Agenda 17 L

COUNCIL
20/11/25

Milly Southworth

From:	Julie Calleya <Julie.Calleya@cornwall.gov.uk>
Sent:	14 November 2025 14:16
To:	CornwallALC Enquiries
Cc:	Lee Dunkley; Mary Gosling; Training Cornwall ALC
Subject:	NEWS BULLETIN 14/11/2025
Attachments:	Local Council Finance Briefing November 2025.pptx; Skills and Career Fair (1).png; CCF Vital Signs Report 2025.pdf; CCF Vital Issues Report 2025 - Print.pdf

Information Classification: CONTROLLED

To All Members –

We would like to draw your attention to a number of news items that may be of interest for members and some important dates for your diaries:

Dates for Your Diary

Tuesday 18 November - **FREE Briefing for clerks on Assertion 10** at 11am
Monday 17 November – **Chairing Skills training**, in-person at Blackwater Passmore Edwards Institute & Village Hall at 10am
Monday 17 November – **Code of Conduct training**, online at 6.30pm
Wednesday 19 November – **Martyn's Law webinar** - 12pm
Tuesday 25 November – **Enforcement & Appeals**, presented by Andrew Towlerton, online at 6.30pm
Thursday 4 December – **Martyn's Law Webinar** - 12pm

News Items

1. **CALC AGM** – Many thanks to delegates and officers from across Cornwall that attended the CALC AGM on 11th November. Engagement with the CALC board elections was unprecedented this year, with 13 candidates looking to fill 10 vacancies. After a hotly contested ballot I am pleased to welcome our directors for the next 12 months listed below. Many thanks to all 13 candidates for your keen interest. The AGM gave a heartfelt thanks and farewell to Sarah Mason, who has after 25 years of service now left the organisation to enjoy retirement; and also bid its gratitude to Stuart Roden who has served as a director and previous chair to CALC for many years.

Following the AGM Cllr Sarah Preece, portfolio holder for Tourism, Localism and Planning and Cornwall Council was joined by senior planning colleagues and gave an informative and well-received presentation on the development of the Local Plan and the ability for local councils to engage in this. A lengthy Q&A followed on both planning and tourism matters.

Next year we hope to hold a full day conference alongside the AGM - so please watch this space.

Directors for 2025/26: Bob Drew (Chair), Rob Rotchell (Vice Chair), Richard Davies, Graham Ford, Carl Hearn, Paul O'Brien, Deborah Reeve, Peter Tisdale, Paul Andrew, Malcolm Brown, Rod Pascoe, Richard Stokoe.

2. **2025/26 Budget Update** - CALC hosted a Teams meeting for clerks and members of local councils. We would like to extend our thanks to the team of Cornwall Council officers who presented the update on Cornwall Council's 2025/26 Budget position and planning for the 2026/27 Budget, along with an update on the latest information relating to the Second Homes Council Tax Premium and Precept setting.
The meeting was well attended and we have attached the presentation slides for your information and a recording of the briefing here: Recap: CC Finance Briefing for Local Councils 13 November | Meeting | Microsoft Teams

3. **Assertion 10: Digital and Data Compliance – Tuesday 18 November 2025 at 11am**
Reminder: on 18th November we will be holding a short, sharp online briefing designed for clerks - particularly for small and medium councils, although it is not exclusive. This is not a comprehensive deep dive—it's a practical and pragmatic walkthrough of the real-world steps you need to consider taking to comply with the new Assertion 10 requirements in the 2025/26 AGAR. The

briefing is FREE to member councils (£35 for non-members). If you wish to join, please use the link below (there is no need to book).

Microsoft Teams Need help?

