

**Committee: Resources**

**Date: 5 July 2022**

**Title: Financial Monitoring Report**

**Purpose of Report**

To receive information about the Resources Committee budget, income and expenditure from 1<sup>st</sup> April 2022 to 31<sup>st</sup> May 2022.

**Recommendation:**

Members to note the report.

**Background**

1. 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.*

2. 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 9A** has been created to assist. This is an evolving process but it is hoped that we will be able to keep members informed better.

3. The report provided shows under each budget heading, what was budgeted at the start at the December Full Council meeting, 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.

4. As can be seen **Appendix 9A** covers the first two months of the financial year 2022-2023. If one was to consider a linear budget, we would expect expenditure at this point to be 16.6% 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.

5. At present the Resources Committee has its own delegated budget areas.

**Report**

6. As has already been identified the linear expenditure at this point would be 16.6% of budget. Overall **Income** is **£182,063** with expenditure of **£42,304**. This represents **13%** of budgeted expenditure.

7. Expenditure on staffing is currently within that budgeted although it should be noted that this includes the Kickstart employee whose salary is mostly funded under income budget heading 233/1. Also, there will be additional staffing costs incurred once we have recruited an additional grounds person. This is in the process of being carried out.

8. Staff expenses are above the **16.6%** point with expenditure so far of **£140.40** or **28%**. This can be attributed to two members of staff recently having attended training courses.

9. Budget heading **361/1 Office Expenses** shows that an overspend, **£471.44**, has already occurred. This overspend can be attributed to costs associated with the Magistrates Court such as damp proofing, and internal painting.

10. Members are asked to refer to officers any questions they have about the budget to them by **Monday 4 July** so that any queries can be researched adequately, and a response can then be brought to all Members should one be required.

11. Elsewhere in the agenda, there is a request for Members to consider viring £25,000.00 from General Reserves to Budget Heading 361 to cover the move to Magistrates Court.

12. Members are asked to note the budget report.

**Julie Earp**  
**Deputy Town Clerk**  
**5 July 2022**