

WINSFORD TOWN COUNCIL**FINANCE AND GENERAL PURPOSES COMMITTEE
11th JANUARY 2021****REPORT OF TOWN CLERK/FINANCE OFFICER****BUDGET 2020/21 – THIRD QUARTER REVIEW****1. INTRODUCTION**

- 1.1 The purpose of this report is to inform Members of actual expenditure and income in the current financial year 2020/21 up until 31st December 2020, compared to budgets and to highlight any significant variations in either income or expenditure.
- 1.2 The purpose of budget monitoring reports is to determine if there are any significant variances from budget (favourable or adverse) and to give an early indication if there *might be* issues emerging which need to be managed.

2. BUDGETS

- 2.1 The Town Council operates five main accounts, plus a Petty Cash imprest account. The accounts are:
 - Current Account, from which most day to day transactions are made
 - Capital Projects Account
 - First Reserve Account – a reserve account which can be used for any purpose
 - Silver Jubilee Account – which was set up originally to celebrate locally the Queens Silver Jubilee
 - Allotments Project Account – set up to hold a Royal Society for Nature Conservation ‘Seedcorn’ grant
- 2.2 As part of the decision-making process around the 2020/21 budget, the Town Council approved a budget of **£536,393** (compared to a budget of **£502,474** in 2019/20).
- 2.3 In order to achieve this budget figure, the Town Council agreed to set a precept totaling **£536,393** for 2020/21. This meant that Band D properties paid **£60.05** per year (up from **£56.65** in 2019/20).
- 2.5 As at 1st April 2020, the total available Capital Funds were **£150,004.28**.

3. COMMENTS

- 3.1 Members will note that there has been some improvement in relation to **income** with an overall surplus at this point in the year of **£12,966.51**. This has mainly come about, however, due to rebates on business rates.
- 3.2 Within this overall position, there are a number of income targets which are not being met. These include: -
- *Income from greens/allotment rents* – this is currently **£338.18** below target due to little or no activity in terms of bowling income, although income has come in from allotment rents
 - *Grants towards Christmas lights* – this is currently **£2,000.00** below target (although there was no switch on event this year)
 - *Sec 137 School Milk Subsidy* – the Town Council purchases milk for local schools for children from ages up to 5 and for age groups 5-7. The cost of this milk is subsidised. The budget for this subsidy is set at **£3,000** and there has been income of **£353.54**.
 - *Reimbursement* - against a target of **£3,500** under this heading, the Council has received no income, although the Council did receive rebates against business rates of **£25,987.94**.
- 3.3 In terms of **expenditure**, the picture is also relatively good, with an overall position which shows something of an underspend by the Council. There is a balance of **£177,591.73** remaining overall, with the Council having spent **£366,801.27**.
- 3.4 There are significant underspend/overspend variations. These include the following: -
- *Public Buildings* – there is a balance left of **£18,284.14**. This is mainly due to monies earmarked for further grant applications and includes payments towards the ongoing renovation project.
 - *School milk* – expenditure has been reduced due to school closures, so the balance stands at **£14,720.37**.
 - *Service charges* – there is a balance of **£11,800.79** remaining under this budget heading. This reflects monies earmarked for the Town Park from January 2020 onwards
 - *Grants* – a total of **£6,107.37** remains under this budget heading – this reflects the relatively low number of grant applications approved during the first half of the financial

year but also includes the COVID-19 Prompt Action Fund payments

- *Town Promotions* - spend in this area is relatively low at this point in the year, and a balance of **£27,844.34** remains.
- *IT Support* – there is an overspend of **£2,056.88** under this heading, reflecting spend on equipment to assist staff in working remotely during the pandemic

3.5 Member's comments are welcomed.

4. RECOMMENDATION

The Committee is invited to receive this report.

Mark Bailey
Town Clerk/Finance Officer
January 2021