

This report will be made
Public on 10 February 2023

Hythe Town Council

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Report number **F&GP/26/22**

To Hythe Town Council
Date **24 January 2023**
Status **Non Exempt**
Responsible officer **Town Clerk**

Subject **BUDGET MONITORING REPORT F&GP/26/22**

SUMMARY: This report gives December's budget monitoring information, includes the bank reconciliation for December and recommends that the Chairman of the Committee signs the bank statements in accordance with best 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/26/22.**
- 2. To authorise the Chairman of the Committee to sign the bank reconciliation detailed in the report.**
- 3. To agree to cover the deficit funding for the Christmas Lighting of £6,067.41 from the High Street Reserves account.**

INTRODUCTION

Hythe Town Council has now finished the third quarter's financial year accounts. During this time, officers have ensured that most Council funds are protected by the FSCS scheme, receiving additional bank interest from savings accounts and have sufficient funds readily available. The income is on target to achieving the income budget for the year, whilst carefully monitoring the expenditure budget with the costs incurred.

Banking;

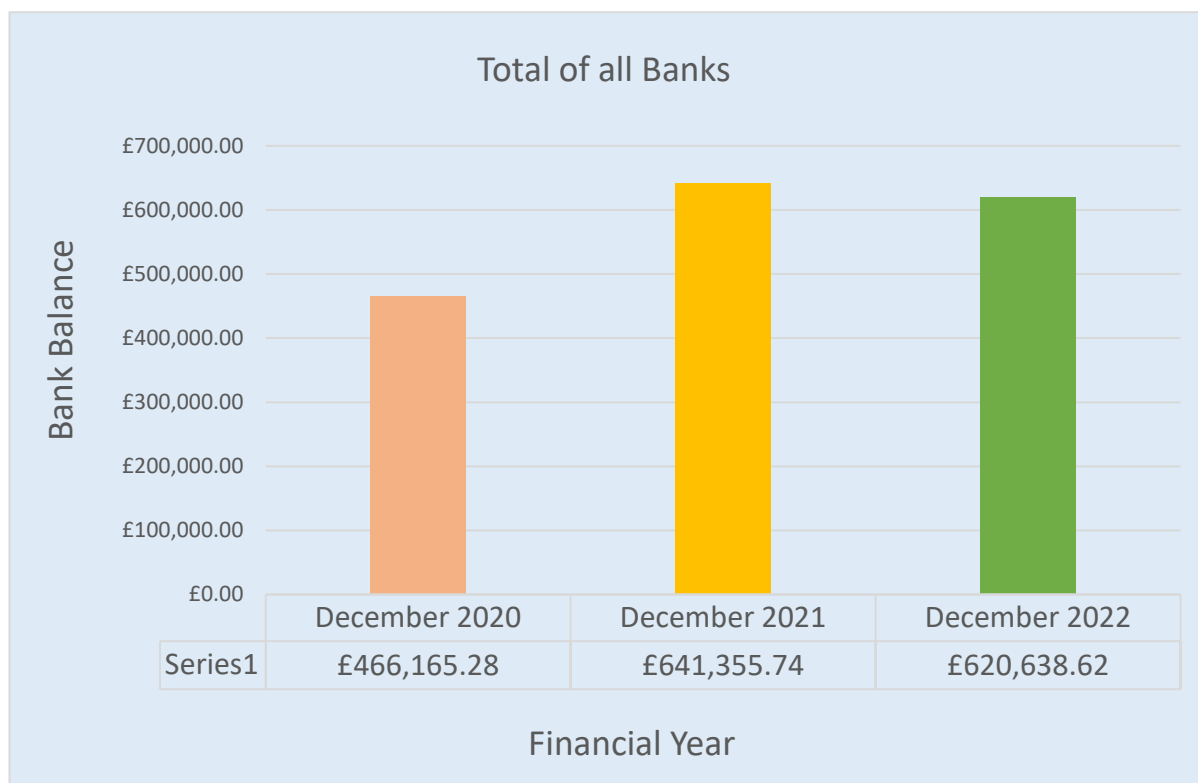
Total of all HTC bank accounts and cash held as it stands is at £620,638. £20,717 less than December 2021, with £514,701 held in reserves for allocated purposes.

HTC have spent £27,121 of the Community Infrastructure Levy funds for the installation of the wooden play sculptures at the Green, new playground equipment at Horn Street Recreation Ground and the skate park shelter.

The hire of Christmas lights was paid in December 2022 total of £15,632 whereas last year, the hire of Christmas lights was paid in January 2022 which makes up most of the difference between the total bank balance between December 2022 and December 2021.

Two out of three business savings accounts have been opened since last year, the third savings account, Hampshire Trust bank has ceased their variable savings account, which was one of the savings accounts the Council agreed to open. The Finance & Projects Officer is currently investigating a new bank account.

The table below shows a three-year comparison of the total bank balances in December.



