in respect of items on this agenda and apply for a dispensation to remain, speak and/or vote during consideration of that item.

#### **ADVICE NOTE:**

Members are reminded that, in accordance with the revised Code of Conduct, they are required to declare any disclosable pecuniary interests or other registrable interests which have not already been declared in the Council's Register of Interests. (It is a criminal offence not to declare a disclosable pecuniary interest either in the Register or at the meeting.) Members may, however, also decide, in the interests of clarity and transparency, to declare at this point in the meeting, any such disclosable pecuniary interests which they have already declared in the Register, as well as any other registrable or other interests. If a Member requires advice on any item involving a possible declaration of interest which could affect his/her ability to speak and/or vote, he/she is advised to contact the Monitoring Officer at least 24 hours in advance of the meeting

### **4. Public Participation**

Receive any questions or representations which have been received from members of the public. A period of up to 15 minutes for members of the public to ask questions or submit comments.

#### **ADVICE NOTE:**

Members of the public may make representations, ask questions, and give evidence at a meeting which they are entitled to attend in respect of the business on the agenda. It is helpful if a member of the public who wishes to speak at a meeting makes a request to speak in writing to the Town Clerk **PRIOR** to the meeting. A member of the public can speak for up to three minutes. A question shall not require a response at the meeting nor start a debate on the question. The chair of the meeting may direct that a written or oral response be given. Where the Council is unable to provide a response to the question at the meeting, they will do so in writing within seven days and the response will be attached to the minutes as an appendix.

## **5. EXCLUDED ITEM: Public Bodies (Admissions to Meetings) Act 1960**

Determine whether items 14, 15 and 16 should be considered without the presence of the press and public, pursuant to Section 1(2) of the Public Bodies (Admission to Meetings) Act, 1960, as publicity relating to that (any of those) matter/s may be prejudicial to the public interest by reason of the confidential nature of the business to be transacted or for the other special reasons noted in relation to that matter on the agenda.

## **6. Resolutions Report**

To receive and note the written report.

## **7. Payments for Approval**

- a) Note that Cllr. Burgin and Cllr. Lawson accessed the Banking System to reconcile the report of all payments made for the relevant period and would be able to recommend that each payment aligned with the invoices.
- b) Agree two Members to undertake the Payments for Approval reconciliation for the meeting of Finance Committee on the 18 March 2024.
- c) Approve the monthly report of payments for November and December 2023.

## **8. Bank Reconciliation**

Approve and sign the bank reconciliation as of 30 November and 31 December 2023 as a correct record.

## **9. Budgetary Control Statement: 31 December 2023**

Consider and approve the budgetary control statement for the period to 31 December 2023 and recommend the statement be ratified by Full Council.

## **10. Proposed Budget 2024/25**

Consider the proposed budget for 2024/25 and recommend the proposals go forward to Full Council to be considered and approved.

## **11. Policy Review**

Consider the following reviewed policies and recommended amendments and agree that these go forward to Full Council for ratification.

- a) Reserves Policy
- b) Investment Strategy

## **12. St Andrews War Memorial**

Consider the budget implications to install a sandstone plinth at the St Andrews War Memorial.

### **13. Next Meeting**

Note the next meeting is scheduled for **Monday 18 March 2024, 6.00pm** at Board Room, Unit 1, Church House, 19-24 Friargate, Penrith, Cumbria, CA11 7XR.

## **PART II PRIVATE SECTION**

The following is exempt information as item 14 relates to the financial or business affairs of any particular person (including the authority holding that information) and personal sensitive information relating to members of staff. Item 15 relates to the submission and terms of a tender.

### **14. Proposed Budget 2024/25: Staff Salaries**

Consider the salaries report for 2024/25.

### **15. Tender: Grounds Maintenance Contract**

Consider the Grounds Maintenance tender submissions and appoint the Grounds Maintenance Contract.

### **16. Staffing Matter**

To consider the Staffing Matter report.

## **FOR THE ATTENTION OF ALL MEMBERS OF THE FINANCE COMMITTEE AND FOR ATTENTION TO ALL REMAINING MEMBERS OF THE TOWN COUNCIL**

### **Access To Information**

Copies of the agenda are available for members of the public to inspect prior to the meeting. Agenda and Part I reports are available on the Town Council website at <https://www.penrithtowncouncil.gov.uk/>

### **Background Papers**

Requests for the background papers to the Part I reports, excluding those papers that contain exempt information, can be made to the Acting Town Clerk address overleaf between the hours of 9.00 am and 4.00 pm, Monday to Friday via [office@penrithtowncouncil.gov.uk](mailto:office@penrithtowncouncil.gov.uk)

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# Penrith Town Council

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Tel: 01768 899 773 Email: [office@penrithtowncouncil.gov.uk](mailto:office@penrithtowncouncil.gov.uk)

**DRAFT** Minutes of the meeting of the

## **FINANCE COMMITTEE**

Held on Monday 13 November 2023, at 5.00 p.m.

### **PRESENT**

Cllr. Burgin	South Ward	Cllr. Lawson	Carleton Ward
Cllr. Jackson	North Ward	Cllr. Shepherd	East Ward
Cllr Kenyon	North Ward		

Services and Contracts Manager  
Responsible Finance Officer

The Town Council resolved from 15 May 2023, until the next relevant Annual Meeting of the Council, which having met the conditions of eligibility as defined in the Localism Act 2011 and SI 965 The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012, to adopt the General Power of Competence.

# **DRAFT MINUTES FOR THE MEETING OF FINANCE COMMITTEE 13 NOVEMBER 2023**

## **FIN23/33 Apologies for Absence**

Apologies for absence were received from Cllrs. D. Jayson and Rudhall.

## **FIN23/34 Confirmation of the Minutes**

Members authorised the Chair to sign the Minutes of the Meeting of the Finance Committee held on Monday 18 September 2023.

## **FIN23/35 Declarations of Interest and Requests for Dispensations**

Members were asked to disclose their interests in matters to be discussed whether disclosable pecuniary or other registrable interest, and to decide requests for dispensations.

There were no declarations of interest and requests for dispensations.

## **FIN23/36 Public Participation**

Members noted that there were no questions or representations from members of the public.

## **FIN23/37 Excluded Item: Public Bodies (Admission to Meetings) Act 1960**

Members considered whether any items should be considered without the press and public, pursuant to Section 1 (2) of the Public Bodies (Admissions to Meetings) Act, 1960.

### **RESOLVED THAT:**

No items should be considered without the presence of the press and public.

## **FIN23/38 Resolutions Report**

Members noted the Resolutions Report.

## **FIN23/39 Payments for Approval**

- a) Members noted that prior to the meeting Cllr. Jackson verified and confirmed that the banking transaction history for September and October 2023 reconciled and agreed with the transactions circulated with the meeting documents.
- b) Members noted that Cllr D. Jayson had not been able to access the Banking System prior to the meeting to reconcile the banking transaction history for September and October 2023 and considered an alternative arrangement to ensure that a second Member had reconciled the banking transactions.



## **FIN23/39 Payments for Approval, continued**

### **RESOLVED THAT:**

Cllr Shepherd check the payments for approval for the period September and October 2023, and should he confirm the transactions reconcile that he signs the bank statements for the period.

- c) Members were asked to agree the two Councillors to undertake the payments for approval checking for the next meeting of the Finance Committee to be held on the 15 January 2024.

### **RESOLVED THAT:**

Cllr Burgin and Cllr Lawson check the payments for approval prior to the meeting of the Finance Committee on the 15 January 2024.

- d) Members considered the Monthly Report of Payments for September and October 2023.

### **RESOLVED THAT:**

The Monthly Report of Payments for September and October 2023 be approved.

## **FIN23/40 Bank Reconciliation**

Members considered the Bank Reconciliation for the HSBC Bank account for the period ending 30 September and 31 October 2023.

### **RESOLVED THAT:**

The Bank Reconciliation for the HSBC Bank account for the period ending 30 September and 31 October 2023 be approved and signed by the Chair.

Cllr Jackson joined the meeting at 17:20.

## **FIN23/41 Budgetary Control Statement 2023/2024: 31 October 2023**

Members considered the Budgetary Control Statement 2022/23 Expenditure for the period to 31 October 2023.

### **RESOLVED THAT:**

The Budgetary Control Statement 2023/24 expenditure for the period to 31 October 2023 be approved and go forward for ratification by Full Council.

## **FIN23/42 CCLA Public Sector Deposit Fund**

Members noted that £150,000 has been withdrawn from the CCLA Public Sector Deposit Fund and deposited in the HSBC account and that the balance in the CCLA account is £680,000.

### **FIN23/43 Work Plan**

Members noted the Finance Committee work plan progress for the period to 31 October 2023.

### **FIN23/44 Staff Training Request**

Members considered a training request from the Community Services Officer to undertake the Certificate in Local Council Administration (CILCA).

#### **RESOLVED THAT:**

- i. The training request for the Community Services Officer to undertake Certificate in Local Council Administration (CILCA) be approved and signed by the Chair.
- ii. The cost of £450 for the Community Services Officer to undertake the Certificate in Local Council Administration (CILCA) be met from the Staff Training budget.

### **FIN23/45 Policy Review**

Members reviewed the following policies:

- a) Social Media Protocol for Councillors
- b) Social Media Employees Policy
- c) Use of Social Media Press and Public
- d) Information Protection Policy
- e) Information Security Incident Policy
- f) Removable Media Policy
- g) Passwords Policy
- h) Data Protection Policy
- i) Record Management and Retention Policy
- j) Privacy Policy

#### **RESOLVED THAT:**

- i. The following reviewed policies be approved and go forward for ratification by Full Council:
  - a) Social Media Protocol for Councillors
  - b) Social Media Employees Policy
  - c) Use of Social Media Press and Public
  - d) Information Protection Policy
  - e) Information Security Incident Policy
  - f) Removable Media Policy
  - g) Passwords Policy
  - h) Data Protection Policy
  - i) Record Management and Retention Policy
  - j) Privacy Policy

## **FIN23/45 Policy Review, continued**

- ii. Members noted that the Subject Access Request policy had been reviewed and that the policy is not necessary as the Council has to comply with legislation by law and that the Council has an approved internal procedure to deal with such requests.

## **FIN23/46 New Seat Oak Road**

Members considered a request for the installation of a new seat on Oak Road.

### **RESOLVED THAT:**

- i. A new seat of the corporate style be installed on Oak Road subject to receiving the approved consent from Westmorland and Furness Council including from the Highway and the Bus Services departments.
- ii. The cost of the seat be met from the 2024/25 financial year Benches budget.

