

**Committee: FULL COUNCIL**

**Date: 21 March 2023**

**Title: Income and Expenditure Report**

**Purpose of Report**

For Members to be informed of the income and expenditure from 1<sup>st</sup> April 2022 to the end of February 2023.

**Recommendation:**

1. Members resolve to delegate to officers authority to register the vehicle with DVLA and to pay the additional fee to cover the insurance of the Ferris once it is delivered.
2. Members resolve to note the income and expenditure report as of 28<sup>th</sup> February 2023.

**Background:**

3. In the Financial Regulations that were adopted by the Town Council at the May 2022 meeting, regulation 4.8 states;  
*The RFO shall regularly provide the council with a statement of receipts and payments to date under each head of the budgets, comparing actual expenditure to the appropriate date against that planned as shown in the budget. These statements are to be prepared at least at the end of each financial quarter and shall show explanations of material variances. For this purpose "material" shall be in excess of 15% of the budget.*
4. As part of the process for fulfilling this requirement we have been looking at the way in which the accountancy software that the council uses can produce reports that will assist members in the best way. Whilst there are some standard reports these are not always easy to interpret and as such **Appendix 11A** has been created to assist. This is an evolving process but it is hoped that we will be able to keep members informed better.
5. The report provided shows under each budget heading, what was budgeted at the start by the council in the December Full Council meeting, any Revised Budgets made during the year, any reserve movements that have taken place, what income/expenditure has occurred during the period under consideration, the balance of the budget and finally the percentage of budget at this point.
6. As can be seen, **Appendix 11A** covers 11 months of the financial year 2022-2023. If one was to consider a linear budget, we would expect expenditure at this point to be 91.6% of annual budget. However, linear expenditure and income rarely occurs, but it will as the year progresses, help officers and members to see where there may be issues of budgets that are likely to be exceeded. This will allow for members to be updated and plans made on how to deal with any potential occurrences.

7. At present each committee has its own delegated budget areas, however it is still incumbent on the Full Council to be aware of the full budget position of the council. It does mean that Income and expenditure at this point is operated in the report into committee.

**Report**

8. As has already been identified the linear expenditure at this point would be **91.6% of budget**. Overall, **income** stands at **£449,549.93** which is **115%** of what was expected to be received, with **expenditure** of **£329,053.74** which represents **82.8%** of budgeted expenditure. Part of the expenditure figure includes Earmarked Reserves of **£19,296.76**.
9. Interest from the bank account and from the Public Sector Deposit Fund continues to increase on a monthly basis and now totals **£2,981.32** which has exceeded the expected budgeted income of **£450.00**.
10. In February, a grant from South Somerset District Council Tourism of **£388.00** was received for the Information Centre under income budget heading 2000. This helped fund the printing of the Ilminster Forum walk leaflets which cost **£475.00** under expenditure budget heading 2001.
11. Cemetery fees received of **£10,780.20** have exceeded the budgeted figure of **£10,105.00**. Expenditure has totalled to date **£1,298.56**.
12. The salary budget **£235,000.00** would be slightly over budget by approximately **£5,700** by the end of March based on the expenditure of **£20,056.39** in February. However, when including the receipted income from the Department of Work and Pensions for the Kickstart employee of **£6,162.56**, it negates the overspend.
13. Training under budget heading 351 is under budget at **£1,928.55** compared to the budgeted figure of **£3,640.00**.
14. The new contract for Legionella Testing has increased expenditure under budget heading 352 causing a large overspend of the budget of **£104.00**. However, this has been funded by Earmarked Reserves of **£1,728.00**.
15. As the youth provision was withdrawn by the third party, the budget heading 353/4 remains unspent with a budgeted figure of **£15,700.00** in addition to the Earmarked Reserves of **£5,038.98**.
16. Legal Fees budget heading 370 is underspent at **£5,800.00** which is 35% of the budgeted figure **£16,400.00**.
17. Expenditure on subscriptions and memberships under budget headings 366 and 375 are overspent and total **£4,016.52** compared to the budgeted total of **£2,600.00** which is primarily due to the subscription for Office 365 email addresses introduced at the start of the financial year.

18. The Christmas Lights expenditure is underspent at **£3,649.51** against a budget of **£6916.00**. The donations received under budget heading 224 meet the current total expenditure.
19. Funds for Community Resilience are underspent at **£700.38** compared to the budgeted figure of **£10,000**. The Town Council are currently providing a monthly donation of cleaning products to the food bank.
20. The insurance for all of Town Council assets was recently renewed for the next financial year, budget heading 554, **£4,894.98**. This figure also includes the vehicle insurance for the next year. However, with the recent purchase of the replacement for the tractor, there will be an additional fee to cover the new Ferris 3300 in the region of £500.00 once it has been registered with DVLA.
21. Under budget heading 560, total open spaces purchases have remained underspent at **£4,389.93** against a budgeted figure of **£8,268.00**. Funds remain for purchases of machinery, bins and seats.
22. The open spaces maintenance expenditure under budget heading 561 is **£8,487.82** which is underspent against the budget **£14,040.00**. This leaves funds for play equipment maintenance, tree surgery and for weed control which is due to take place in May 2023.
23. Members are asked to delegate to officers authority to register the vehicle with DVLA and to pay the additional fee to cover the insurance of the Ferris once it is delivered.
24. Members are to note the income and expenditure report as of 28<sup>th</sup> February 2023.

**Julie Earp**  
**Deputy Town Clerk**  
**March 2023**