Join the meeting now

Meeting ID: 376 590 985 184

Passcode: XW268ky6

4. **Assertion 10 - NALC** are also holding a free detailed Assertion 10 briefing on **2nd December** - Assertion 10 Made Simple: Strengthening governance and compliance

5. **Template IT Policy** - NALC have now published a draft comprehensive IT Policy that councils may wish to make use of, particularly with regard to compliance with the new AGAR assertion 10: IT Policy

6. **Martyn's law virtual webinars** are open to all interested parties and are available on the following dates at 12pm.
The Terrorism (Protection of Premises) Act 2025, commonly referred to as Martyn's Law, requires that those responsible for certain premises and events consider how they would respond in order to be better prepared and protected.
The Department for Education and the Home Office are delivering a series of virtual webinars for schools to learn about Martyn's Law at 12:00pm on the following dates:
19 November
4 December

The Home Office has also published a list of common queries and the answers which many will find helpful:
Q1.What is the scope (criteria) for qualifying premises
Premises that satisfy the following four criteria fall within scope of the Act, in accordance with section 2:

1. There is at least one building on the premises. The premises must consist of a building (including part of a building) or a building and other land;
2. The premises are wholly or mainly used for one or more of the uses specified at Schedule 1 to the Act, e.g. a restaurant or a shop;
3. It is reasonable to expect that at least 200 individuals (including staff) may be present at the same time at least occasionally, in connection with one or more uses specified in Schedule 1; and
4. The premises are not excluded under Part 1 of Schedule 2 to the Act.

Q2. What are the exclusions under Schedule 2 to the Act
Schedule 2 to the Act details excluded premises and events, including certain transport premises, and those premises occupied by Parliament, the devolved legislatures, and devolved administrations. These premises are excluded as there are already comparable security provisions to the Act in place, either required through other legislation (for example applying to the excluded transport premises), or achieved through other means. Schedule 2 also excludes some open-access premises which might otherwise be captured within scope, e.g. parks. gardens, and other open-air premises used for recreation or leisure, where there are no measures in place to restrict access. This was considered a necessary exclusion, given that the Act primarily applies to premises and events where there is control of access.

Q3. How could Local Authority buildings fall within scope of the Act
One of the four criteria for qualifying premises is that the premises are wholly or mainly used for one or more uses specified within Schedule 1 to the Act. Schedule 1 (para 17) includes premises for the provision by a public authority of facilities or services to visiting members of the public. A public authority is detailed as being a person exercising functions of a public nature, for example a Local Authority. There are also other Schedule 1 uses relating to entertainment and leisure activities, libraries, museums and galleries, halls and other venues for hire for activities, and visitor attractions. Where premises meet this and the other qualifying premises criteria, they will be considered as qualifying premises which must meet the Act's requirements.

The Act does not apply to the Crown. Premises which would otherwise be in scope which are operated by crown servants are not subject to the Act and its requirements. The provisions do have effect at premises which are operated by a third party (non-crown servants) on Crown land e.g. a retail premises on The Crown Estate.

The Home Office is undertaking a New Burdens Assessment and considering the findings of this and any cost implications for public authorities.

Please note that the responses below do not constitute legal advice. It remains the responsibility of each local authority to seek its own legal advice on the application of the Act's provisions to their building or premises.

7. **Strengthening the Standards and Conduct Framework for councils in England: government response**
On 11 November, MHCLG has published the government's response to the consultation on strengthening the standards and conduct framework for local authorities in England.
The reforms outlined in the government response aim to create a clearer, fairer and more consistent system for upholding standards in local government, strengthening accountability, transparency and public trust. This forms part of the government's wider commitment to greater devolution and a stronger local democracy.
Press release:
https://www.gov.uk/government/news/tough-new-powers-to-clean-up-local-politics

8. **National Heritage Memorial Fund announced** – On the 9 November, the Department for Culture, Media & Sport (DCMS) announced £2 million in government funding for the National Heritage Memorial Fund, to support the repair and conservation of local war memorials in the United Kingdom.
The funding will build on The National Heritage Memorial Fund's ongoing work to preserve and protect UK's heritage and enable more communities to access support for maintaining their local war memorials most in need.
The National Heritage Memorial Fund exists to form a UK-wide memorial in honour of those who have given their lives to the country. Working with the War Memorials Trust, Historic England and other partners, the funding will support communities across the UK to protect and repair their local war memorials through grants, expert advice and guidance, ensuring these historic memories can continue to serve as places for remembrance and education.
Press release:
https://www.gov.uk/government/news/funding-boost-to-protect-war-memorials-across-the-country-for-future-generations

9. **Skills and Career Fair** – this may be of interest to members who would like to promote the council as places for young people to enter employment and training – see attached flyer.