## **FIN23/47 2023-24 Salary Award**

Members noted that NALC had informed the Council of the new rates of pay applicable from the 01 April 2023 and that the new rates of pay and backdated increases would be paid to staff in December.

## **FIN23/48 IT Service Schedule**

Members noted that the Council has renewed its IT Managed Support, Maintenance and Security Licensing schedule for the period 27 October 2023 to 26 October 2024 and that the annual cost is £3,437.

## **FIN23/49 Next Meeting**

Members noted that the next meeting of the Finance Committee was scheduled **for Monday 15 January 2024** at 6.00pm, Penrith Town Council Office, Board Room, Unit 1, Church House.

## **PART II PRIVATE SECTION**

There were no further items in this part of the agenda.

## **CHAIR:**

## **DATE:**

**FOR ATTENTION FOR ALL  
MEMBERS OF FINANCE COMMITTEE  
AND FOR INFORMATION TO THE TOWN COUNCIL**

**Access to Information**

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**Background Papers**

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## RESOLUTIONS REPORT

This report shows the progress made against resolutions from the Council's Finance Committee this municipal year.

## STATUS KEY:

On hold - Not commenced

Completed

In progress - Started and ongoing

Reference	Activity	Status	Notes
<b>26 June 2023</b>			
FIN23/04	Respond to Public Participation question		
FIN23/08	Budgetary Control Statement: 31 May 2023 to Full Council		
FIN23/15	Christmas Lights Tender Actions		
<b>18 September 2023</b>			
FIN23/24	Budgetary Control Statement: 31 August 2023 to Full Council		
FIN23/25	Risk Assessments to Full Council		
FIN23/26	Scope of Internal Audit 2023-24 to Full Council		
FIN23/27	Procurement, Bandstand & Risk Management Policy to Full Council		
FIN23/28	Banking and Account Signatories		Process commenced
FIN23/29	External Audit Certificate (AGAR Section 3) to Full Council		
FIN23/30	Budget Process		Finance Com / Council Jan 24
FIN23/31	New Seat Southend Road		
<b>13 November 2023</b>			
FIN23/41	Budgetary Control Statement: 31 October 2023 to Full Council		
FIN23/44	Community Services Officer enrolled for Cilca Qualification		
FIN23/45	Policies: Social Media, Data and GDPR to Full Council		
FIN23/46	New Seat Oak Road		Consents being applied for
FIN23/47	2023-24 Salary Award: paid to staff		

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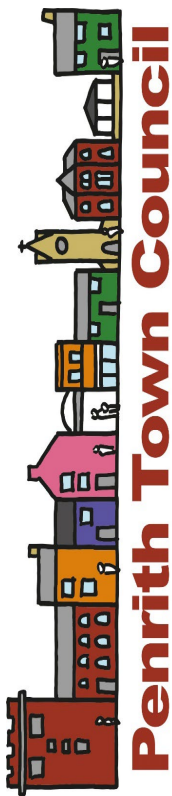
Payments Schedule  
November 2023

Date	Ref	Details	Net £	VAT £	Total £	Budget
05/11/2023	CCR23-50	Canva Graphic Design Tool	10.83	2.16	12.99	Community Engagement
06/11/2023	CCR23-51	Post Office Ltd - Post	26.40	-	26.40	Printing, Postage & Stationery
10/11/2023	CCR23-52	Post Office Ltd - Post	2.40	-	2.40	Printing, Postage & Stationery
13/11/2023	CCR23-53	Marks and Spencer	10.55	-	10.55	Repairs & Renewals
14/11/2023	CCR23-54	Post Office Ltd - Post	46.20	-	46.20	Printing, Postage & Stationery
15/11/2023	CCR23-55	Marks and Spencer - bin bags	4.00	-	4.00	Repairs & Renewals
27/11/2023	CCR23-56	Adobe Software Licence	63.20	12.64	75.84	Licences
01/11/2023	23-125	KTD Ltd - IT Services	118.80	23.76	142.56	IT
01/11/2023	23-126	KTD Ltd - IT Domain Services	23.75	4.75	28.50	IT
01/11/2023	23-127	Urbaser Ltd - Community Caretaker Contract September	712.78	142.56	855.34	Community Caretaker
01/11/2023	23-128	Urbaser Ltd - Grounds Maintenance September	57.00	11.40	68.40	Thacka Beck
01/11/2023	23-128	Urbaser Ltd - Grounds Maintenance September	306.75	61.35	368.10	Fairhill Park
01/11/2023	23-129	Urbaser Ltd - Fairhill Play Area Adhoc Repairs	79.00	15.80	94.80	Fairhill Park
01/11/2023	23-130	Carlisle DBF Ltd - Room Hire	72.00	14.40	86.40	Room Hire/Meetings
01/11/2023	23-130	Carlisle DBF cleaning communal area - Aug & Sep	93.48	-	93.48	Room Hire/Meetings
01/11/2023	23-131	Carlisle DBF Ltd - Room Hire	152.00	30.40	182.40	Room Hire/Meetings
01/11/2023	23-131	Carlisle DBF - cleaning April & May	84.36	-	84.36	Room Hire/Meetings
01/11/2023	23-132	Turnstone HR - HR Services January	125.00	25.00	150.00	Legal & Professional Fees
01/11/2023	23-133	Turnstone HR - HR Services February	125.00	25.00	150.00	Legal & Professional Fees
01/11/2023	23-134	Turnstone HR - HR Services March	125.00	25.00	150.00	Legal & Professional Fees
01/11/2023	23-135	Turnstone HR - HR Services April	125.00	25.00	150.00	Legal & Professional Fees
01/11/2023	23-136	Turnstone HR - HR Services May	125.00	25.00	150.00	Legal & Professional Fees
01/11/2023	23-137	Turnstone HR - HR Services June	125.00	25.00	150.00	Legal & Professional Fees
01/11/2023	23-138	Turnstone HR - HR Services July	125.00	-	125.00	Legal & Professional Fees
01/11/2023	23-139	Turnstone HR - HR Services August	125.00	-	125.00	Legal & Professional Fees
01/11/2023	23-140	Turnstone HR - HR Services September	125.00	-	125.00	Legal & Professional Fees
01/11/2023	23-141	Turnstone HR - HR Services October	125.00	-	125.00	Legal & Professional Fees
01/11/2023	23-142	Jan Cannon Ltd - Allotment Works	1,885.00	377.00	2,262.00	Legal & Professional Fees
01/11/2023	23-143	Gale Little - Office Cleaning	80.00	-	80.00	Allotments
01/11/2023	23-144	Lamont Pridmore (South Cumbria) Ltd - Accountancy Services	2,010.00	402.00	2,412.00	Service Charges
01/11/2023	23-145	Friends of North Lakes School - Grant	1,000.00	-	1,000.00	Accountancy Fees
01/11/2023	23-146	National Allotment Society (NSALG) - Membership Renewal	55.00	11.00	66.00	Large Grants
01/11/2023	23-147	KTD Ltd - IT services	54.00	10.80	64.80	Subscriptions
01/11/2023	23-148	Glasdon UK Ltd - Seat	803.60	160.72	964.32	IT
08/11/2023	23-149	Turnstone HR - HR Services November	171.00	34.20	205.20	Benches
08/11/2023	23-150	KTD Ltd - Managed Print Use 30/09 - 31/10/23	387.50	77.50	465.00	Legal & Professional Fees
08/11/2023	23-151	Martin Reid (Toro Design) - Arts and Culture Website	105.00	-	105.00	Legal & Professional Fees
08/11/2023	23-152	Barrmon Media Ltd - Advert Remembrance	87.73	17.55	105.28	Printing, Postage & Stationery
08/11/2023	23-153	KTD Ltd - Aindale Premium IT Services	171.00	34.20	205.20	Arts & Culture Development
15/11/2023	23-154	Lowther Forestry Group Ltd - Tree Works Fairhill	387.50	77.50	465.00	Community Engagement
24/11/2023	23-155	Walton Goodland - Rent 25/12/23 - 24/03/24	1,875.00	-	1,875.00	IT
22/11/2023	23-156	Glasdon UK Ltd - Replacement Bus Shelter Panes	103.20	20.64	123.84	Fairhill Park
29/11/2023	23-157	KTD Ltd - IT Services	118.80	23.76	142.56	Rent
29/11/2023	23-158	Urbaser Ltd - Community Caretaker Contract Oct 23	712.32	142.46	854.78	Bus Shelters
29/11/2023	23-159	Urbaser Ltd - Grounds Maintenance Contract Oct 23	57.00	11.40	68.40	IT
29/11/2023	23-159	Urbaser Ltd - Grounds Maintenance Contract Oct 23	306.75	61.35	368.10	Community Caretaker
29/11/2023	23-160	Urbaser Ltd - Adhoc Work Bench Removal, Installation	130.96	26.19	157.15	Benches
29/11/2023	23-161	Glasdon UK Ltd - Lowther Seat	803.60	160.72	964.32	Licences
01/11/2023	DD	TV License DDA Nov23 - Oct 24	159.00	-	159.00	Bandstand
22/11/2023	DD	British Gas	17.59	0.88	18.47	IT
28/11/2023	DD	New Star Networks	337.93	67.59	405.52	IT
17/11/2023	DD	BrightHR	43.20	8.64	51.84	IT
08/11/2023	CHG	Bank Charges to 17 Oct 23	8.00	-	8.00	Bank Charges & Interest
17/11/2023	BP	Pensions Oct 23	5,369.89	-	5,369.89	Staffing - Salaries
20/11/2023	BP	HMRC IT/NIC Oct 23	5,785.70	-	5,785.70	Staffing - Salaries
28/11/2023	BP	Net Pay Nov 23	13,794.41	-	13,794.41	Staffing - Salaries

Total	39,539.18	2,116.32	41,655.50
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## Payments Schedule December 2023

