

Committee: FULL COUNCIL

Date: 23 January 2024

Title: Quarterly Income and Expenditure Report

Purpose of Report

For Members to receive information of the income and expenditure to 31 December 2023.

Recommendation:

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 12A** covers the nine months of the financial year 2023-2024. If one were to consider a linear budget, we would expect expenditure at this point to be **75%** 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 contact the Deputy Town Clerk **by Monday 22 January 2024** at the latest.

Report:

6. The report attached at **Appendix 12A** shows the income and expenditure from 1 April to 31 December 2023.
7. The total budgeted **income** is **£403,240** with the majority received in April which was the full year's precept of **£379,231** for financial year 2023/24. There was also the S106 funds received for Winterhay play park equipment **£74,094.90**. At the end of December, **£502,171.96** in total has been received which is **124.5%** of the budget.
8. The interest received on savings accounts up to 31 December 2023 totals **£16,859.97**. The latest interest rates (AER) are as follows:

| | |
|---------------------------------|-------|
| Natwest Reserve Account | 1.46% |
| CCLA Public Sector Deposit Fund | 5.26% |
| Unity Trust Fund | 2.75% |
| Cambridge & Counties | 4.41% |
9. Income recorded under Resources has excess income of **£99,235.99** which is **125.48%** over budget.
10. All of the pitch fees and lease payments have been received from the relevant clubs and organisations totalling **£4,749.91**, although this includes a £500.00 deposit being held for the bonfire site on Britten's Field. There is also the donation made for a memorial bench of **£1,063.50**.
11. Income recorded under Open Spaces therefore has excess income of **£5,812.91** which is **172.49%** over the expected budget.
12. Overall, the income from the cemetery is as expected at **£7,604.50** which is **73.44%** of the budgeted income.
13. Total budgeted **expenditure** is **£403,240**, and the total actual expenditure as at 31 December 2023 is **£366,854.85** which is **79.14%** of the budget.
14. The expenditure on salaries to 31 December 2023 is **£192,364.57** which is slightly under budget due to the vacant Countryside Manager post.
15. The training budget appears to be underspent at **£805.00** which is **26.83%** of the budget. However, two members of staff have now registered with CiLCA which totalled **£900.00**.
16. The Youth Worker budget of **£5,000.00** is not now expected to be used in this financial year and so it will be transferred to Earmarked Reserves at the end of March.
17. The grants expenditure appears to be underspent, however there are three grant applications totalling **£6,975.00** that will be considered by the council. This will bring the total grant expenditure to **£8,985.00**.

18. As reported to Town Council on 17th October, the Friends of Iminster Library (FOIL) donated their funds of **£2,022.65**. Members resolved, in accordance with its powers under S137 of the Local Government Act 1972, to incur the expenditure to purchase the sofa and footstool for Iminster Library at a cost of **£1,075.00 (ex.VAT)** in accordance with their request. The VAT cannot be reclaimed in this instance, and the remaining funds are held in Earmarked Reserves. The FOIL are now opening a new bank account and the outstanding funds are expected to be transferred back to them by the end of March. There is now a separate line under budget heading 357 specifically for S137 expenditure in accordance with legislation and to satisfy audit requirements.
19. Software purchase/subscriptions total **£3,737.86**. This includes the new IT support contract with So Vision, and the renewal contract with AdvantEdge which has exceeded the budgeted expenditure of £2,000.00.
20. Utilities for all of the Town Council buildings are underspent overall as the current 3-year fixed tariff contracts continue until June 2024. Any underspend this year will be carried forward to the next year to cover the expected increases with new contracts.
21. Total expenditure recorded under Resources is slightly over budget at **£311,934.76** which is **86.45%** of the budget. However, this is an inflated figure due to the expenditure on the play equipment (**£73,999.00**), which is balanced out by receipt of the S106 funds. The true figure would be **£237,935.76** which is **66.5%** of the budget.
22. The council insurance premium is due to be paid in March 2024, therefore the actual expenditure of **£356.56** only covers the new Winterhay play equipment and the Ferris 400 that was purchased in April.
23. The expenditure on fuel is underspent at **£2,733.29** which is 49.7% of the budget.
24. Although the overall Open Spaces expenditure is **£51,424.46**, of that total, Earmarked Reserves funded £28,236.43. Therefore, the actual expenditure amount of **£23,188.03** of the budget would be **36.6%**.
25. The expenditure for the cemetery is overspent by **£1,950.00** which was spent on scanning the burial books ready to send them to archives.
26. As at 31 December 2023, the total held in Earmarked Reserves is **£330,712.73**.
27. Members to note the report.

Julie Earp
Deputy Town Clerk/RFO
January 2024