Job Adverts – for further information please click here

10. **Director of Operations** – Newquay Town Council - Closing Date Monday 10 November at midday
11. **Director of Resources/Deputy Chief Executive** – Newquay Town Council – Closing Date Monday 17 November at midday
12. **Library & Visitor Information Deputy Manager** – Newquay Town Council – Closing Date Monday 17 November
13. **Committee Clerk** – Newquay Town Council – Newquay Town Council – Closing Date Monday 17 November
14. **Deputy Finance Manager** – Newquay Town Council – Newquay Town Council – Closing Date Monday 17 November
15. **Assistant Parish Clerk** – Illogan Parish Council – Closing Date Tuesday 18 November
16. **Locum Parish Clerk/Proper Officer/Responsible Financial Officer** – Probus Parish Council – Closing Date by Thursday 20 November
17. **Locum Finance Officer** - St Agnes Parish Council – Immediate Start to allow for handover with outgoing post holder

Should you have any questions in relation to any item within this Bulletin, please get in touch by email at enquiries@cornwallalc.org.uk

Kind regards,

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the benefit of the named council as a whole and the information provided is in line with current best practice. Details of the CALC Privacy Statement can be accessed from our website www.cornwallalc.org.uk.

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Cornwall Council Finance Briefing and Second Homes Council Tax Premium Update

Town and Parish Councils

13 November 2025

Ellie Willcocks – Head of Financial Strategy & Technical
Ian Stephens – Head of Assessment, Billing & Collection

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2025/26 Forecast Outturn Quarter 2

- At quarter 2, it is forecast that the budget overspend at the end of the current financial year will be **£7.9m**. This is a 0.94% variance on our £842m net revenue budget. This is an increase on the quarter 1 forecast which was £3.4m.
- The main area of overspend relates to Children in Care costs, resulting from higher average placement costs despite successfully controlling the number of placements.
- There are underspends within Corporate Items and Capital Financing and Interest Receipts budgets.
- To prevent an overspend at the end of the year, a financial recovery is being implemented. Measures to reduce expenditure and generate income, with minimal impact on service delivery, are currently being identified.
- There are several risks which have been identified but not yet included in the forecast due to their uncertainty. However, if these materialise the overspend could increase.
- Of the **£48.8m** MTFP savings target, it is currently forecast that **£38.9m** (80%) will be delivered in-year.

Directorate Name	Budget (£m)	Forecast (£m)	Variance (£m)	Variance (%)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Children and Family Services	[illegible]	[illegible]	[illegible]	[illegible]
Education and Community Health Ser…	12.018	11.338	(0.680)	[illegible]
CYP Commissioning	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Adult Care and Support	282.734	[illegible]	0.499	[illegible]
Adult Commissioning and Partnerships	27.759	27.759	0.000	[illegible]
Cornwall Fire and Rescue Service	28.095	28.295	0.200	[illegible]
Business Support Integrated Systems	6.896	7.085	0.189	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Planning and Housing	4.914	5.008	0.094	[illegible]
Connectivity and Environment	[illegible]	45.757	(0.764)	[illegible]
Economy, Regeneration and Assets	[illegible]	[illegible]	0.574	[illegible]
Community Wellbeing	[illegible]	[illegible]	[illegible]	[illegible]
Community Services	23.782	23.782	0.000	[illegible]
Wellbeing and Public Health	[illegible]	[illegible]	0.000	[illegible]
Regulatory Services	[illegible]	[illegible]	0.000	[illegible]
Customer and Corporate Services	[illegible]	[illegible]	[illegible]	[illegible]
Customer and Business Operations	[illegible]	[illegible]	[illegible]	[illegible]
Legal and Assurance	[illegible]	11.293	[illegible]	[illegible]
Resources and Performance	10.534	[illegible]	[illegible]	[illegible]
Strategy and Partnerships	[illegible]	8.377	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]