Date	Ref	Details	Net £	VAT £	Total £	Budget
06/12/2023	23-162	Gala Lights Ltd - Xmas Light Infrastructure Works	12,201.50	2,440.30	14,641.80	Town Projects
06/12/2023	23-163	KTD Ltd - Hardware and Services	1,288.00	257.60	1,545.60	IT
06/12/2023	23-164	KTD Ltd - Managed Print Use 31/10 - 30/11/23	243.00	48.60	291.60	Printing, Postage & Stationery
06/12/2023	23-165	Turnstone HR - Services November	125.00	25.00	150.00	Legal & Professional Fees
06/12/2023	23-166	Heatons Group - Stationery	134.75	26.95	161.70	Printing, Postage & Stationery
06/12/2023	23-167	Cumbria Association of Local Councils - Member Training	30.00	-	30.00	Members' Training
06/12/2023	23-168	Gale Little - Cleaning Services	80.00	-	80.00	Service Charges
06/12/2023	23-169	Parish Online - Subscription 2024	500.00	100.00	600.00	Planning Consultancy
06/12/2023	23-170	KTD Ltd - Managed Cloud 01/01 - 31/01/24	29.00	5.80	34.80	IT
06/12/2023	23-171	Cumbria Association of Local Councils - Staff Training	20.00	-	20.00	Staff Training
06/12/2023	23-172	Cumbria Association of Local Councils - Social Media Trainin	120.00	-	120.00	Members' Training
06/12/2023	23-173	Cumbria Association of Local Councils - Member Training (Hol	336.25	-	5.00	Members' Training
06/12/2023	23-174	Urbaser Ltd - Adhoc Works November 2023	712.72	67.25	403.50	Community Caretaker
06/12/2023	23-175	Urbaser Ltd - Community Caretaker November 2023	57.00	11.40	68.40	Community Caretaker
06/12/2023	23-176	Urbaser Ltd - Grounds Maintenance Contract November 2023	306.75	61.35	368.10	Thacka Beck
06/12/2023	23-177	H&HLE Ltd - Professional Services A66 Scheme	1,445.50	289.10	1,734.60	Fairhill Park
13/12/2023	23-178	Ian Parker (Staff) - Mileage Expenses	11.70	-	11.70	Legal & Professional Fees
13/12/2023	23-179	Walton Goodland - Utility and Service Charges	150.95	30.19	181.14	Service Charges
13/12/2023	23-179	Walton Goodland - Utility and Service Charges	33.25	-	33.25	Heat, Light & Water
13/12/2023	23-179	Walton Goodland - Utility and Service Charges	615.19	30.77	645.96	Heat, Light & Water
13/12/2023	23-180	Lawson Design Ltd - Penrith Brand Concept Part 1 of 2	2,200.00	-	2,200.00	Marketing Penrith
20/12/2023	23-181	Penrith BID - signature grant	4,965.00	-	4,965.00	Signature Grants
20/12/2023	23-182	Gale Little - office cleaning Dec	40.00	-	40.00	Service Charges
20/12/2023	23-183	Kompan Scotland Ltd - Post cap spare part	63.00	12.60	75.60	Fairhill Park
09/12/2023	CHG	Bank Charges to 17 Nov	10.00	-	10.00	Bank Charges & Interest
18/12/2023	DD	BrightHR	43.20	-	51.84	IT
22/12/2023	DD	British Gas	26.55	8.64	27.88	Bandstand
22/12/2023	DD	New Star Networks	338.32	67.66	405.98	IT
18/12/2023	BP	HMRC PAYE/NIC Nov 23	5,748.26	-	5,748.26	Staffing - Salaries
19/12/2023	BP	Pensions Nov 23 Cumbria Local govt	5,342.74	-	5,342.74	Staffing - Salaries
27/12/2023	BP	Net Pay Dec 2023	18,038.23	-	18,038.23	Staffing - Salaries
27/12/2023	CHQ	Penrith Salvation Army	700.00	-	700.00	Mayoral Expenses
27/12/2023	CHQ	Penrith Salvation Army	300.00	-	300.00	Deputy Mayor's Expenses
04/12/2023	CCR23-57	Post Office Ltd - Post	0.75	-	0.75	Printing, Postage & Stationery
05/12/2023	CCR23-58	Marks and Spencer - SAG Meet	3.65	-	3.65	Town Projects
05/12/2023	CCR23-59	Canva	10.83	2.16	12.99	Community Engagement
19/12/2023	CCR23-60	Marks & Spencer	3.40	-	3.40	Repairs & Renewals
20/12/2023	CCR23-61	Westmorland & Furness (Gov.Uk)	777.00	-	777.00	Town Projects
27/12/2023	CCR23-62	Adobe Acro Pro	63.20	12.64	75.84	Licences
<b>Total</b>			<b>57,119.69</b>	<b>3,641.87</b>	<b>60,761.56</b>	

INTENTIONALLY BLANK

Bank Ref:	1205	Date To:	30/11/2023
Bank Name:	HSBC	Statement Ref:	1205 2023-11-20 01
Currency:	Pound Sterling		

Balance as per cash book at 30/11/2023:

126,518.37

Add: Unpresented Payments

Tran No	Date	Ref	Details	£
				0.00

Less: Outstanding Receipts

Tran No	Date	Ref	Details	£
				0.00

Reconciled balance :

126,518.37

Balance as per statement :

126,518.37

Difference :

0.00

**3 November to 2 December 2023**

## Your Statement

**Account Name**  
Penrith Town Council

**Sortcode Account Number Sheet Number**  
[REDACTED] 215

### Your BUSINESS CURRENT ACCOUNT details

<i>Date</i>	<i>Payment type and details</i>	<i>Paid out</i>	<i>Paid in</i>	<i>Balance</i>
	<b>BALANCE BROUGHT FORWARD</b>			<b>134,869.30</b>
	BP [REDACTED]	2,420.44		
	BP [REDACTED]	3,375.18		129,073.68
30 Nov 23	BP KTD			
	K154294	142.56		
	BP Urbaser Ltd			
	PTC 8332 8333 8334	1,448.43		
	BP GLASDON			
	SI875648	964.32		126,518.37
02 Dec 23	<b>BALANCE CARRIED FORWARD</b>			<b>126,518.37</b>

### Information about the Financial Services Compensation Scheme

Most deposits made by HSBC Business customers are eligible for protection under the Financial Services Compensation Scheme (FSCS). For further information about the compensation provided by the FSCS, refer to the FSCS website at [fscs.org.uk](https://fscs.org.uk), call into your nearest branch or call your telephone banking service. Further details can be found on the FSCS Information Sheet and Exclusions List which is available on our website ([hsbc.co.uk/fscs/](https://hsbc.co.uk/fscs/)).

<b>Credit Interest Rates</b>	<i>balance</i>	<i>AER</i> <i>variable</i>	<b>Debit Interest Rates</b>	<i>balance</i>	<i>EAR</i> <i>variable</i>
Credit interest is not applied			Debit interest		21.34%

Bank Ref:	1205	Date To:	31/12/2023
Bank Name:	HSBC	Statement Ref:	1205 2023-12-12 01
Currency:	Pound Sterling		

Balance as per cash book at 31/12/2023:

71,591.66

Add: Unpresented Payments

Tran No	Date	Ref	Details	£
				0.00

Less: Outstanding Receipts

Tran No	Date	Ref	Details	£
				0.00

Reconciled balance :

71,591.66

Balance as per statement :

71,591.66

Difference :

0.00

Contact tel 03457 60 60 60  
see reverse for call times  
Text phone 03457 125 563  
used by deaf or speech impaired customers  
[www.hsbc.co.uk](http://www.hsbc.co.uk)

**3 December 2023 to 2 January 2024**

## Your Statement

**Account Name**  
Penrith Town Council

**Sortcode Account Number Sheet Number**  
[REDACTED] 218

### Your BUSINESS CURRENT ACCOUNT details

Date	Payment type and details	Paid out	Paid in	Balance
28 Dec 23	BP <b>BALANCE BROUGHT FORWARD</b>			80,104.65
	BP [REDACTED]	3,276.80		
	BP [REDACTED]	2,005.98		
	BP [REDACTED]	4,007.21		70,814.66
30 Dec 23	CR PENRITH LIONS CLUB			
	PENRITH LIONS CLUB		777.00	71,591.66
02 Jan 24	<b>BALANCE CARRIED FORWARD</b>			71,591.66

### Information about the Financial Services Compensation Scheme

Most deposits made by HSBC Business customers are eligible for protection under the Financial Services Compensation Scheme (FSCS). For further information about the compensation provided by the FSCS, refer to the FSCS website at [fscs.org.uk](http://fscs.org.uk), call into your nearest branch or call your telephone banking service. Further details can be found on the FSCS Information Sheet and Exclusions List which is available on our website ([hsbc.co.uk/fscs/](http://hsbc.co.uk/fscs/)).

Credit Interest Rates	balance	AER variable	Debit Interest Rates	balance	EAR variable
Credit interest is not applied			Debit interest		21.34%

# **FINANCE COMMITTEE**

**Date: 15 January 2024**

## **Public Report**

**Matter: Budget Control Statement 2023-24 Expenditure to 31 December 2023**

**Item no: 09**

**Author:** Responsible Finance Officer

**Supporting Member:** Cllr. Shepherd, Chair of Finance Committee

### **Purpose of Report:**

To consider the budgetary control statement for the nine-month period to 31 December 2023.

### **Recommendations:**

The committee is recommended to approve the budgetary control statement and forward it, with any comments, to Council for ratification.

### **Law and Legal Implications**

The Town Council resolved from 15 May 2023, until the next relevant Annual Meeting of the Council, that having met the conditions of eligibility as defined in the Localism Act 2011 and SI 965 The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012, to adopt the General Power of Competence.

The Local Government Act 1972 requires the Council to have sound financial management.

## **1. Report Details**

### **A. Budgetary Control Statement (Appendix A)**

The attached budgetary control statement shows the following information, analysed over the most detailed budget headings:

- The full year's Approved Budget for 2023-24, which was ratified by Council on 23 January 2023.
- The budget to date, based on the latest budget for the year. For most headings, this budget to date will be a simple pro-rata of the annual budget (i.e. 9/12ths for the current period).
- Actual income and expenditure to 31 December, based on the matching principle, which means taking account of all income and expenditure which relates to the period, irrespective of when it is paid/received. An exception to the general matching rule is that grants approved but not yet paid at the end of the period are

included as expenditure, on the basis that this gives a truer view of expenditure against budget.

- The variance between the actual income and expenditure and the profiled latest budget for the period. Variances are expressed as favourable (positive) where there is an underspending or increased income, and as adverse (negative and bracketed) where there is an overspending or reduced income.
- The position on the Council's three reserves: its General Reserve, Devolution and Election Reserves, at the end of December. To give a truer view of the General Reserve, it is assumed that contributions to the Devolution Reserve are made during the year at each month-end.

## **B. Commentary**

The statement shows overall underspending from the anticipated position at this time in the year. The following comments concentrate on unusual or unexpected variances.

### **B.1 Income**

Overall income of £383,078 exceeds the profiled budget of £368,774 by £14,304.

- The investment income returns are higher than expected due to the higher than budgeted rates of interest.

