

This report will be made  
Public on 19 November 2021

# Hythe Town Council

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Report number F&GP 17/21

To Hythe Town Council  
Date 08 November 2021  
Status **Non Exempt**  
Responsible officer **Town Clerk**

Subject **BUDGET MONITORING REPORT F&GP 17/21**

**SUMMARY:** This report gives October's budget monitoring information, includes the bank reconciliation for October's 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/17/21
2. To authorise the Chairman of the Committee to sign the bank reconciliation detailed in the report
3. To vire the remaining £898.51 from IT Reserve account into Subscriptions cost centre.
4. To vire £20,000 from unallocated reserves into Building Repairs and Renewals Reserve account.

## **INTRODUCTION**

One of the key statutory tasks and an essential element of good governance for the council is the monitoring of an annual budget. It gives the officers of the council authority to spend in line with council decisions. Local councils are responsible for public money and must take care not to put it at risk.

The Council has to consider how efficient it is in providing its services. It has to prioritise its objectives and this is what drives the budget process.

The Council will evaluate the costs each month and ensure that contractors and suppliers are providing services that are termed as 'Best value'.

Any variances are highlighted each month for the Council to monitor.

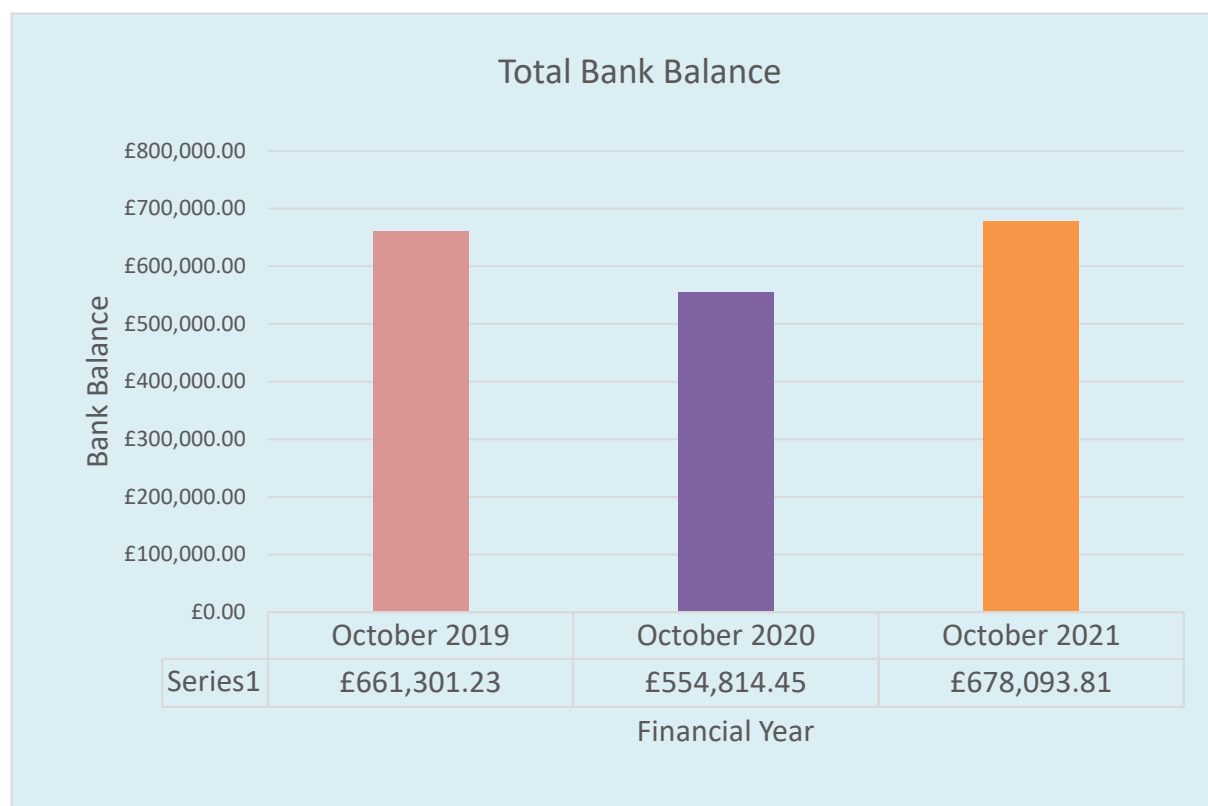
### As of 31 October 2021;

October shows a healthy growth of income received from Sports revenue, Pavilion function room and Car Park revenue.

### Banking;

Total of all bank accounts and cash held as it stands is at £678,093.81. £123,279 more than October 2020, with £341,724 held in reserves for allocated purposes.