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Budget Context and Fair Funding Review

- Government Spending Review announced a 4.5% increase in Local Government funding over three years (2.7% real-terms).
- Undertaking a Fair Funding Review (FFR) to establish new 'needs and resources' formulas which will provide Local Authorities with a first multi-year settlement in over a decade.
- Initial indications from the summer consultation were that the FFR would provide positive recognition of rural and tourism related pressures.
- However, potential funding gains from FFR would not be immediate as a phased approach would be applied, to avoid significant sudden impacts, both for those authorities gaining or losing.
- Currently awaiting further detail in a forthcoming Policy Statement from Government, in advance of the Local Government Finance Settlement.
- Chancellor's budget on 26 November (much later than anticipated) is also expected to provide further information that will impact on our budget planning.
- There remains much uncertainty, so the draft budget in December will be based on a number of funding assumptions rather than confirmed allocations.
- **The Council is legally required to set a balanced budget for the following year – it cannot approve a deficit budget.**

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Council Priorities

- Six **new priorities** were announced by the Council Leader on 30 July.

The draft Council Priorities Plan 2026-2030 was considered by Cabinet on 12 November (agenda item 7), to be followed by a period of public consultation from 14 November to 18 January

Accompanying these six priorities are three **principles to guide delivery**:

- Leading courageously, putting people first with common sense decision making;
- Spending every pound wisely, caring for the very young to the very old;
- Listening to communities and celebrating Cornwall's unique history, culture and natural environment.

As part of our emerging Valuing Local approach, we want to strengthen partnerships and explore opportunities for more locally-led service delivery. If your council is currently discussing budget options in its precept-setting cycle and is interested in considering options for locally managed services or assets, your first point of contact should be your local **Cornwall Councillor**, or **Communities Link Officer**

Cornwall's Comprehensive Spending Review (CSR)

- A **Council wide programme** reviewing what we deliver, how well we perform and what it costs.
- Ensuring delivery of **value for money** while meeting our new Council priorities.
- Gives greater **financial stability** and allows us to plan for the medium term and for the future delivery of our services.
- With **demand and cost for statutory services**, in particular, continuing to rise faster than our funding levels we remain under significant financial pressure. Since 2020/21, social care budgets have grown by 55%, while overall resources have only increased by 39%
- Expecting to need to make savings in the region of **£45m-£70m** in order to reach a balanced budget position for 2026/27 alone, so tough choices will need to be made about:
  - Where to invest
  - Where to reduce
  - How we deliver services differently

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National & local risks

- **Financial sustainability** – 29 Councils (including nearly one in six of all councils with Social Care responsibility) needed Exceptional Financial Support from the Government this year. These are agreements which allow councils to borrow, sell assets or increase Council Tax above national limits, simply to keep essential services running.
- Rising need for **home to school transport**, with significant financial pressures on local authorities to provide this, particularly for children with Special Educational Needs and Disabilities (SEND). Urgent need for reforms in the Government White Paper (now expected in the new year).
- **Foundation Living Wage rate** – updated rate of £13.45 was announced on 22 October; will need to be applied by Cornwall Council from 1 April 2026.
- **Fair Pay Agreement for Care** – a Government initiative (currently being consulted upon) aimed at improving pay and working conditions of care workers in the adult social care sector. First agreements expected to take effect in 2028.

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National & local risks cont.