### **B.2 Planning Committee**

There has been very little expenditure up to this period in the year.

### **B.3 Communities Committee**

Net spend of £52,814 is shown against the profiled budget of £80,250, an underspending of £27,436.

- The Town Projects budget is currently underspent by £15,095. With less Council expenditure on Christmas lights this underspend is likely to increase in the coming months.

### **B.4 Finance Committee**

Net expenditure of £328,849 is shown against the budget to date of £328,077, an overspending of £772. This small overspend is likely to decrease over the coming months. This small variance indicates this budget is being spent as planned.

### **B.5 Total Expenditure & Increase/Decrease in General Reserve**

- The individual variances result in an underspending of £42,440 against the profiled total expenditure budget of £424,302. As there is £14,304 more income, there is a net variation of £56,744 on the profiled amount transferrable to the General Reserve.

### **B.6 Reserves**

- The General Reserve is profiled to decrease by £55,528 in the period, it has actually increased by £1,216 to £500,102.



- The Devolution Reserve opened the year with a balance of £156,794, the amount of £15,295 transferrable into the Devolution Reserve is £1,238 higher than profile.
- The Election Reserve opened the year with a balance of £30,000, an amount of £5,000 is budgeted to be added at the end of the financial year.

### **C. Balance Sheet (Appendix B)**

Appendix B shows the Council's balance sheet as at 31 October 2023. The following points may be noted:

- The total invested of £766,626 includes £680,000 placed with CCLA, this will be managed through the year to allow a reasonable return while maintaining a sufficient bank balance to make required payments.
- The VAT debtor of £3,642 is VAT reclaimed from HMRC in respect of December transactions.
- Prepayments of £8,781 include adjustments for insurance, office rental, licences, subscriptions and maintenance agreements.
- Accruals of £8,588 represent goods and services received before 31 December, where the payment was not made by that date. Individual items include grounds maintenance, caretaking and audit and accountancy fees.
- The Payroll Control balance of £16,761 relates to deductions calculated in the October payroll; the total is due to HMRC for income tax and national insurance and to the Cumbria Pension Fund for employee pensions.
- The Receipts in Advance figure represents income for the period 1 January 2024 to March 2024 already received from Westmorland and Furness Council as precept and grants, together with monies from United Utilities for planting maintenance.

### **D. Conclusion**

The budgetary control statement shows that net spending to 31 December was around £42,000 below the Latest Budget for the period.

Finally, there are no issues arising from the Council's balance sheet at 31 December.

## **2. Options Analysis including risk assessment**

### **Risk & Consequences**

The Council may fail to receive expected income or may incur unexpected overspending, potentially leading to the curtailment of planned expenditure.

Adverse criticism of over or underspending.

### **Controls Required**

A sound budgetary control system with regular reporting and identification of issues.

### **3. Financial and Resource Implications**

This report is concerned solely with financial management.

### **4. Equalities Implications**

There are no equalities implications associated with this report.

### **5. Climate Change and Environmental Implications**

There are no climate and environmental implications associated with this report.

### **6. Legal Implications**

There are no legal implications arising from this report.

### **Appendices**

Appendix A – Budgetary Control Statement Nine Months Ended 31 December 2023

Appendix B – Balance Sheet as at 31 December 2023

### **Background Papers**

- Transaction and trial balance reports from the Sage accountancy system
- Budgetary Control Working papers.



# Penrith Town Council

## BUDGETARY CONTROL STATEMENT: NINE MONTHS ENDED 31 DECEMBER 2023

Actual 2022-23	Approved Budget 2023-24	Heading	Budget to Date	Actual to Date	Favourable/ (Adverse) Variance
£	£		£	£	£
		<b>INCOME</b>			
		<b>Precept:</b>			
455,209	468,295	Council Tax	351,221	351,221	0
7,388	7,642	<b>CTRS Grant</b>	5,732	5,732	0
		<b>Other Income:</b>			
13,577	15,750	Investment Income	11,813	26,125	14,312
0	10	Miscellaneous Income	8	0	(8)
<b>476,174</b>	<b>491,697</b>	<b>TOTAL INCOME</b>	<b>368,774</b>	<b>383,078</b>	<b>14,304</b>
		<b>EXPENDITURE</b>			
		<b>PLANNING COMMITTEE:</b>			
		<b>Planning:</b>			
2,118	10,000	Planning Consultancy	7,500	199	7,301
2,118	10,000		7,500	199	7,301
		<b>Climate Change:</b>			
2,910	8,300	Climate Efficiency	6,225	0	6,225
2,910	8,300		6,225	0	6,225
<b>5,028</b>	<b>18,300</b>	<b>Planning Committee Total</b>	<b>13,725</b>	<b>199</b>	<b>13,526</b>
		<b>COMMUNITIES COMMITTEE:</b>			
		<b>Town Projects:</b>			
4,689	47,000	Town Projects	35,250	20,155	15,095
4,689	47,000		35,250	20,155	15,095
		<b>Arts &amp; Entertainment:</b>			
21,474	10,000	Arts & Culture Development	7,500	4,327	3,173
21,474	10,000		7,500	4,327	3,173
		<b>Grants:</b>			
20,283	15,000	Grants	11,250	11,763	(513)
0	20,000	Signature Grants	15,000	9,965	5,035
20,283	35,000		26,250	21,728	4,522
		<b>Corporate Communications:</b>			
4,839	15,000	Communications	11,250	6,604	4,646
4,839	15,000		11,250	6,604	4,646
<b>51,285</b>	<b>107,000</b>	<b>Communities Committee Total</b>	<b>80,250</b>	<b>52,814</b>	<b>27,436</b>

Actual 2022-23	Approved Budget 2023-24	Heading	Budget to Date	Actual to Date	Favourable/ (Adverse) Variance
£	£		£	£	£
		<b>FINANCE COMMITTEE:</b>			
		<b>Staffing:</b>			
194,747	247,200	Salaries	185,400	191,155	(5,755)
19,268	23,780	National Insurance	17,835	18,578	(743)
42,230	53,150	LG Pension Scheme	39,863	39,697	166
3,029	500	Recruitment Expenses	375	567	(192)
1,282	600	Staff Training	450	285	165
0	500	Conferences	375	0	375
238	500	Staff Expenses	375	64	311
260,794	326,230		244,673	250,346	(5,673)
		<b>Accommodation:</b>			
7,500	7,500	Rent	5,625	5,625	0
3,104	4,000	Heat, Light & Water	3,000	2,033	967
2,331	1,020	Service Charges	765	1,790	(1,025)
1,782	1,730	Room Hire & Meetings	1,298	1,302	(4)
390	380	Insurances	285	293	(8)
0	0	Letting Income	0	0	0
15,107	14,630		10,973	11,043	(70)
		<b>Civic Functions:</b>			
76	400	Civic Functions	300	20	280
700	700	Mayoral Expenses	525	700	(175)
300	300	Deputy Mayor's Expenses	225	300	(75)
102	100	Civic Regalia	75	486	(411)
1,178	1,500		1,125	1,506	(381)
		<b>Cost of Democracy:</b>			
225	200	Annual Meeting	200	30	170
	5,000	Elections	0	0	0
160	1,000	Members' Training	750	421	329
0	200	Members' Expenses	150	0	150
0	1,200	Notice/Honours Board	900	102	798
385	7,600		2,000	553	1,447
26,800	20,000	<b>IT</b>	15,000	14,019	981
340	2,050	<b>Website</b>	1,538	0	1,538
		<b>Devolved Services:</b>			
(450)	800	Allotments	488	1,598	(1,110)
0	400	War Memorial	300	0	300
0	1,500	Benches	1,125	2,785	(1,660)
3,330	3,000	Bus Shelters	2,250	233	2,017
1,021	1,750	Bandstand	1,313	473	840
653	800	Musgrave Monument	600	0	600
7,426	5,500	Fairhill Park	4,125	6,047	(1,922)
19,407	3,700	Thacka Beck Field	2,775	1,613	1,162
27	300	Signage, etc	225	0	225
7,991	10,000	Community Caretaker	7,500	6,714	786
6,939	18,594	Contribution to/(from) Devolution Reserve	14,057	15,295	(1,238)
46,344	46,344		34,758	34,758	0
0	5,000	<b>Local Government Re-organisation</b>	3,750	0	3,750
		<b>Other Overheads:</b>			
3,614	3,000	Printing, Postage & Stationery	2,250	2,341	(91)
1,166	1,450	Audit Fees	1,088	1,098	(10)
3,241	4,180	Insurance	3,135	2,555	580
123	130	Bank Charges & Interest	98	260	(162)
2,205	2,900	Accountancy Fees	2,175	3,260	(1,085)
1,898	1,650	Legal & Professional Fees	1,238	3,683	(2,445)
827	500	Licences	375	1,020	(645)
3,354	3,201	Subscriptions	2,401	2,313	88
16,428	17,011		12,760	16,530	(3,770)
1,690	2,000	<b>Repairs &amp; Renewals</b>	1,500	94	1,406
<b>369,066</b>	<b>442,365</b>	<b>Finance Committee Total</b>	<b>328,077</b>	<b>328,849</b>	<b>(772)</b>

Actual 2022-23	Approved Budget 2023-24	Heading	Budget to Date	Actual to Date	Favourable/ (Adverse) Variance
£ 0	£ 3,000	Contingency	£ 2,250	£ 0	£ 2,250
(20,000)	5,000	Transfer to/(from) Election Reserve		0	0
405,379	575,665	<b>TOTAL EXPENDITURE</b>	424,302	381,862	42,440
70,795	(83,968)	<b>INCREASE/(DECR) IN GENERAL RESERVE</b>	(55,528)	1,216	56,744
		<b>RESERVES:</b>			
		<b>General Reserve:</b>			
428,090	482,605	Balance brought forward 1 April 2023	482,605	498,886	16,281
70,795	(83,968)	Increase/(decrease) in year	(55,528)	1,216	56,744
498,885	398,637	<b>Balance carried forward</b>	427,077	500,102	73,025
		<b>Devolution Reserve:</b>			
149,855	164,819	Balance brought forward 1 April 2023	164,819	156,794	(8,025)
6,939	18,594	Contribution from/(to) 2023-24 Budget	14,057	15,295	1,238
156,794	183,413	<b>Balance carried forward</b>	178,876	172,089	(6,787)
		<b>Election Reserve:</b>			
0	30,000	Balance brought forward 1 April 2023	30,000	30,000	0
30,000	5,000	Contribution from/(to) 2023-24 Budget	0	0	0
30,000	35,000	<b>Balance carried forward</b>	30,000	30,000	0
685,679	617,050	<b>TOTAL RESERVES</b>	635,953	702,191	66,238



## Penrith Town Council

### BALANCE SHEET AS AT 31 DECEMBER 2023

	£	£
<b>Investments</b>		
Penrith Building Society	86,626	
CCLA Public Sector Deposit Account	<u>680,000</u>	
		766,626
<b>Current Assets</b>		
Debtors	3,313	
Debtor - VAT	3,642	
Prepayments	8,781	
HSBC Bank Account	<u>71,592</u>	
	87,328	
<b>Current Liabilities</b>		
Creditors	0	
Accruals	8,588	
Payroll Control	16,761	
Receipts in Advance	<u>126,414</u>	
	151,763	
<b>Net Current Assets</b>		(64,435 )
		<u><b>702,191</b></u>
<b>Represented by:</b>		
<b>Reserves</b>		
General Reserve		500,102
Devolution Reserve		172,089
Election Reserve		30,000
		<u><b>702,191</b></u>

# FINANCE COMMITTEE

**Date: 15 January 2024**

## **Public Report**

**Matter: Proposed Budget 2024-25**

**Item no: 10**

**Author:** Responsible Finance Officer

**Supporting Member:** Cllr. Shepherd, Chair of Finance Committee

### **Purpose of Report:**

To consider the Proposed Budget 2024/25, service development proposals and the proposed Medium Term Financial Plan.