The table below shows a three-year comparison of the total bank balances for the last three years in October.



### Income;

We have received income from assets total of £57,448. Our biggest asset income, other than allotments and rental of HTC properties, is from Pavilion Function room revenue total of £8,668 to date. We have also seen a firm growth in income from sports bookings of £7,773.

Tax reclaimable from HMRC for the VAT of £3,238 has been received for the ending of the second financial quarter.

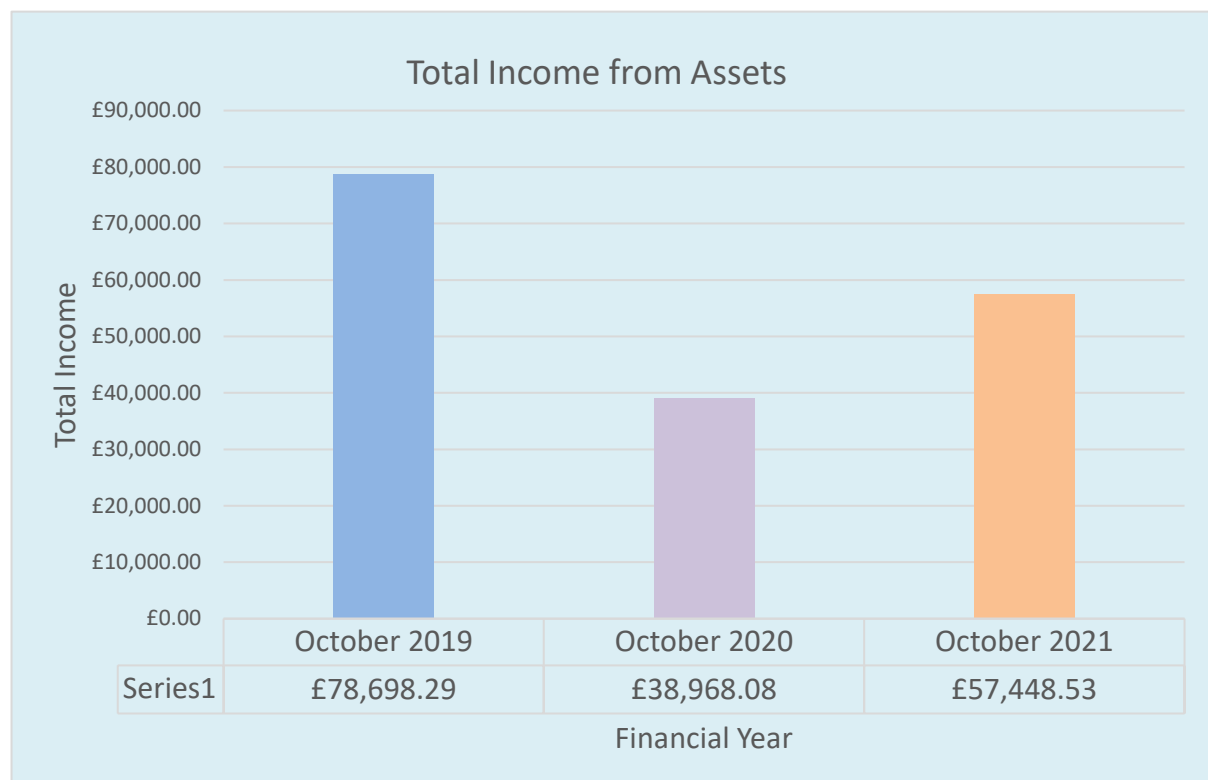
The insurance claim for the unauthorised encampment on the Green, total of £3,311 has been received. The solicitor's fees and costs to clear the site totalled £3,561.

Therefore, the final cost to the council for this was the excess on the insurance of £250.

Portland Road Car Park income also highlights its increase in use.

Reserves for the Community Infrastructure Levy now stands at £51,022.38. To be increased with the £5,616.12 received in April 2022 which will be added to reserves on 1 April 2022.

The table below shows a three-year comparison of the income received from assets in October. The impact of the pandemic will still have an affect on the 2021.22 income budget figures at the end of the financial year.



## **Expenditure;**

The budget agreed expenditure figure stands at £442,981 with £254,957 costs already incurred, the remaining budget for the year is £188,023.

