

This report will be made
Public on 7th April 2022

Hythe Town Council

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Report number **F&GP/34/21**

To Hythe Town Council
Date 22 March 2022
Status **Non Exempt**
Responsible officer **Town Clerk**

Subject **BUDGET MONITORING REPORT F&GP/34/21**

SUMMARY: This report gives February's budget monitoring information, includes the bank reconciliation for February 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/34/21**
2. To authorise the Chairman of the Committee to sign the bank reconciliation detailed in the report

INTRODUCTION

With the end of the financial year drawing close, February's report shows a healthy growth of income received for the past eleven 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 £562,730. £125,872 more than February 2021, with £360,685 held in reserves for allocated purposes. The Responsible Financial Officer is in the process of opening three new business savings accounts to gain additional interest and to secure the Council's funds under FSCS scheme.

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



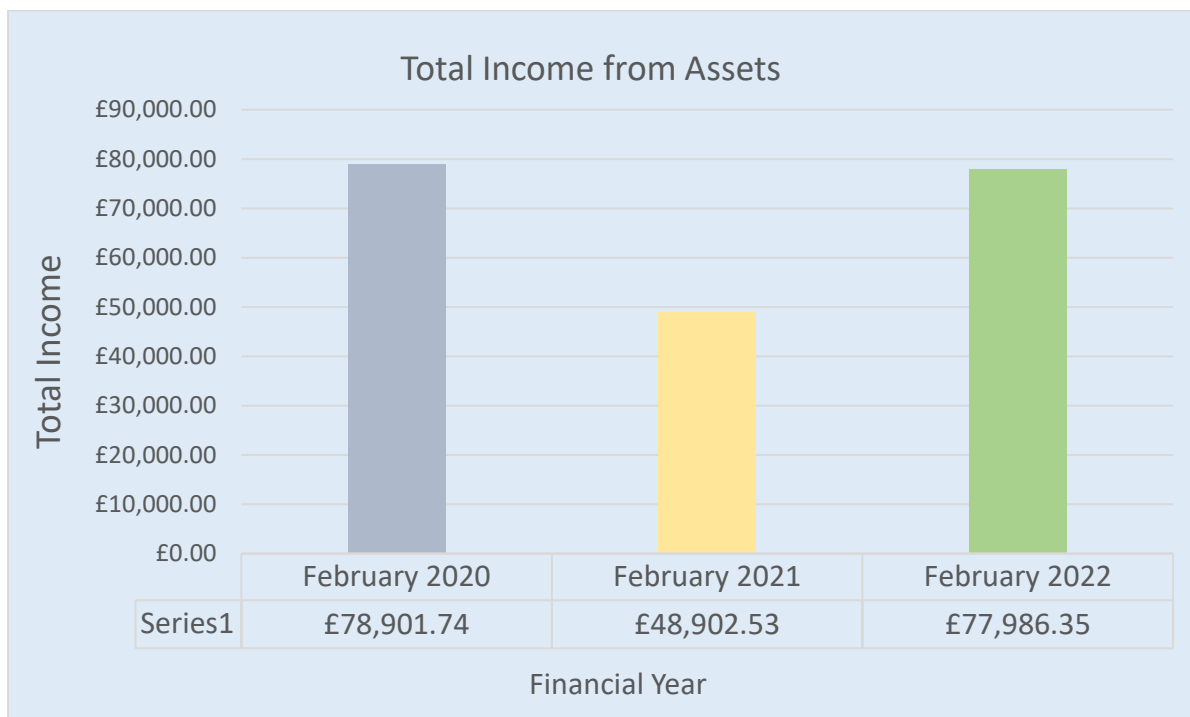
Income;

We have received income from assets total of £78,171. So far our biggest asset income in February, other than allotments and rental of HTC properties, is from Pavilion Function room revenue total of £12,134. We have also seen a firm growth of income from sports bookings of £9,144 already hitting the target income for this cost centre. The actual income from sports is expected to continually reach above the income budget throughout March.

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, with an addition of £51,293.72 CIL to be received in March 2022.

A funding application was submitted in January for the costs incurred for preventing the spread of Covid-19. Kent County Council have confirmed the application was successful, expecting a total of £2601.43 to be received in March.

The table below shows a three-year comparison of the income received from assets in February.



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 £368,218 costs incurred to date, the remaining budget for the year is £75,661.

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.

Electricity and Gas costs incurred £5,418 and £5,779 respectively has reached over the budget due to the increase in energy tariffs. It is also expected for both cost centres to continually reach above expenditure budget before year end.

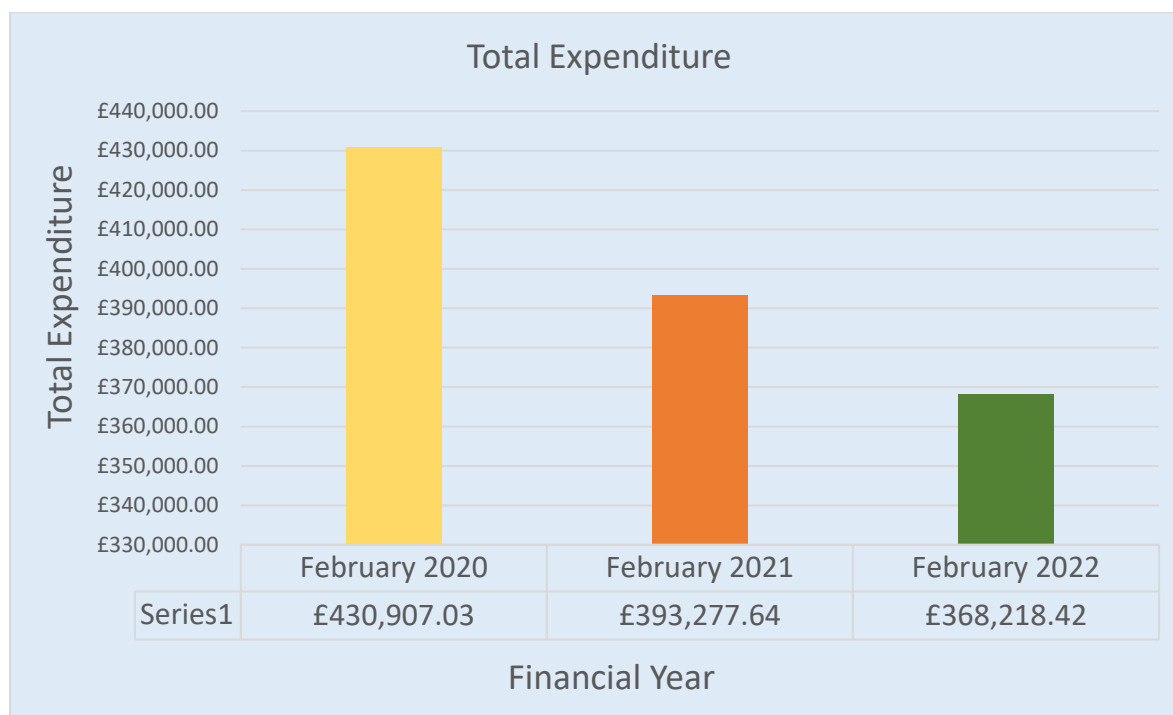
Telephone costs incurred is at £3,582 and will continue to increase over the expenditure budget of £2,742 before year end. The variance would be due to the installation of broadband at the Town Hall and Pavilion. Broadband costs on all buildings have been considered in the Telephone budget for next financial year.

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 agreed 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 February.



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.