### **Recommendations:**

The Committee is recommended to consider:

- i) The Forecast Outturn expenditure for 2023/24 of £522,292.
- ii) The Proposed Budget 2024/25 which would, based on the Council Taxbase, require a precept of £487,735, resulting from a 1% increase in Council Tax.
- iii) The salaries paid to staff in 2024/25, as detailed in the supporting confidential report.
- iv) Note the position on service development proposals.
- v) The proposed level of financial reserves.
- vi) The parameters and forecasts in the Proposed Medium Term Financial Plan; and to forward these proposals, with any amendments, to Council for approval.

### **Law and Legal Implications**

Sections 41 and 50 of the Local Government Finance Act 1992 require the Council to calculate its annual budget requirement and its resulting precept by 28 February. The precept is issued to the Billing Authority, Westmorland and Furness Council, to collect the income on behalf of the Town Council.

## **1. Report Details**

### **A. Introduction**

Draft estimates for 2024/25 were considered by the Budget Working Group on 4 December 2023.

The Council Taxbase figure for next year has been provided by Westmorland and Furness Council. The final figure is 5812. Westmorland and Furness Council has confirmed the CTRS grant to be paid will be £7,642, though they have also confirmed that 2024/25 will be the last year that this will be paid.

The Working Group confirmed that a 1% increase in Council Tax for next year would be appropriate, in view of the current circumstances, the cost of living and that reserves were at a comparatively high level, giving scope for a release of resources to the annual budget over a period of years to fund new initiatives.

The Working Group also noted that the Medium Term Financial Plan (MTFP) developed alongside the Proposed Budget demonstrated that budgets can be affordable in the longer term, based on key parameters.

This report presents the resulting Proposed Budget for 2024/25 and Medium Term Financial Plan, which indicate that the Council will be able to set sustainable budgets for subsequent years that will incorporate further financial growth in services and meet its target reserve level, with modest annual tax increases.

## **B. Proposed Budget 2024/25**

## **Appendix A**

The statement at **Appendix A** shows the following detailed information for the Council's Committees and services:

- a) The Actual Outturn income and expenditure for 2022/23, for comparison purposes.
- b) The Approved Budget for 2023/24.
- c) The Forecast Outturn for the current year with the projected full year's expenditure based on trends identified from budget monitoring statements and including the effect of decisions made by Council to date and proposals for the redirection of estimates.

Total outturn expenditure for 2023/24 of £522,292 is forecast to decrease by £53,373 from the Approved Budget of £575,665.

- d) The Proposed Budget for 2024/25, which allows for a continuation (standstill) budget that identifies and provides for the current committed level of service to be maintained. This involves the current year's budget being adjusted to remove any one-off items and to include the estimated costs of contractually committed changes to expenditure or income; inflationary increases have only been allowed where necessary.

Based on these estimates, the proposed precept for 2024/25 will be £487,735, the increase of £19,440 from the 2023/24 figure of £468,295 is due to a higher Council Taxbase and a 1% increase in Council Tax.

- e) The position on the Council's three reserves.
- f) The resulting Council Tax based on the budgets representing a 1% increase in the Council Tax for 2024/25.



**Appendix B** shows a forecast of income and expenditure for the years 2024/25 to 2028/29, based on the figures in the 2024/25 Draft Budget, again showing only continuation budgets. These are adjusted for planned variations, together with a modest provision for growth in subsequent years; basic figures are at April 2024 prices and future inflation has been allowed for as a global figure on staffing and running costs.

Except for a 1% increase Council Tax and allowance for a 4% pay award for 2024/25, the parameters adopted in the Plan are largely those in the current MTFP approved in January 2023 and updated as part of this budget review process:

- A 1% Council Tax increase for 2024/25 followed by 3.0% in each of the years 2025/26 to 2028/29.
- Pay inflation of 4% in 2024/25 and 4.0% thereafter.
- Average price inflation of 4% pa
- Achievement of a General Reserve equivalent to 30% of net expenditure by 31 March 2029.
- Contributions to the Devolution Reserve until expenditure on existing devolved assets reaches the agreed target figure of £46,344.

Based on these parameters, the Council can demonstrate that it has a viable and sustainable financial plan for the next five years.

**D. Service Development Proposals (Growth Items)****Appendix C**

Planning Committee proposed a Growth bid of £5,000 to be considered for 2024/25, following their meeting in November. This was to support the engagement of a consultant to develop a plan to identify improvements to enhance the public realm and street scape in a cohesive way, which will act as a catalyst for stakeholder buy in and the ability to draw down external funding.

Communities Committee proposed a growth bid of £5,000 for 2024/25 for grants. This was to reflect the increased interest in Council grants, applications expected in the new financial year and the intention to continue to increase publicity of the grant scheme.

The Climate Strategy Task and Finish group has proposed an increase in the climate budget from £8,300 to £15,000. This will be to facilitate the delivery of the refreshed Climate Strategy and Action Plan that is currently being finalised.

The Economic Development Officer has submitted a growth bid of £10,000 for associated work that may be required for a new Interpretation and Wayfinding scheme. This work and budget will be classed as matched funding against potential funding from the Borderlands Programme.

The Economic Development Officer also submitted a growth bid of £10,000 to support the marketing programme for Penrith. The development of a brand for Penrith is presently being undertaken via an already approved resolution and budget. This

proposed growth bid is required to match fund and develop joint marketing for Penrith. Working with stakeholders the marketing will be aimed at attracting new business, visitors and shoppers which will in turn will provide inclusive community benefit, economic benefit and increase footfall. Through joint marketing the effectiveness will be greater, and all parties will benefit from economies of scale.

Finance Committee proposed no Growth Bids be considered for 2024/25 following their meeting in November.

Service Development Proposals (Growth Bids) for 2024/25 = £36,700.

## **E. Detailed Budgets**

The following commentary provides details of the individual estimates within the Draft Budget and the Medium-Term Financial Plan.

### **a) Income**

The precept income for 2024/25 is based on a 1.0% increase in Council Tax and a small increase in the Council Taxbase. The parameters in the Medium-Term Plan project tax income which will allow sustainable budgets and reducing the General Reserve towards its target level. The investment income budget has been increased due to higher interest rates.

### **b) Planning Committee**

Planning Services are expected to continue at their current level of £10,000 pa which will in the main support the Neighbourhood Plan referendum which is expected in early 2024/25. The planning committee have also submitted a growth bid of £5,000 for improvements in public realm and street scape. The committee also requested that the climate change budget be transferred from them. It was felt that this would sit better in the Communities Committee.

### **c) Communities Committee**

Based on budget monitoring in the current year, an underspending of £27,000 is forecast for the Committee's budget lines overall in 2023/24 expenditure. Town Projects accounts for £21,000 of this underspend. The increased budget was not required after the successful re-launch of Penrith BID.

#### Town Projects

The proposed budget for 2024/25 is £10,000 for Town Projects, this reduces it to the previous level after last year's one off increase to cover Christmas lights and greening.

#### Arts & Entertainment

The proposed budget for 2024/25 includes £10,000 for Arts and Cultural Development and enabling the delivery of the actions contained within the Priorities Plan.

## Corporate Communications

The Corporate Communications budget is proposed to remain at £15,000.

## Grants

The forecast outturn for the current year is £30,000. The budget for 2023/24 was £35,000 which included £20,000 for Signature Grants and £15,000 for Grants. There is a predicted underspend of £5,000 on the Signature grant fund, there have been 3 signature grants of £5,000, there is enough budget for one more grant of that size. It is anticipated that the Grants budget will be close to being fully committed by year end. Grants have historically been underspent so the change of policy and increased promotion is showing to have an effect on the uptake of the budget. Communities Committee has proposed a £5,000 increase in the Grants budget for 2024/25 to reflect the increase in demand for grants in the current year.

## **d) Finance Committee**

### Staffing

The 2023/24 Forecast Outturn and 2024/25 Proposed Budget estimate the costs of the existing approved staff establishment. After adjusting for pay awards and the removal of the Sustainability Officer post the overall staff cost budget is £7,568 higher than in the previous budget year. Future years' forecast pay awards are provided as a global sum alongside price inflation.

The 2024/25 Draft Budget assumes a full establishment. The supporting Part 2 confidential report shows the recommended salary points for each member of staff, effective from 01 April 2024. Future years' forecast pay awards are provided as 4%.

### Accommodation

The principal changes in accommodation budgets for 2024/25 relates to heat, lighting and water to reflect the increase in utility charges.

### Cost of Democracy

The budget is similar to last years except there are no expected election costs. The Elections reserve would be expected to be used to meet the costs of one-off by-elections.

### IT

The expenditure for IT is in line with budget. The same budget is proposed in 2024/25, but it is felt that the website budget should now sit within IT and not as a separate line

### Devolved Services

The Forecast Outturn for 2023/24 and the Draft Budget 2024/25 include the latest estimated costs and income for assets already transferred. Service expenditure forecasts have been reviewed in the light of operating experience and are

continued into future years. The Council will continue to liaise with Westmorland and Furness Council about future asset transfers which would be subject to further reports resolutions including budget implications.