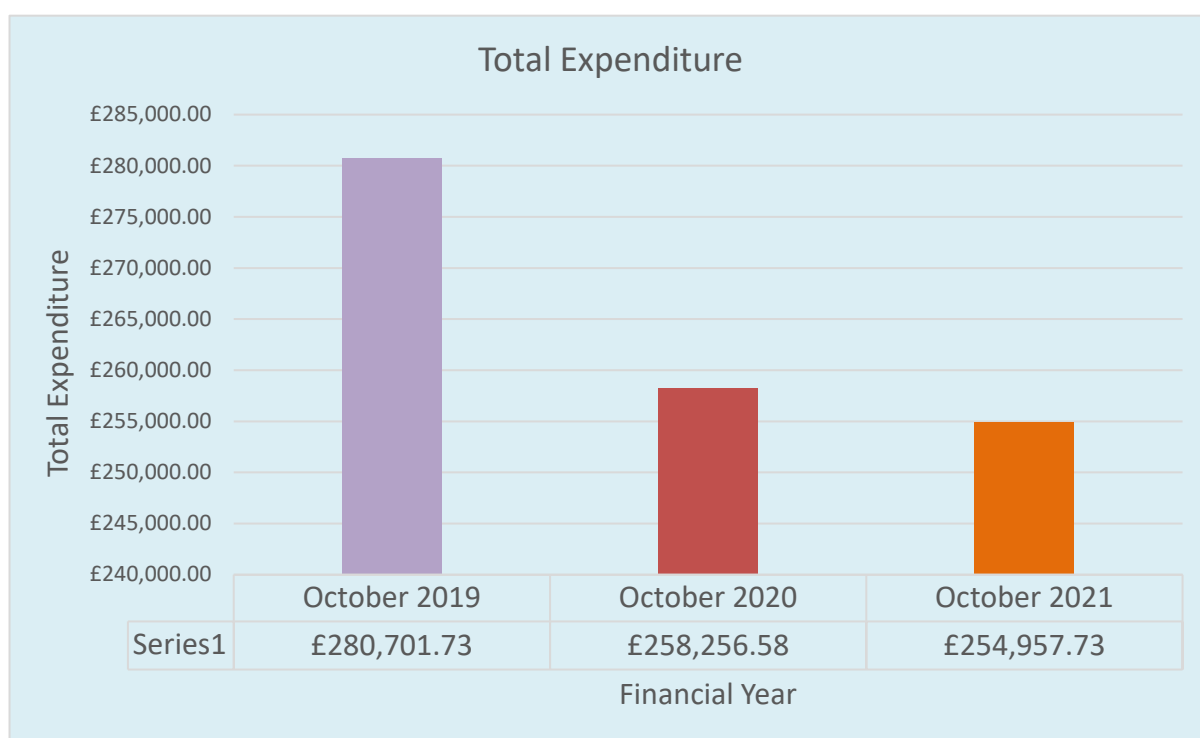
Each budget cost centre is constantly monitored and as per the table above shows that expenditure is being kept to an absolute minimum where possible. 2020 was an exceptional year due to lack of income from assets during lockdown but the council are dedicated to maintaining lower running costs and making savings where possible.

The transfer from Sage Accounting System over to Scribe Accounts and Booking System has been delayed due to workloads and changeover of staff in September/October. The aim is to have the system up and running by 1 January 2022. However, subscription costs of £139.50 per month to Sage Accounting need to be covered until the transfer has completed. It is recommended to vire the remaining IT reserve funds of £898.51 to subscription costs to cover the overlap.

Telephone costs will now increase following the installation of broadband at the Town Hall and Pavilion.

IT costs are likely to go over budget as underestimated when original budget calculations were made. This will be corrected in the new budget proposal.

Now that the Folkestone & Hythe District Council grounds maintenance invoice for 2021.22 has been received, due to its lateness the costs have been posted as a total figure instead of monthly shown in the October accounts. There will be no further costs incurred in this cost centre for the remainder of 2021.22. The outstanding amount shows as an outstanding creditor until the invoice has been paid in full by March 2022.



The table above shows a three-year comparison of the total expenditure in the last three years of October.

### **Pavilion and Town Hall Maintenance**

Maintenance issues, highlighted from a previous report submitted by Chartered Building Surveyor, Collier Stevens, (the report highlighted the need for the Pavilion doors to be replaced which has now been completed) are now being addressed and it is recommended that the committee vires £20k into the Building Repairs and Renewals Reserve account to cover the costs of ongoing repairs. Quotes for each aspect of work are currently being requested and once obtained will be submitted to a future Finance and General Purposes meeting.

### **SUMMARY**

The Town Clerk will continue to monitor expenditure over the forthcoming months.

### **RISK MANAGEMENT**

A summary of the perceived risk follows;

**Perceived Risk** Council does not set a robust budget.

**Risk** High

**Likelihood** Low

**Preventative Action** 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 Town Clerk and the Responsible Financial Officer of the Council

Tel: 01303 266152 or email [clerk@hythe-tc.gov.uk](mailto:clerk@hythe-tc.gov.uk) prior to the meeting.