

This report will be made
Public on 07 October 2022

Hythe Town Council

www.Hythe-tc.gov.uk

Report number **F&GP/16/22**

To Hythe Town Council
Date **10 August 2022**
Status **Non Exempt**
Responsible officer **Town Clerk**

Subject **BUDGET MONITORING REPORT F&GP/16/22**

SUMMARY: This report gives August's budget monitoring information, includes the bank reconciliation for August 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/16/22.**
- 2. To authorise the Chairman of the Committee to sign the bank reconciliation detailed in the report.**

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 August 2022;

We are in the second quarter's financial year, with August showing a steady growth in income and a healthy amount of funds for allocated reserves.

Banking;

Total of all HTC bank accounts and cash held as it stands is at £628,506. £89,880 more than last year in August, with £541,940 held in reserves for allocated purposes.

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



Income;

The total income received from assets shows a total of £38,719. So far our biggest asset income in August, other than allotments and property rents, is from Sports revenue total of £5,811 and up to 67% income on target. The previous highest revenue was from the hiring of the Sports Pavilion function room.

The Pavilion function room revenue is slightly lower than we would hope at this time of year, currently at £5,431 and reaching 33% of the budget.

The second half of the precept is expected to be received in September 2022, amount of £184,838.

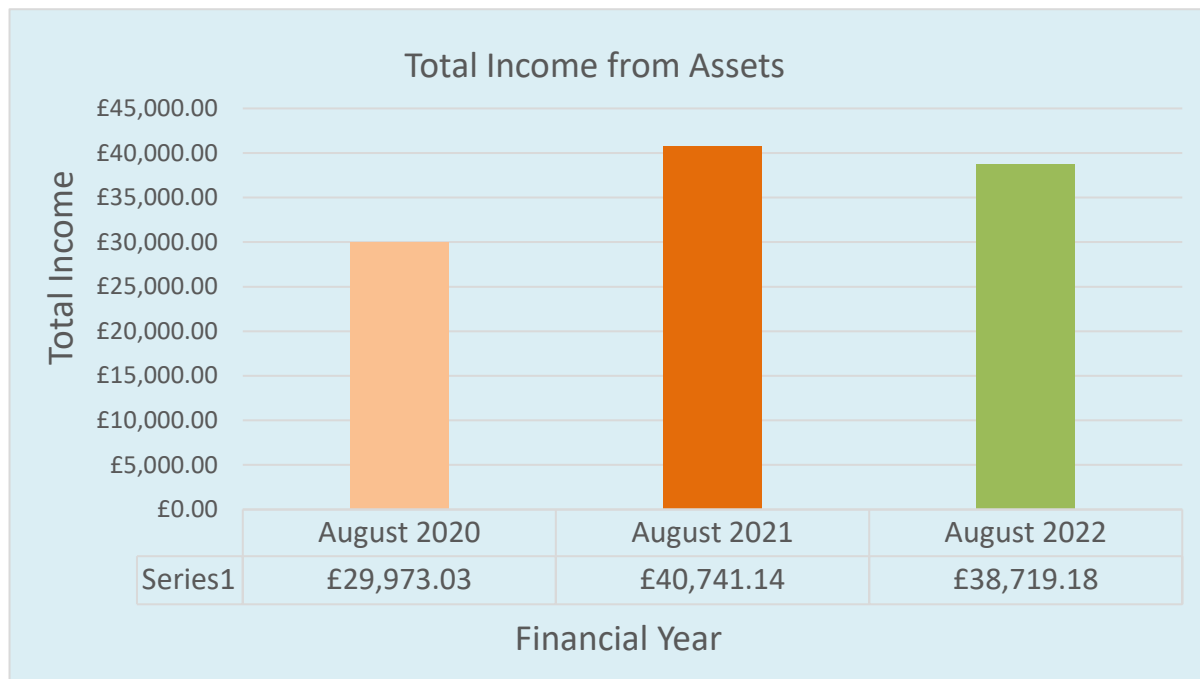
The Caretaker charge shows a negative income of £85, this is from the cost of the caretaker opening and closing the Town Hall, Sports Pavilion and for free event use of the Undercroft.

Boot Fairs at The Green took place every week on Sundays from May until 11 September. The total amount of income received to date from Boot Fairs is £3,049 up to 49% of the income budget.