#### Contribution to Devolution Reserve

A target of £46,344 has been set for Devolved Services, this reflects the reduction in Special Expenses previously charged. It is forecast that the total cost of services will be permanently lower than £46,344 so the difference is contributed to the Devolution Reserve, which will accumulate until decisions are made on its use. In the light of LGR it is recommended as prudent to continue the contribution to the Devolution Reserve in line with current arrangements.

#### Other Overheads

A review of expenditure on these budgets has resulted in several minor variations.

#### Repairs & Renewals

This budget is being retained at £2,000 and is used to fund repairs and one-off expenditure that does not align with another budget.

### **e) Contingency**

The general contingency provision is set at £3,000. It is considered that the main unforeseen areas of expenditure have been adjusted for as part of the proposed budget i.e., salaries.

### **f) Inflation**

Anticipated pay and price inflation has been included in the detailed budgets for 2024/25. For 2025/26 onwards, the MTFP allows for compound pay inflation of 4.0% pa and price inflation at an average rate of 4% pa as a global figure.

## **F. Reserves**

The Draft Budget and Medium-Term Plan assume a continuation of existing plans for reserves.

#### General Reserve

The Council has a policy of reaching a target balance in the Reserve equivalent to 35% of its forecast net expenditure by 31 March 2025, reducing to 30% from 01 April 2026. Underspending in previous years, and a forecasted underspend of £53,000 this financial year, mean that this target is not yet met. As a result, there are resources in the Reserve which can be used to fund service delivery over the life of the Plan.

#### Devolution Reserve

As noted above, the Reserve is being built up from contributions from the Devolved Services budget heading until the total cost of those services reaches £46,344. Appendix B shows that the MTFP projections forecast that this target figure will not be reached and that contributions will stabilise at £16,944 in 2025/26, leading to a

balance of £260,258 on 31 March 2029. The reserve is intended to act as a cushion against the longer-term full costs of devolved assets being higher than expected, necessary renovation and/or improvements and any expectations arising from LGR.

### Elections Reserve

The Elections Reserve will have a balance of £35,000 at the end of 2023/24, this will increase by £5,000 per annum. This budget would be available to meet the costs of one off by elections and ensure the Council has funds to meet election costs in 2027.

### **G. Council Tax**

The current year's Band D Council Tax is £83.09 per property. Adoption of the Draft Budget for 2024/25 would result in an increase to £83.92. The proposed budget is based on a confirmed Council Taxbase of 5812 (3.12% increase).

The Medium-Term Plan at Appendix B indicates that a 3.0% increase in Council Tax in each of the following four years would fund sustainable base budgets with an allowance for growth and meet the Council's target reserve.

### **H. Observations**

- i) This will be the first increase in Council Tax in four years. While there is no need in the short term for a larger increase, the medium-term forecasts allow for only modest financial growth over the life of the MTFP. All other things being equal, the introduction of more ambitious new spending programmes in future years would require tax increases beyond the 3.0% factored into the Plan. If this were the case, a nil increase now would represent a lost opportunity to secure a higher base income: a 1.0% rise in 2024/25 would represent around £24,000 additional income over the five years of the Plan.
- ii) The latest rate of inflation as measured by the Consumer Price Index is 3.9% (November 2023), higher than the Bank of England's 2.0% target. There are a number of reasons for this level of inflation, many of which will be included in the Council's expenditure.
- iii) The Medium-Term Financial Plan assumes average inflationary price increases of 4% pa. In reality, the Council has not automatically inflated budgets each year recently, only where contractually committed, yet there has been no pressure on budgets and significant overall underspending.
- iv) We do not know the outcome of the negotiations for the April 2024 staff pay round. The Draft Budget allows for 4% wage inflation and MTFP assumes 4% from 2025/26 thereafter and appears reasonable.
- v) Superannuation contributions are assessed triennially; and were increased from 19.9% to 21.5% in April 2023. Contributions are based on actuarial forecasts such as age of the workforce, working lives and life expectancy, together with economic factors such as inflation and investment returns. The effect of the increase in contributions from April 2023 are £3,960 per annum (£19,300 over the next 5 years).
- vi) Setting a precept based on a fixed or nil increase in Council Tax means that it is dependent on knowledge of the actual Council Taxbase determined by

Westmorland and Furness Council. This figure has been confirmed at 5812 properties representing a 3.12% increase. The MTFP assume 1.0% pa rises after 2024/25. Standstill Taxbases throughout the five years of the Plan would result in £80,000 less income, demonstrating how spending plans are dependent on regular healthy increases in the Taxbase.

- vii) Appendix B shows that the MTFP forecast predicts that the Devolution Reserve will continue to grow, with expenditure on the assets never reaching the target £46,344 figure and annual contributions levelling out at £16,944. By 31 March 2029, the Reserve will have a balance of £260,258, which is beyond any day to day demands. Although this is an unlikely scenario as there is bound to be the need for major repairs, improvements or upgrades which would reduce the balance, the Council may need to reconsider the purpose of the Reserve, its accumulation of resources and its potential use. It would be appropriate to continue to review this budget annually and with regard to any progress on Asset transfer work with Westmorland and Furness Council.
- viii) By far the biggest unknown in the Medium-Term Plan is the implication of Asset Transfer. The Plan assumes business as usual, with no increased responsibilities taken over by the Council. This assumption may be unlikely, with the Council having expressed an interest in the transfer of assets, however without a known methodology assets may or may not come across with adequate funding, presenting a potential risk to future Council Tax levels. There is no way to predict the consequences at present, but the Council is in a strong financial position, with sustainable standstill budgets and healthy Devolution Reserve. It will be important to revise the medium-term projections should new responsibilities be considered, to ensure that the Council's longer-term budgets remain viable.

## **I. NEXT STEPS**

The Committee is asked to consider this report in conjunction with the draft Reserves and Investment Policies elsewhere on the agenda. Firm budget proposals will then be submitted for decision by Full Council on 29 January 2024.

## **2. Options Analysis including risk assessment**

### **a) Risk**

The Council sets an invalid or inadequate budget.

An inability to raise a valid precept or insufficient resources to deliver the Council's objectives.

### **b) Consequence**

Overspendings leading to unwelcome curtailment of other spending programmes; possible unpalatable council tax increase; potential reputational damage.

An expectation to undertake schemes of work previously undertaken by others.

### **c) Controls Required**

A sound budget process will address these risks.

### **3. Financial and Resource Implications**

This report is concerned solely with financial management. All figures other than the current year's budget and last year's outturn are provisional at this stage.

### **4. Equalities Implications**

There are no equalities implications associated with this report.

### **5. Climate Change and Environmental Implications**

There are no climate and environmental implications associated with this report.

## **Appendices**

2024/25 Draft Budget:

- Budget Summary
- Summary Medium Term Financial Plan
- Service Development Proposals (Growth Items)

## **Background Papers**

2024/25 Budget Working Papers



# Penrith Town Council

## Third Draft BUDGET 2024/25

ACTUAL OUTTURN 2022/23	APPROVED BUDGET 2023/24		BUDGET HEADING	FORECAST OUTTURN 2023/24		DRAFT BUDGET 2024/25	
£	£	£		£	£	£	£
			<b>INCOME</b>				
455,209		468,295	<b>Precept:</b> Council Tax		468,295		487,735
7,388		7,642	<b>CTRS Grant</b>		7,642		7,642
13,577		15,760	<b>Other Income:</b> Investment Income		27,000		23,000
<b>476,174</b>		<b>491,697</b>	<b>TOTAL INCOME</b>		<b>502,937</b>		<b>518,377</b>
			<b>EXPENDITURE</b>				
			<b>PLANNING COMMITTEE:</b>				
1,270	0		<b>Planning:</b>				
848	10,000		Officer Support	0		0	
2,118		10,000	Planning Consultancy	1,000	1,000	10,000	10,000
			Sub-Total				
<b>2,118</b>		<b>10,000</b>	<b>Planning Committee Total</b>		<b>1,000</b>		<b>10,000</b>
			<b>COMMUNITIES COMMITTEE:</b>				
2,910	0		<b>Climate Change:</b>				
0	8,300		Carbon Literacy Training	1,000		0	
2,910		8,300	Climate Efficiency	0	1,000	8,300	8,300
			Sub-Total				
3,337	47,000		<b>Town Projects:</b>				
1,352	0		Town Projects	26,000		10,000	
4,689		47,000	Marketing Penrith	0	26,000	0	10,000
			Sub-Total				
3,147	0		<b>Arts &amp; Entertainment:</b>				
18,327	10,000	10,000	Officer Support	0		0	
21,474			Arts & Culture Development	10,000	10,000	10,000	10,000
			Sub-Total				
20,283	15,000		<b>Grants:</b>				
20,283	20,000	35,000	Grants	15,000		15,000	
			Signature Grants	15,000	30,000	20,000	35,000
			Sub-Total				
	15,000		<b>Corporate Communications:</b>				
3,319	0		Communications	14,000		15,000	
1,520	0		Community Engagement	0		0	
4,839	0	15,000	Press Support	0	14,000	0	15,000
			Sub-Total				
<b>54,195</b>		<b>115,300</b>	<b>Communities Committee Total</b>		<b>81,000</b>		<b>78,300</b>
			<b>FINANCE COMMITTEE:</b>				
194,747	247,200		<b>Staffing:</b>				
19,268	23,780		Salaries	248,543		252,873	
42,230	53,150		National Insurance	24,573		24,760	
3,029	500		Superannuation	51,552		54,365	
1,282	600		Recruitment Expenses	700		500	
0	500		Staff Training	800		600	
238	500		Conferences	0		200	
260,794		326,230	Staff Expenses	300	326,468	500	333,798
			Sub-Total				