- **Dedicated Schools Grant (DSG) deficit reserve balance** - allowed through statutory override (a government mechanism until March 2028). The reserve deficit is forecast to be **£80m at the end of 2025/26**, increasing to c**£180m by the end of 2027/28** which the Council will need to cover if the government does not have a funded mechanism to reduce.
- **Increasing demands in Childrens Social Care** – Over 630 Children in Care in Cornwall with average placement costs of £0.104m. Distribution across placement types is shifting with more placements being required in independent supported accommodation, children's homes and emergency placements which are the more expensive types of placement.
- **2025/26 forecast overspend position** will need to be mitigated and could impact on 2026/27 budget position – quarter two showing a forecast overspend of **£7.9m**
- **Shared Prosperity Funding (SPF)** – 2025/26 is the last year of funding (c£49m), there has been no announcement of any extension or alternative programme.

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Budget timeline

- **13 November 2025:** Town & Parish Councils update
- **26 November 2025:** Chancellor's Budget Announcement
- **w/c 15 December 2025 (TBC):** Provisional Local Government Finance Settlement
- **17 December 2025: Cabinet** – draft 26/27 revenue budget and MTFP 2026-2030
- **19 December 2025 – 21 January 2026:** Public consultation on the budget
- **21 January 2026: Budget Development Overview & Scrutiny Committee**
- **31 January 2026:** Final deadline for receipt of T&PC precept notifications
- **11 February 2026: Cabinet** – final 26/27 revenue budget, capital strategy, reserves strategy, MTFP 2026-2030
- **24 February 2026: Council** - to approve 2026/27 budget and set the Council Tax, MTFP 2026-2030

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Second Homes Council Tax Premium

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Second Homes Council Tax Premium – a recap

- Levelling Up and Regeneration (LUR) Act provided powers to **billing authorities** from April 2025 to charge a discretionary Council Tax premium of up to 100% for dwellings which are periodically occupied (referred to as a "second homes").
- A dwelling that is substantially furnished and has no resident (i.e. it is not someone's sole or main residence). Billing authorities determine whether a property is a second home.
- Cornwall Council approved the introduction of the premium from April 2025 at its meeting on 17 January 2023 (Agenda item 8.1). This was reaffirmed at the Council meeting on 20 February 2024 following the LUR Act receiving Royal Assent (Agenda item 8.3)
- Notice placed in the Western Morning News on 9 March 2024.

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Second Homes Council Tax Premium - Exceptions

The government prescribed various exceptions to the premium which it legislated to bring into effect from the current financial year. Those exceptions are:

- **Properties undergoing probate:** Inherited properties will have a 12-month exception after probate or letters of administration have been granted.
- **Properties being actively marketed for sale or let:** A 12-month exception will apply to properties that are actively marketed for sale or let. The exception would run from when the exception first applies until the end of the exception period or until the property is no longer actively marketed, sold, or let (whichever is sooner).
- **Annexes forming part of, or being treated as part of, the main dwelling:** There will be an exception for annexes which form part of a single property which includes at least one other dwelling. The exception will not apply to annexes where they are not being used as part of the main residence.
- **Job related dwellings:** This exception will not apply to cases where someone chooses to have an additional property to be closer to work while having a family home elsewhere or where an individual is posted to a new location but maintain their previous address.
- **Occupied caravan pitches and boat moorings:** A pitch occupied by a caravan and a mooring occupied by a boat are an exception to the second homes premium.
- **Seasonal homes where year-round or permanent occupation is prohibited or has been specified use:** Where properties have planning restrictions or other conditions on occupation or use in place which prevent year-round occupation.

