

**FULL COUNCIL**

**Date: 20 February 2024**

**Title: Income and Expenditure Report**

**Purpose of Report**

For Members to receive information of the income and expenditure to 31 January 2024.

**Recommendations:**

Members to note the report.

**Background:**

1. Financial Regulations paragraph 4.8 and 4.9 which state:

‘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.

4.9. Changes in earmarked reserves shall be approved by council as part of the budgetary control process.

2. The report provided shows under each budget heading, what was budgeted at the start by the council in the December 2022 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.
3. As can be seen, **Appendix 11A** covers the ten months of the financial year 2023-2024. If one were to consider a linear budget, we would expect expenditure at this point to be **83.3%** of the 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.
4. 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 separated in the report into committee.
5. If Members have any specific questions on this report, it would be helpful if they would email the Deputy Town Clerk **by Monday 19 February 2024** at the latest.

**Report:**

6. The report attached at **Appendix 11A** shows the income and expenditure from 1 April 2023 to 31 January 2024.
7. The budgeted **income** is **£403,240**, with the majority being received in April which was the full year's precept of **£379,231** for financial year 2023/24. At the end of January, **£526,283.32** has been received which is **130.51%** of the budget. However, this includes the S106 funds received for the new play equipment at Winterhay of **£74,094.90**, so excluding that figure, the income stands at **£452,188.42** which is **112.13%** of the budgeted figure.
8. The interest received from the bank and savings accounts totals **£19,025.15**.
9. VAT reclaims have totalled **£28,644.42**, mainly due to the purchase of the Winterhay play equipment.
10. The revised budgeted **expenditure** is **£422,740.00**, and the total expenditure at 31 January 2024 is **£392,315.00** which is **92.8%** of the budget. However, **£34,268.92** of the expenditure was paid from Earmarked Reserves, and the Winterhay play equipment expenditure **£73,999.00** is covered by the S106 grant funds received as income. This recalculates the total expenditure to **£284,047.08** which is **67%** of the budget.
11. The salary expenditure **£211,276.18** is currently under budget at **79.73%** due to the vacant post of Countryside Manager from 18 November. As members are aware, that position and two new positions that have been created, will be filled from 4 March 2024.
12. The combined training budgets of **£4,700.00** for staff and councillors are both under budget at **£1,919.50**. Both staff and councillors are encouraged to discuss any training requirements they may have.
13. Office accommodation costs, currently **£11,959.24** are expected to remain under budget by the end of March. Whereas, the office maintenance budget of **£3,150.00**, which includes the computer software subscriptions and photocopier costs are over budget at **173%** at **£5,450.31**. This is mainly due to a new IT contract being put into place from 1<sup>st</sup> December 2023. The RFO will use funds from the office Earmarked Reserves to cover this overspend as delegated under Minute No. 2023-0034-TC.
14. Legal/surveyor fees are currently underspent at **£1,906.00** of the budget **£7,550.00**, however there are the legal fees for the new IEF lease that are expected by the end of March 2024.
15. Advertising costs are overspent at **£1,085.00** against the budget **£700.00**. This is due to a late invoice for the Jubilee, followed by additional costs related to the Coronation and a staff recruitment advert. The RFO will use funds from the office Earmarked Reserves to cover this overspend as delegated under Minute No. 2023-0034-TC.

16. Services/utilities for the Warden's Building and rent for the IEF land are underspent at **£2,885.94** against a budget of **£7,300.00**. The cost of fuel has also been less than budgeted at **£2,798.26** against a budget of **£5,500.00**.
17. The total budget for open spaces purchases is **£19,700.00** and shows expenditure of **£25,272.25**, however, **£18,842.42** was funded from Earmarked Reserves for the purchase of the Ferris and the installation of the mulch on the slide mound. Although a new gate and fencing will be installed on the recreation ground, these budget headings are expected to come in on budget by the end of March.
18. The open spaces maintenance budget of **£12,550.00** has expenditure of **£13,870.20**, however, **£9,394.01** was funded by Earmarked Reserves for tennis court fence repairs, benches, nets and a noticeboard and gate technology subscription, as well as new noticeboards, signs and a leaflet for Herne Hill, leaving an expenditure of **£4,476.19** against the budgeted figure.
19. The public conveniences budget is on track to be under budget at **£5,794.15** against a budget of **£8,700.00**.
20. The maintenance costs of the cemetery include the scanning of the 15 burial books, which is in the total expenditure of **£2,442.87** against the budget of **£2,100.00**. The RFO used funds from the cemetery Earmarked Reserve to cover the cost of the scanning as delegated under Minute No. 2023-0034-TC.
21. Members to note the report.

**Julie Earp**  
**Deputy Town Clerk/RFO**  
**February 2024**