ACTUAL OUTTURN 2022/23	APPROVED BUDGET 2023/24		BUDGET HEADING	FORECAST OUTTURN 2023/24		DRAFT BUDGET 2024/25	
£	£	£		£	£	£	£
7,500	7,500		<b>Accommodation:</b>	7,500		7,500	
3,104	4,000		Rent	4,000		4,500	
2,331	1,020		Heat, Light & Water	2,500		2,520	
1,782	1,730		Service Charges	1,900		1,730	
390	380		Room Hire/Meetings	380		380	
15,107		14,630	Insurances		16,280		16,630
			Sub-Total				
76	400		<b>Civic Functions:</b>	100		400	
700	700		Civic Functions	700		700	
300	300		Mayoral Expenses	300		300	
102	100		Deputy Mayor's Expenses	500		200	
1,178		1,500	Civic Regalia		1,600		1,600
			Sub-Total				
225	200		<b>Cost of Democracy:</b>	100		100	
0	5,000		Annual Meeting	0		0	
160	1,000		Elections	1,000		1,000	
0	200		Members' Training	200		100	
0	1,200		Members' Expenses	200		200	
385		7,600	Notice/Honours Board		1,500		1,400
			Sub-Total				
27,140		22,050	<b>IT</b>		22,000		22,000
(450)	800		<b>Devolved Services:</b>	800		1,200	
0	400		Allotments	200		100	
0	1,500		War Memorial	1,800		2,000	
3,330	3,000		Benches	3,000		3,500	
1,021	1,750		Bus Shelters	1,750		1,750	
653	800		Bandstand	800		800	
7,426	5,500		Musgrave Monument	5,500		6,000	
19,407	3,700		Fairhill Park	3,700		3,700	
27	300		Thacka Beck	300		300	
7,991	10,000		Signage	10,000		10,000	
6,939	18,594		Community Caretaker	18,494		16,994	
46,344		46,344	Contribution to Devolution Reserve		46,344		46,344
0		5,000	Sub-Total				
			<b>Local Government Re-organisation</b>		0		0
3,614	3,000		<b>Other Overheads:</b>	3,700		3,700	
1,166	1,450		Printing, Postage & Stationery	1,450		1,450	
3,241	4,180		Audit Fees	3,500		4,680	
123	130		Insurance	350		180	
2,205	2,900		Bank Charges & Interest	4,000		4,100	
1,898	1,650		Accountancy Fees	1,500		6,150	
827	500		Legal & Professional Fees	1,400		1,400	
3,354	3,201		Licences	3,200		3,500	
1,690	2,000		Subscriptions	1,000		2,000	
18,118		19,011	Repairs & Renewals		20,100		27,160
			Sub-Total				
369,066		442,365	<b>Finance Committee Total</b>		434,292		448,932
0		3,000	<b>Contingency</b>		1,000		3,000
n/a		0	<b>Allowance for Growth Items</b>		0		36,700
(50,000)		0	<b>Transfer to/(from) Acquisitions Reserve</b>				0
30,000		5,000	<b>Transfer to/(from) Election Cost Reserve</b>		5,000		5,000
405,379		575,665	<b>TOTAL EXPENDITURE</b>		522,292		581,932
					53,373		
70,795		(83,968)	<b>INCREASE/(DECREASE) IN GENERAL RESERVE</b>		(19,355)		(63,555)

ACTUAL OUTTURN 2022/23	APPROVED BUDGET 2023/24		BUDGET HEADING	FORECAST OUTTURN 2023/24		DRAFT BUDGET 2024/25	
£	£	£		£	£	£	£
428,090	16,280	482,605	<b>General Reserve:</b>		498,885		479,530
70,795		(83,968)	Balance brought forward 1 April		(19,355)		(63,555)
<b>498,885</b>		<b>398,637</b>	<b>Balance carried forward 31 March</b>		<b>479,530</b>		<b>415,976</b>
149,855	(8,025)	164,819	<b>Devolution Reserve:</b>		156,794		175,288
6,939		18,594	Balance brought forward 1 April		18,494		16,994
<b>156,794</b>		<b>183,413</b>	<b>Balance carried forward 31 March</b>		<b>175,288</b>		<b>192,282</b>
50,000		0	<b>Acquisitions Reserve:</b>		0		0
(50,000)		0	Balance brought forward 1 April		0		0
<b>0</b>		<b>0</b>	<b>Balance carried forward 31 March</b>		<b>0</b>		<b>0</b>
0		30,000	<b>Election Cost Reserve</b>		30,000		35,000
30,000		5,000	Balance brought forward 1 April		5,000		5,000
<b>30,000</b>		<b>35,000</b>	<b>Balance carried forward 31 March</b>		<b>35,000</b>		<b>40,000</b>
<b>685,679</b>		<b>617,050</b>	<b>TOTAL RESERVES AT 31 MARCH</b>		<b>689,818</b>		<b>648,258</b>

ACTUAL OUTTURN 2022/23	APPROVED BUDGET 2023/24		COUNCIL TAX	FORECAST OUTTURN 2023/24		DRAFT BUDGET 2024/25	
£455,209		£468,295	Precept		£468,295		£487,735
5,478.50		5,636.00	Taxbase (Band D properties)		5,636.00		5,811.91
£83.09		£83.09	Council Tax (Band D)		£83.09		£83.92
0.00%		0.00%	Increase (%)		0.00%		1.00%



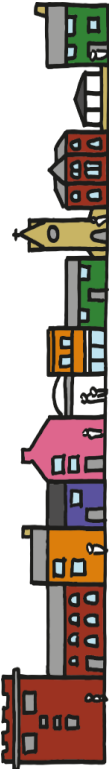
## Penrith Town Council

### APPROVED MEDIUM TERM FINANCIAL PLAN 2024/25 TO 2028/29

BUDGET HEADING	2024/25	2025/26	2026/27	2027/28	2028/29
	£	£	£	£	£
<b>INCOME</b>					
Council Tax	487,735	507,405	527,835	549,101	571,224
All Other Income	30,642	18,000	16,000	15,000	14,000
<b>TOTAL INCOME</b>	<b>518,377</b>	<b>525,405</b>	<b>543,835</b>	<b>564,101</b>	<b>585,224</b>
<b>EXPENDITURE</b>					
Staff Costs	333,798	318,215	314,270	314,270	314,270
All Other Expenditure	189,440	189,440	189,440	239,440	189,440
Inflation: Staff Costs: 4.0% pa	0	12,730	26,160	40,850	56,820
Inflation: Other Expenditure: Average 4% pa	0	7,580	15,160	28,730	30,310
Contribution to Devolution Reserve	16,994	16,994	16,994	16,994	16,994
Transfer to/(from) Election Reserve	5,000	5,000	5,000	(50,000)	5,000
Allowance for Growth Items (Illustrative)	36,700	40,000	40,000	30,000	30,000
<b>TOTAL EXPENDITURE</b>	<b>581,932</b>	<b>589,959</b>	<b>607,024</b>	<b>620,284</b>	<b>642,834</b>
<b>INCREASE/(DECR) IN GENERAL RESERVE</b>	<b>(63,555)</b>	<b>(64,554)</b>	<b>(63,189)</b>	<b>(56,183)</b>	<b>(57,610)</b>

RESERVES:	2024/25	2025/26	2026/27	2027/28	2028/29
	£	£	£	£	£
<b>General Reserve:</b>					
Balance brought forward 1 April	479,530	415,976	351,422	288,233	232,050
Increase/(decrease) in year	(63,555)	(64,554)	(63,189)	(56,183)	(57,610)
<b>Balance carried forward 31 March</b>	<b>415,976</b>	<b>351,422</b>	<b>288,233</b>	<b>232,050</b>	<b>174,440</b>
<i>Target General Reserve: 35/30% of Expenditure</i>		184,800	163,500	187,000	177,300
<b>Devolution Reserve:</b>					
Balance brought forward 1 April	175,288	192,282	209,276	226,270	243,264
Contribution from Annual Budget	16,994	16,994	16,994	16,994	16,994
<b>Balance carried forward 31 March</b>	<b>192,282</b>	<b>209,276</b>	<b>226,270</b>	<b>243,264</b>	<b>260,258</b>
<b>Election Cost Reserve:</b>					
Balance brought forward 1 April	35,000	40,000	45,000	50,000	0
Contribution from Annual Budget	5,000	5,000	5,000	(50,000)	5,000
<b>Balance carried forward 31 March</b>	<b>40,000</b>	<b>45,000</b>	<b>50,000</b>	<b>0</b>	<b>5,000</b>
<b>TOTAL RESERVES AT 31 MARCH</b>	<b>648,258</b>	<b>605,698</b>	<b>564,503</b>	<b>475,314</b>	<b>439,698</b>

COUNCIL TAX:	2024/25	2025/26	2026/27	2027/28	2028/29
Precept	£487,735	£507,405	£527,835	£549,101	£571,224
Taxbase (Band D properties)	5,811.91	5,870.03	5,928.73	5,988.02	6,047.90
Council Tax (2023/24 £83.09)	£83.92	£86.44	£89.03	£91.70	£94.45
Increase (%)	1.00%	3.00%	3.00%	3.0%	3.00%

<div><div><b>Penrith Town Council</b> APPROVED MEDIUM TERM FINANCIAL PLAN SERVICE DEVELOPMENTS (GROWTH ITEMS)</div></div>									
REF	PROPOSAL	2024/25	2025/26	2026/27	2027/28	2028/29	TOTAL		
	Allowance for New Growth in Future Years (Illustrative)  TOTAL GROWTH ITEMS	£  36,700	£  40,000	£  40,000	£  30,000	£  30,000	£  176,700		
		36,700	40,000	40,000	30,000	30,000	176,700		



# Penrith Town Council

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## RESERVES POLICY

### PURPOSE

The Town Council maintains two types of reserves, for differing reasons:

- a General Reserve (the General Fund working balance), which provides working capital and a buffer against financial risks; and
- earmarked reserves to meet known, planned or predicted spending requirements which have been identified specifically.

The Council acknowledges that there is a balance to be struck between holding excessive reserves raised from public monies and retaining a prudent level of funds. It will therefore take advice from its Responsible Finance Officer on the adequacy and appropriateness of its reserves, primarily when setting its revenue budget.

### 1. GENERAL RESERVE

This reserve represents the balance on the Council's revenue account, i.e. the account which records all its financial transactions. Unless allocated for a specific purpose, revenue budget underspending and windfalls are added to the working balance, while overspendings are taken from the balance.

The balance provides working capital to assist the Council's cash flow, acts as a buffer against unexpected events or expenditure and provides funds for opportunities to be pursued. The optimum level for the working balance is determined by an assessment of the Council's potential exposure to financial risks, together with a judgement of the extent to which earmarked reserves can support its cash flow on a temporary basis.

The medium-term target for the reserve is to accumulate a balance equivalent to 35% of net revenue expenditure by 31 March 2025 reducing to 30% of expenditure from 01 April 2026 onwards. This is to be achieved by regular annual contributions from the revenue account, where necessary. The level of contributions will be determined annually, taking account of the impact on council taxpayers and the availability of earmarked reserves.

## 2. EARMARKED RESERVES

Other than any funds governed by legal conditions, the earmarking of reserves is at the discretion of the Council and monies can be moved from one to another if required. Reserves do not generally accrue interest on the investment of their funds.

In order to avoid future over-commitment, the day to day operational costs of running the Council are to be met from the revenue budget and reserves shall not be used to fund recurring expenditure.

