

This report will be made  
Public on 7th January 2022

# Hythe Town Council

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Report number F&GP **20/21**

To Hythe Town Council  
Date 04 January 2022  
Status **Non Exempt**  
Responsible officer **Town Clerk**

Subject **BUDGET MONITORING REPORT F&GP 20/21**

**SUMMARY:** This report gives November's budget monitoring information, includes the bank reconciliation for November 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/20/21
2. To authorise the Chairman of the Committee to sign the bank reconciliation detailed in the report
3. To note that the difference not collected for the Christmas lights of £431.53 be funded from budget code 5228 Grant Events
4. To remove budget expenditure cap for the remainder of the current budget 2021.22

## **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.

### **Breakdown of Christmas Lights funding;**

The breakdown for the High Street Christmas lights donations is shown below.

13th October 2021	£ 810.87	Christmas Lights Collection banked to Mayors Benevolent Fund
23rd November 2021	£ 2,000.00	Anonymous Donation (by Hythe organisation)
25th November 2021	£ 2,000.00	J Martin Donation
29th November 2021	£ 2,000.00	Hythe Life Magazine Donation
29th November 2021	£ 2,000.00	HBTA Donation
10th December 2021	£ 120.00	Craft Fair Donation
	£ 6,000.00	HTC Donation
	<u>£14,930.87</u>	
21st December 2021	<u>£15,362.40</u>	Invoice for hire of Christmas Lights Year 3 of 5
Outstanding	<u>£431.53</u>	To be paid by HTC due to undercollection of funds

The Mayor's Boot Fair has not been charged the usual rate of £200. Should the committee wish to deduct this from the funds collected the total amount still to find would be £631.53. The Council will be expected to pay this over and above the £5000 already granted.

### **Precept;**

Hythe Town Council's anticipated provisional figure calculated against Band D properties for 2022.23 was reported as £61.05, against 2021.22's figure of £59.29.

An increase of 3%, £1.76 per annum £0.15 per month, £0.03p per week.

Now the provisional tax base has been received from Folkestone & Hythe District Council, Hythe Town Council's anticipated provisional figure calculated against Band D properties for 2022.23 will now be £59.94, against 2021.22's figure of £59.29.

An increase of 1.08%, £0.65p per annum £0.05p per month, £0.01p per week.

FHDC will confirm actual figures in February 2022 for Band D.

### **As of 30 November 2021;**

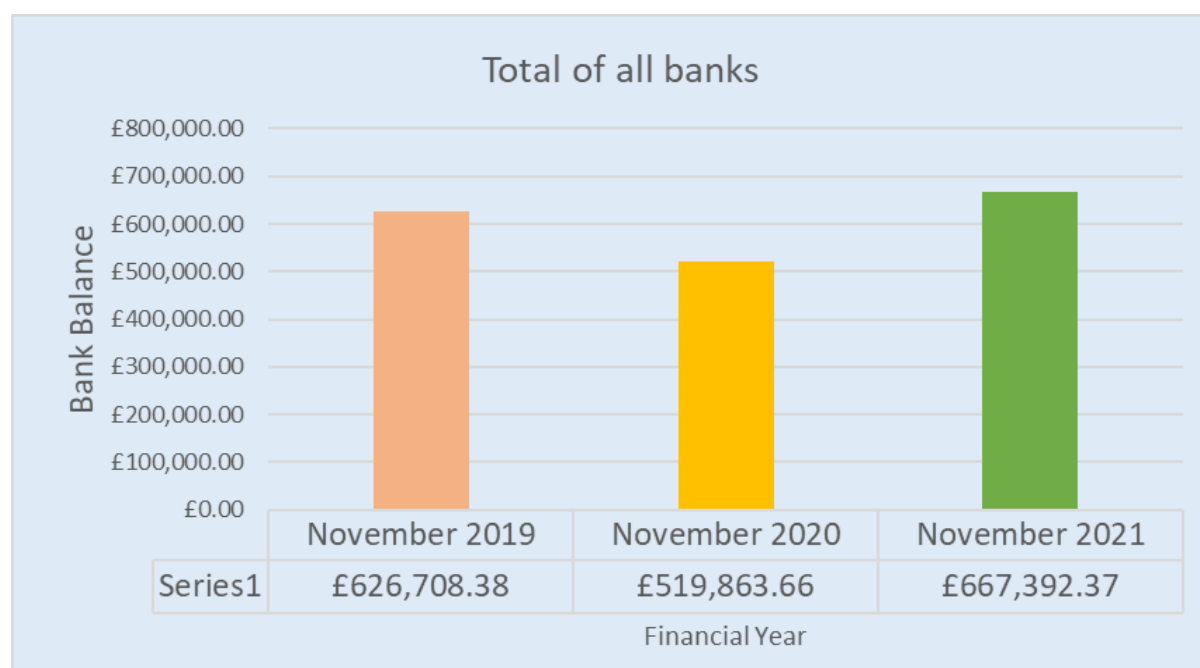
November shows a healthy growth of income received from Sports revenue, Pavilion function room and Car Park revenue.

### **Banking;**

Total of all bank accounts and cash held as it stands is at £667,392.37. £147,528 more than November 2020, with £306,456 held in reserves for allocated purposes.

Officers are currently investigating a new bank account to hold funds up to £85,000 now restrictions have been lifted.