Income;

The income received from assets shows a total of £64,883. So far our biggest asset income, other than allotments and property rents, is from Pavilion function room revenue total of £12,377 with 75% income on target. Sports bookings has achieved a sum of £7,574, achieving 88% of the budgeted target.

We have received a great amount of bank interest from our savings accounts total sum of £1,524 and currently at 254% achieving more than double the amount of the budgeted income, due to the increase of interest rates on our savings accounts.

The Caretaker charge shows a negative income of £315, this is from the cost of the caretaker opening and closing the Town Hall, Sports Pavilion and for free event use.

The graph below shows a three year comparison of income received from assets.



December 2022 is £8,400 less than last year, the difference is due to the posting of income received for the Christmas Lights Community Donation 2021 total of £8,120 posted to Income Budget Report. The donations received this year was posted to Grants Monies Donated by HTC on the Expenditure Budget Report to reduce the HTC Christmas Lights expenditure.

Expenditure;

The budget agreed expenditure figure stands at £494,476 with £392,795 costs incurred to date, equivalent to 79% use of the total budget to date. This is mostly due to summer events and front based subscriptions in the first six months of the year.

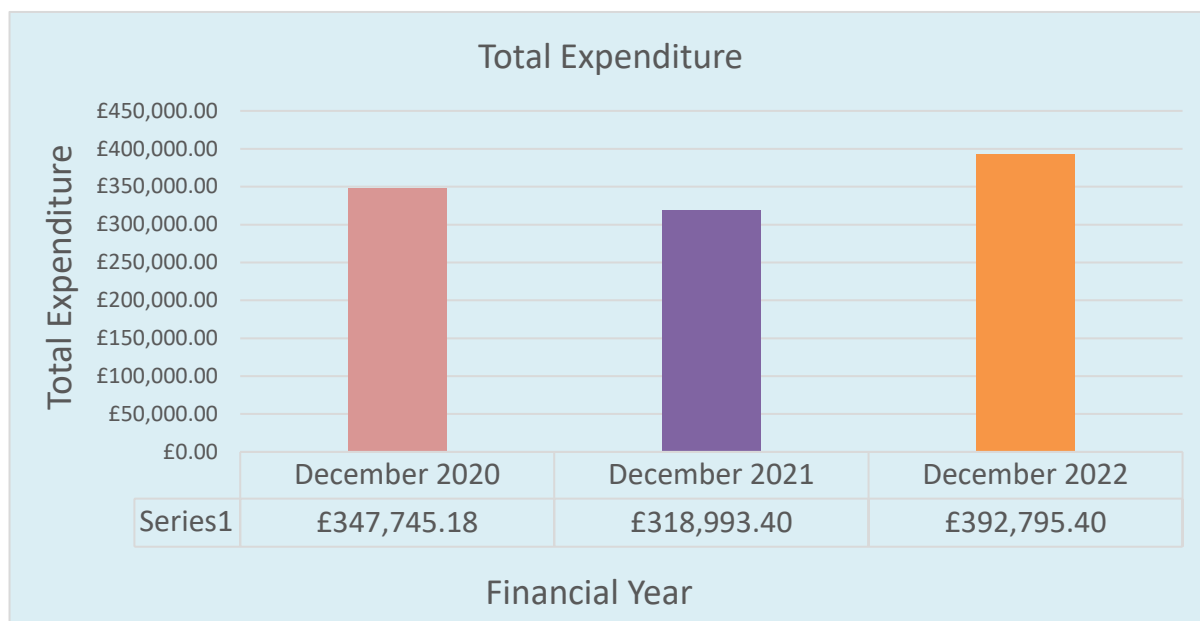
Community infrastructure levy funds were used to the install Skate park shelter concrete base £4,531. Following this, the skate park shelter supply and installation total cost of £9,258 allocated to Skate Park Repairs budget cost code.

There has been many Civic events this year including Mayor Making, Civic Fun Day, Armed Forces Day, Remembrance Sunday and Speakership Day. Most of the costs were budgeted previously and some were not such as the quantity needed for food and refreshments. Civic Entertainment costs is currently over by £622 equivalent to 24.91% over budget. The Civic Entertainment breakdown is: Mayor Making £347, Speakership Day £553, Armed Forces Day £565, Civic Fun Day £965 and Remembrance Sunday £691.

Grant monies donated by HTC is currently over budget due to the charge for the hire of Christmas lights at the High Street. HTC may have to fund the difference which currently stands at £6,067.

Premises expenses has gone over the budget at £2,179 mostly from the purchase of hand paper towels for Oaklands, Town Hall and Pavilion. With more regular customers hiring the Pavilion and events at the Town Hall, the more paper towels and toilet rolls are needed. Hand towels and toilet rolls take up £623 of the budget.

The graph below shows a three year comparison of the total expenditure in December.



With three months of the financial year still to go, the remaining budget stands at 20.56% when it should stand at 24.99%, this is higher because of the project installations and rising costs.

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.