- **Devolution Reserve:** This reserve is credited with the difference (while positive) between the council tax income equivalent to the special expenses previously levied in Penrith and the net cost of the assets transferred ~~from Eden DC~~. The reserve will provide a cushion against the full cost of those assets being higher than expected, renovation and/or improvements.
- **Elections Reserve (proposed):** This reserve supports the costs in the future of Parish Council Elections and any one off by election costs and recharges. An allocation of £30,000 met from underspends in the 2022-23 financial year, and thereafter a contribution of £5,000 per annum over the full term of the MTFP.

## 3. ESTABLISHMENT AND USE OF RESERVES

The Annex to this policy provides further details of the Council's current reserves with a target range for each one.

The establishment or closing of an earmarked reserve requires a formal decision of Council. Similarly, the approval of Council is required for all contributions and transfers to reserves, and all use of reserves to fund expenditure.

### Review

This policy will be subject to annual review.

**LAST REVIEW: January 2023**

**Review: ANNUAL**

## CURRENT RESERVES

Reserve	Purpose	Target level
<b>General Reserves</b>		
General Reserve (General Fund Working Balance)	<ul style="list-style-type: none"> <li>• Provision of working capital.</li> <li>• Buffer against uneven cash flows, inflationary pressures, sharp budgetary changes, unexpected events or emergencies.</li> <li>• Ability to pursue opportunities when identified.</li> </ul>	<ul style="list-style-type: none"> <li>• Assessed primarily on the basis of financial risks to the Council.</li> <li>• Medium-term target to be 35% of net revenue expenditure at 31 March 2025 and <b>30%</b> thereafter.</li> <li>• Minimum level: £150,000</li> <li>• Range: £150,000 to £300,000</li> </ul>
<b>Earmarked Reserves</b>		
Devolution Reserve	<ul style="list-style-type: none"> <li>• Accumulation of funds in the early years of devolved asset transfers <b>from Eden DC when grant income from that council is available.</b></li> <li>• Cushion against the longer-term full costs of devolved assets being higher than expected, renovation and/or improvements.</li> </ul>	<ul style="list-style-type: none"> <li>• Based on the allocation of the difference (while positive) between the income equivalent to the special expenses previously levied in Penrith via council tax and the net cost of devolved assets transferred from Eden DC</li> <li>• Typical Range: £50,000 to £260,000</li> </ul>
Elections Reserve <b>(proposed)</b>	<ul style="list-style-type: none"> <li>• To meet the costs of Parish Council Elections in 2027 and any one off by elections and general election recharges.</li> </ul>	<ul style="list-style-type: none"> <li>• £30,000 met from underspends in 2022-23 financial year.</li> <li>• A contribution of £5,000 per annum over the full term of the Medium Term Financial Plan, 31 March 2028.</li> <li>• Range: £30,000 to £60,000</li> </ul>

Reserve	Purpose	Target level
Acquisitions Reserve	<ul style="list-style-type: none"> <li>To support activities associated with buying, surveying, legal fees, investing and managing land and property.</li> </ul>	<p>Range £nil to £50,000</p> <p>The reserve has been reallocated in full (£50k) to meet the costs of new posts on the staff establishment. Approved Full Council 23 May 2022.</p> <p>The Acquisition Reserve be deleted at 31 March 2023.</p>

**DATE OF APPROVAL:** January 2023

**REVIEW: ANNUAL**





# Penrith Town Council

Unit 1, Church House, 19-24 Friargate, Penrith, Cumbria, CA11 7XR

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## INVESTMENT STRATEGY

### PURPOSE

The Town Council invests reserves and surplus funds which are not immediately required to meet expenditure.

This strategy provides a framework for the secure and prudent investment of those monies and adopts the relevant principles of statutory guidance issued under the Local Government Act 2003 and of CIPFA codes of practice.

### INVESTMENT OBJECTIVES

The Council invests monies for treasury management purposes.

Its priorities in investing surplus funds are:

- **Security** (protecting the investment from loss);
- **Liquidity** (ensuring the money is available for expenditure when needed); and, providing the above objectives have been met,
- Obtaining the best **Yield**.

Investment opportunities are assessed in terms of these objectives; the Council aims to obtain the best possible return commensurate with proper levels of security and liquidity.

### TYPES OF INVESTMENT

The Council will not invest in non-financial assets such as commercial property.

The Council will only place funds in specified investments, as defined by the Secretary of State, which offer high security and high liquidity. These investments are made in the Council's name and are:

- made in sterling;
- have a maturity of no more than one year; and
- with a counterparty which is the UK Government, a local authority or a body of high credit quality.

The Council does not intend to use non-specified investments (ie those which do not meet these criteria) as these are generally considered to be of higher risk and would require specialist advice.

## **RISK ASSESSMENT**

The Council's investments no longer qualify for the Financial Services Compensation Scheme up to £85,000; however, this is considered to be an acceptable limit for investments in organisations of good credit quality. Larger amounts can be invested with organisations of high credit quality.

The Council does not employ external treasury advisors or subscribe to a credit rating agency. It bases its assessment of the risk attaching to potential investments with counterparties on their publicly available information, organisational structure and asset size.

The Council will also have regard to the amount of funds placed with a single institution.

## **APPROVED COUNTERPARTIES**

The following counterparties are approved for the investment of surplus funds by the Council, with a duration of no longer than twelve months:

- HM Government and its agencies
- Local Authorities
- UK Clearing Banks
- Building Societies with an asset base in excess of £1,000 million or smaller societies where there are strategic or local considerations, limited to a principal investment of £85,000 with a single society
- UK FCA regulated qualifying money market funds with an AAA rating (Fitch credit rating).

## **TREASURY MANAGEMENT RESPONSIBILITIES**

All new investments are made in the name of the Penrith Town Council and will be approved by Full Council, having taken advice from the Responsible Financial Officer, who has knowledge and experience of the CIPFA codes of practice.

Any transfer of monies between bank accounts shall be made by any combination of two officers of the Council -the RFO, Services and Contracts Manager, the Town Clerk, the Deputy Town Clerk and in the absence of one, by a designated Councillor pre-approved by Full Council. Investment activities are reported to the Finance Committee to be noted.

Members of the Finance Committee are suitably experienced and understand the nature of investment risks. Where necessary, their knowledge will be supplemented by formal or informal training.

## **ACTIVITIES FOR NEXT 12 MONTHS**

The Town Council plans to maintain its investments in the Penrith Building Society. As it receives its full annual precept income early in the financial year, it will have surplus funds for most of the year and these will be invested in the CCLA Public Sector Deposit Fund until needed. As the Council does not have a long history of managing its cash

flow actively, it will adopt a cautious approach to investing surplus monies to ensure that its bank account balance is always sufficient to meet short-term requirements.

**REVIEW**

This strategy will be subject to annual review in advance of each financial year.

**APPROVED: 2019**

**LAST REVIEW: January 2023**

**Review: ANNUAL**

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# FINANCE COMMITTEE

**Date: 15 January 2024**

## **Public Report**

**Matter: St Andrews War Memorial**

**Item no: 12**

**Author:** Services and Contracts Manager

**Supporting Member:** Cllr. Shepherd, Chair of Finance Committee

### **Purpose of Report:**

To consider the budgetary and procurement implications to install a sandstone plinth at the St Andrews War Memorial.

### **Recommendations:**

- i. Approve that the costs to install a sandstone plinth at the St Andrews War Memorial are met from the Devolution Reserve budget.
- ii. Approve that the costs to obtain the necessary consents are met from the Devolution Reserve budget.
- iii. Approve a single source justification for a local stonemason to undertake the works.

### **Law and Legal Implications**

The Town Council resolved from 15 May 2023, until the next relevant Annual Meeting of the Council, that having met the conditions of eligibility as defined in the Localism Act 2011 and SI 965 The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012, to adopt the General Power of Competence.

### **1. Report Details**

- 1.1 Full Council, 17 July 2023 considered a proposal to install a sandstone plinth surrounding the base of the St Andrews War Memorial and resolved, Minute PTC23/42:
  - i. the installation of a sandstone plinth at the St Andrews War Memorial be approved.
  - ii. the Services and Contracts Manager develop the scheme including agreeing a design for the plinth, obtaining quotations and investigating and applying for any consents required; and
  - iii. A further report be presented to the Finance Committee setting out the budgetary implications.
- 1.2 Meetings have continued with members of the Royal British Legion and other armed forces personnel and a design for the plinth has been developed which is in keeping with the existing monument and would provide for the installation of a sandstone plinth, constructed in Lazonby sandstone.

- 1.3 Consents are required including an application for listed building consent and a faculty application with the Diocese of Carlisle. These will be progressed following receipt of drawings which will need to be prepared.
- 1.4 The cost of the supply and installation of the new sandstone plinth will be in the region of £2,850 and this report requests approval that the cost of the work is met from the Devolution Reserve. The work would be expected to be undertaken in the summer of 2024.
- 1.5 Given the specialist nature of this work and the significance of the listed war memorial structure it is recommended that a local stone mason company is issued with the work subject to a quotation being received which is within the approved budget. A local company has previously undertaken work on behalf of the Council at the War Memorial and the company specialises in stonemasonry and historic property restoration, and as such it is recommended that in accordance with the Council's Procurement Policy a Single Source Justification is approved.

## **2. Options Analysis including risk assessment**

### **a) Risk**

Not having the required consents in place.

Not having the budget approved.

Workmanship not in keeping with the significance of the structure.

### **b) Consequence**

Breach of regulations in respect of development associated with a listed structure and development on church land.

Not having an approved budget would result in poor financial planning.

Reputational damage and detriment to the War Memorial structure.

### **c) Controls Required**

Ensure that listed building consent and faculty consent from the Diocese is in place prior to the issuing of an official order.

Approve a budget for the cost of the works which in this case would be met from the Devolution Reserve.

Approve a single source justification so that the council can proceed with a Penrith based company that specialised in stonemasonry and historic property restoration.

## **3. Financial and Resource Implications**

The cost for the application of consents including preparation of drawings, listed building consent and the consent required from the Carlisle Diocese will be in the region of £1,500.

The cost for the installation of a sandstone plinth based on outline quotations will cost in the region of £2,850.

This report requests that the costs of the scheme are met from the Devolution Reserve budget.

#### **4. Equalities Implications**

There are no equalities implications associated with this report.

#### **5. Climate Change and Environmental Implications**

There are no climate and environmental implications associated with this report.

#### **Appendices**

None

#### **Background Papers**

Full Council, 17 July 2023, Minute PTC23/42