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Second Homes Council Tax Premium - Taxbase

- The introduction of the second homes premium had the impact of increasing the Council Tax Base which is the number of dwellings (after taking account of exemptions, discounts and premiums) applied in order to calculate Council Tax charges and the overall forecast level of income to be budgeted from Council Tax.
- In effect, for each second home that currently counts as one dwelling in the taxbase, it counts as two from April 2025.
- Town and Parish Councils generally set a budget which determines the level of "precept" required to deliver the activities and services they are responsible for in any given year. Unlike Cornwall Council, any increase to the precept is currently not restricted by government.
- When that precept is divided by the Council Tax Base for that specific area it will calculate the charge per dwelling for that area.

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Second Homes Council Tax Premium - Example

- **From 1 April 2024**, 'Seaside Parish' has a taxbase (Band D equivalent) of 1,000 properties and an overall precept of **£100,000.**
- So, the annual Band D charge on the Parish element for each property is £100. (£100,000 / 1,000)
- Let's assume that 100 of those properties are second homes, therefore increasing the taxbase to 1,100.
- **Scenario one - from 1 April 2025**, 'Seaside Parish' could choose to maintain their overall precept of **£100,000.**
- As a result, the annual Band D charge on the Parish element of the Council Tax bill would reduce to £90.91 for all properties (£100,000 / 1,100). PLUS, the second homeowners would be liable for a further £90.91.
- The calculation is based on 1,000 properties paying £90.91 standard rate = £90,910. Plus, the 100 second homes also pay a further £90.91 (i.e., the 100% premium). £90,910 + £9,091 = £100,001.

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Second Homes Council Tax Premium - Example

- **Scenario two – from 1 April 2025**, 'Seaside Parish' could choose to increase their precept to **£110,000.**
- In which case the annual Band D charge on the Parish element of the Council Tax bill would still be £100 for all properties (£110,000 / 1,100) i.e., the same as 2024/25, as the 100 second homes would be required to pay a further £100 premium.
- The calculation is based on 1,000 properties paying £100 standard rate = £100,000. PLUS, the 100 second homes also pay a further £100 (i.e., the 100% premium). £100,000 + £10,000 = £110,000.
- The same principle would apply for properties in all other Council Tax bands but with charges based on the ratio to Band D; i.e. Band A being 6/9ths of a Band D charge and Band H being 18/9ths.
- In early November we will provide Town and Parish Councils with an updated version of the Excel calculator that allows councils to model the impact of different precept levels on households – the update will include the addition of second homes in the local taxbase.

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Second Homes Council Tax Premium - Latest Numbers

- Our Assessment, Billing and Collection Team has been received over 2,500 applications to consider an exception to the premium being charged. Each request is considered individually and must be supported by relevant evidence.
- As of 25 October 2025, the number of second homes considered to be eligible for the premium is 10,923 (11,026 Band D equivalents). This excludes properties which have been identified and treated as exceptions.
- This is a reduction of c1,100 Band D equivalent dwellings compared to the forecast used to set the 2025/26 taxbase.
- The main reasons for exceptions being applied are due to; seasonal homes with restrictions preventing year-round occupation and those which are being actively marketed for sale.
- Detail on the number of Band D equivalent second homes included in the taxbase calculation for each Town or Parish Council in 2026/27 was included with the precept request letter that was issued last week.

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2026/27 Precept collection process

- Cornwall Council will continue to collect precept notifications for 2026/27 through the online system. As in recent years, a link to the form and unique PIN number for submission has been emailed to all Town and Parish Clerks.
- The formal precept letter, taxbase information, and council tax calculator has also been distributed by e-mail.
- If you have not received any of the above by 30 November, please contact corporatefinance@cornwall.gov.uk
- We ask for precept notification by 31 December in order to start collating the information, but as in previous years, if you are unable to meet this date, please also email us at the above address. Ultimately, we will require confirmation of your precept by 31 January 2026, in order to meet Council Tax setting deadlines.
- Council Tax referendum principles for Town and Parish Councils have not yet been confirmed for 2026/27. We are expecting notification of this through the Local Government Finance Settlement in December, or possibly in the forthcoming Policy Statement, but at this stage have no reason to believe that there will be any change from previous years.

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