In August 2021, the Council received £760 income from weddings. This August, more wedding bookings took place with an income of £2,180 to date. An extensive program is being created to promote weddings at the Town Hall to gain additional income.

Portland Road car park income expected to be received of £3,495 in September, mostly from the Venetian Fete car parking.

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



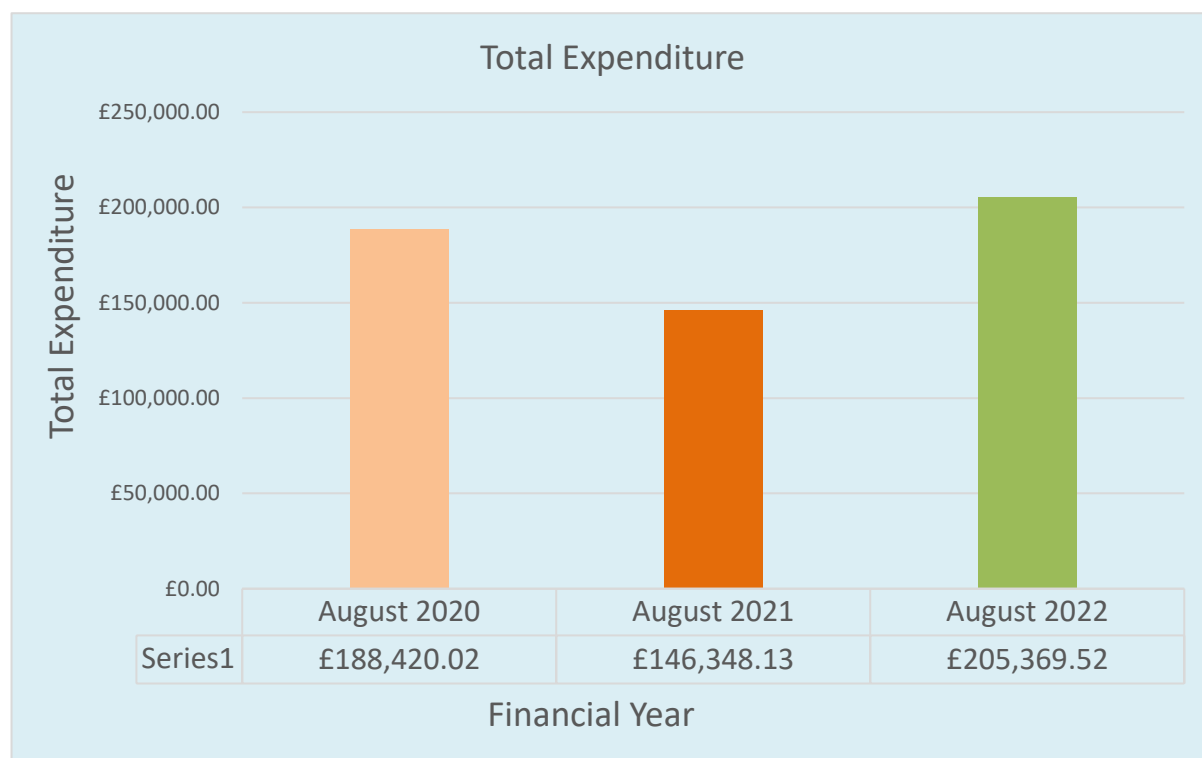
Expenditure;

The budget agreed expenditure figure stands at £468,044 with £205,369 costs incurred, equivalent to 43.88% use of the total budget to date.

Subscriptions costs is high due to the prepayments brought forward from last year, carried forward to this financial year, total of £4,330. This includes the Scribe annual accounts software subscription and music licence fees. The Sage accounts software has now been fully closed therefore we will no longer be getting charged for two accounts software packages. Subscriptions cost have gone over as music licence fees were not incorporated in the new budget calculations last October.

We have spent £59k more this month compared to last year, mainly from the Grounds Maintenance costs with £21,116 more than last year, this is because the grounds maintenance contract was not received same time last year. Other costs that is differential to last year is National Commemorations total costs incurred £4,291, Insurance costs have increased this year by £3,962 compared to last August and the building works for Oaklands office total cost of £23,193 has been paid by HTC, the amount will be recharged to Davis Oaklands Charitable Trust in September. Most of the cost codes have increased which would make the £59k difference.

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



SUMMARY

The Council's bank accounts and reserves remain at a healthy balance. The Town Clerk will continue to monitor expenditure in the financial year 2022-23.

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.