

This report will be made
Public on 18 February 2022

Hythe Town Council

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Report number **F&GP/26/21**

To Hythe Town Council
Date 14 January 2022
Status **Non Exempt**
Responsible officer **Town Clerk**

Subject **BUDGET MONITORING REPORT F&GP/26/21**

SUMMARY: This report gives January's budget monitoring information, includes the bank reconciliation for January and recommends that the Chairman of the Committee signs 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/26/21**
2. To authorise the Chairman of the Committee to sign the bank reconciliation detailed in the report

INTRODUCTION

Now in the beginning of the fourth quarter of the financial year, January's report shows a healthy growth of income received for the past ten months, from Sports revenue, Pavilion function room and Portland Road Car Park.

Banking;

Total of all bank accounts and cash held as it stands is at £588,863.02. £131,831 more than January 2021, with £360,885 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 January.



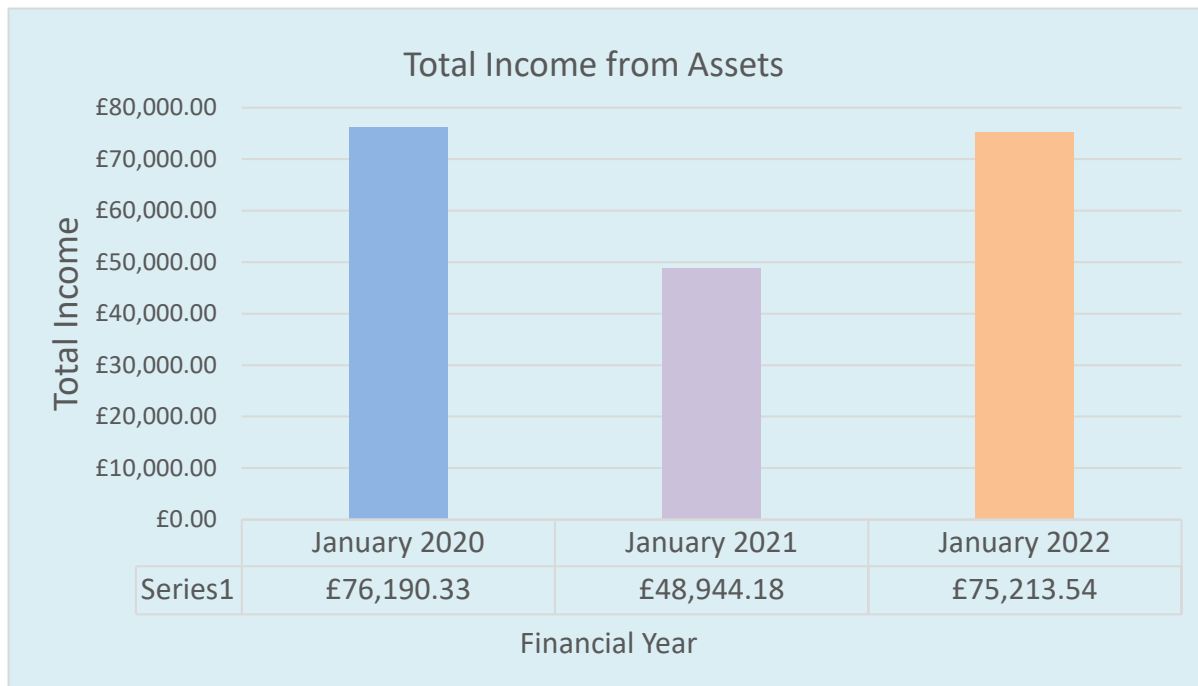
Income;

We have received income from assets total of £75,213. So far our biggest asset income in January, other than allotments and rental of HTC properties, is from Pavilion Function room revenue total of £10,329. We have also seen a firm growth of income from sports bookings of £8,803 already hitting the anticipated income budget for this cost centre, the actual income from sports is expected to continually reach above the income budget throughout February and March.

