

To Hythe Town Council
Date 5 October 2020
Status **Non Exempt**
Responsible officer Responsible Financial Officer

Subject **BUDGET MONITORING REPORT F&GP/13/20**

SUMMARY: This report gives September's budget monitoring information, includes the bank reconciliation for September and recommends the Chairman of the Committee to sign the bank statements in accordance with good practice.

REASON FOR RECOMMENDATION:

The Committee is asked to agree the recommendations set out below because:-

- a) The Council is committed to control and manage its financial affairs in accordance with The National Association of Local Councils (NALC) guidelines.

RECOMMENDATIONS:

- 1. To receive and note the report F&GP/13/20**
- 2. To authorise the Chairman of the Committee to sign the bank reconciliation detailed in the report.**

INTRODUCTION

The budget is an essential tool for controlling the Council's finances and demonstrates that the Council will have sufficient income to meet its objectives and carry out its activities.

As of 30 September 2020 the second half of the precept has now been received. The Council held a total of £577,849 in its bank accounts of which £319,191 is held in reserves for specific purposes (where money is allocated but may not be spent in this financial year) Leaving a sum of £258,658 to fund the remaining budget (remaining expenditure figure as of 30.9.20 £255,930). The only guaranteed income to further be received would be £8,452 which is expected from rental of the Town Councils assets resulting in a balance of £11,182 being held in unallocated reserves.

The total income for 2019.20 as at 30.9.19 was £62,381 (not including library income) compared to this years' current figure of £35,896. A drop of £26,485.

Debtors is quite high this month at £18,872 as it includes £11,625 of rental income for the library yet to be received.

Creditors will reduce by £2k once the payment for a Defibrillator clears the bank in October.

A VAT reclaim of £6,386 is due in October.

Expenditure in September 2019 of £230,620 (not including library rent) compares to this year's current figure of £225,370. Savings due to Covid, consisting of £1,575 for

Civic expenditure, £2,895 for Bandstand events and a discount for Car park expenditure are the main contributors to the difference.

The Transfer from EDF to BULB for the Town Hall, Oaklands and the Pavilion's electricity supply is in progress, final meter readings have been submitted to EDF. At present, the RFO is having difficulty opening a new bank account to transfer excess funds from Unity Trust as most High street banks are not opening accounts for new customers due to the Pandemic. We have been informed may change in October and will be actioned in due course before the next precept is due in April 2021.

SUMMARY

A healthier report this month summarising the effect the pandemic has had on Town Council's income. The Council have withheld the majority of expenditure to date to replenish the unallocated reserves figure and have used allocated reserves to fund repairs and renewals on property. Although the near future remains uncertain and further loss of income from activities are high risk until March 2021, some of the Councils projects for 2020.21 are able to progress under the remit of the Town Clerk and RFO who will continue to constantly monitor the budget.

RISK MANAGEMENT

A summary of the perceived risk follows;

Perceived Risk	Seriousness	Likelihood	Preventative Action
The Council does not set a robust budget.	High	Low	Town Clerk and Responsible Financial Officer to draw up and monitor performance against the budget

CONTACT OFFICER

If you have any queries about this report please contact The Responsible Financial Officer of the Council

Tel: 01303 266152 or email RFO@hythe-tc.gov.uk prior to the meeting.