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

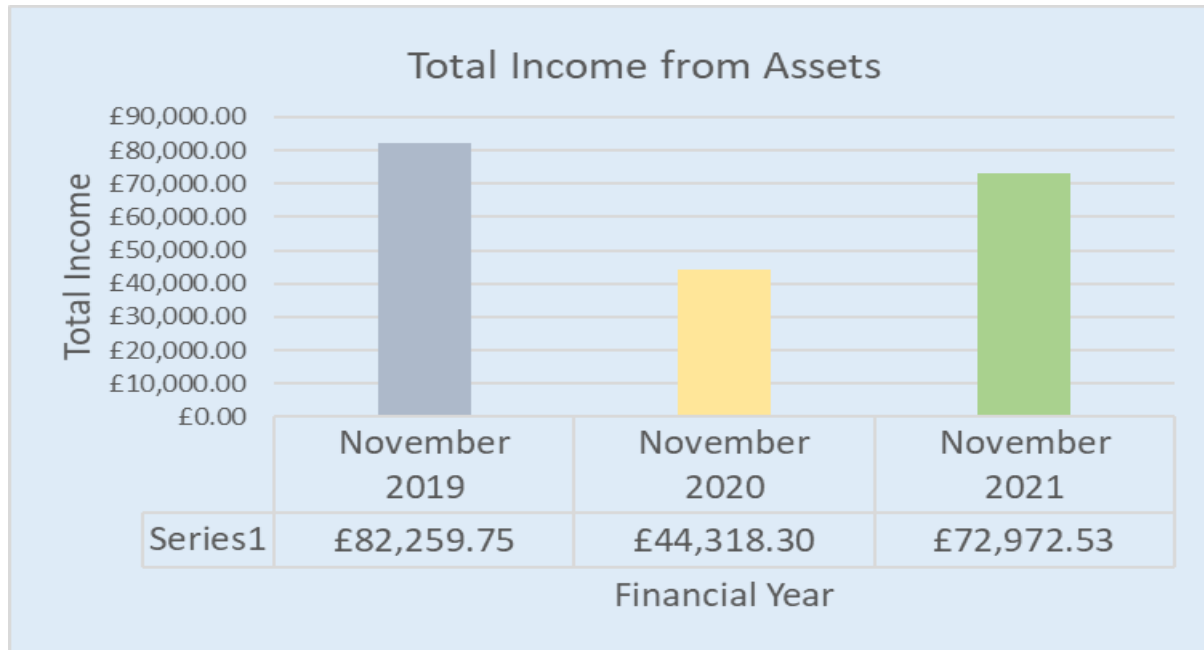


### **Income;**

We have received income from assets total of £72,972. Our biggest asset income in November, other than allotments and rental of HTC properties, is from Pavilion Function room revenue total of £9,746 to date. We have also seen a firm growth in income from sports bookings of £8,433.

Reserves for the Community Infrastructure Levy now stands at £51,022.38. To be increased with the £5,616.12 received in April 2021 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 may well balance close to 2019 figures at the end of the financial year.



### **Expenditure;**

The budget agreed expenditure figure stands at £443,879 with £280,577 costs incurred to date, the remaining budget for the year is £163,302.

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.

Civic Entertainment has slightly reached over its budget for costs incurred on Remembrance Sunday.

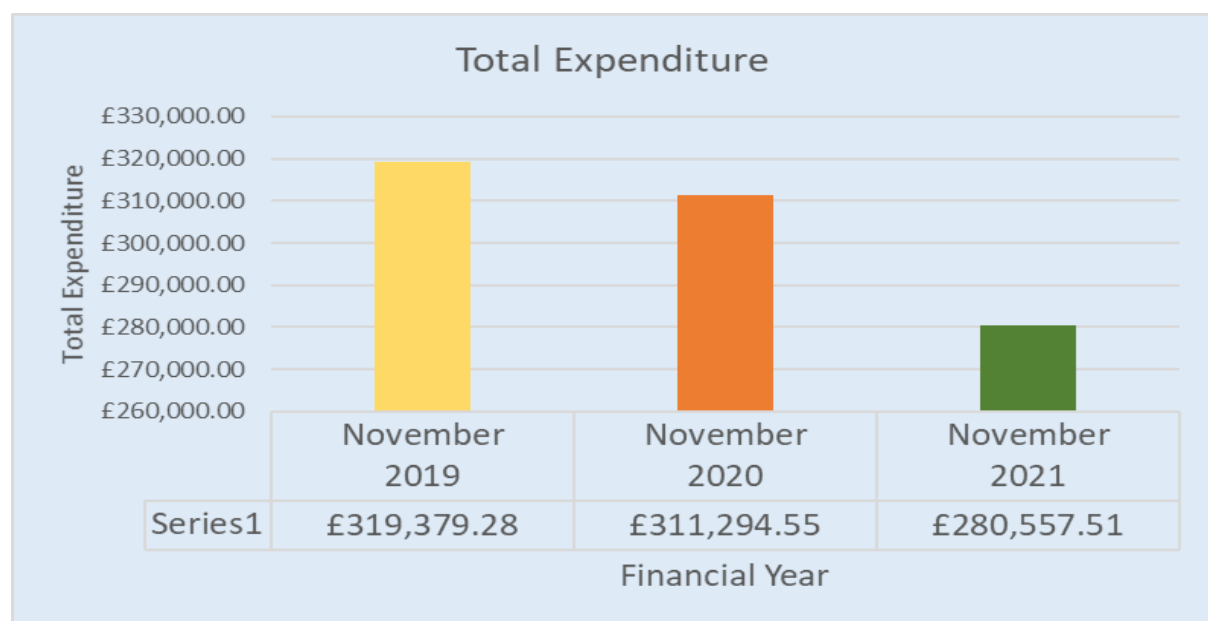
Equipment Hire has gone over the budget from the lease of photocopier. Report no. F&GP 22/21 refers.

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 Direct Debit by March 2022.

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



## 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.