The third financial quarter has now ended and the Council have reclaimed £11,923 from HMRC. This is higher than usual as includes the invoice for grounds maintenance that is usually split over the financial year.

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 January.



Expenditure;

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 budget agreed expenditure figure stands at £443,879 with £344,186 costs incurred to date, the remaining budget for the year is £99,692.

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.

Gas has reached over the budget due to the great increase of energy tariffs. It is also expected for electricity to reach above expenditure budget before year end.

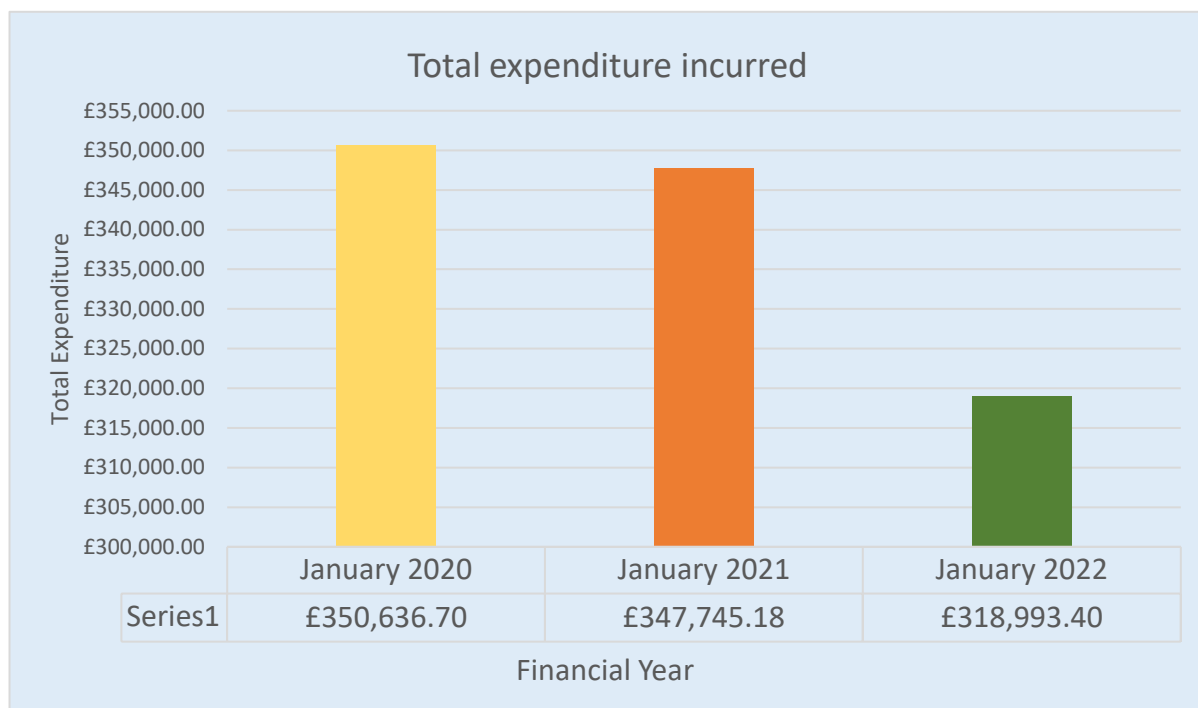
Telephone costs incurred is at £3,128 and will continue to increase over the expenditure budget of £2,742 following the installation of broadband at the Town Hall and Pavilion.

IT costs have gone over budget as underestimated when original budget calculations were made. This will be corrected in the new budget proposal.

National Commemorations costs have gone over the budget due to the Queen's Platinum Jubilee event. The total costs incurred from the event will be posted as a prepayment at the end of the financial year and will be reversed to relate to the 2022.23 budget.

Printing & Copying costs have reached over the budget, costs incurred £1,573, this is due to the high quarterly print charge for the main office printer. It has now been restored that a new office printer will be installed and this will reduce future costs.

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



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 prior to the meeting.