

Review of Budget Expenditure

AGENDA ITEM NUMBER 10

AIM: To provide the council with an explanation of significant budget variances as at 20 July 2021

APPENDIX H

30 June 2021 - Items that have exceed 25% of the budget by the end of accounting month 03 (June) and where the cash value of overspend is more than £200.

(The end of June is the end of month 03 in accounting terms and if all expenditure was even throughout the year, then we should expect to see expenditure of 25% - we notionally spend 8.33% of the budget each month. However much of the expenditure is irregular e.g., we pay all our insurance in one go in June/July, we pay the Christmas lighting contract in Dec/Jan)

Cost Centre	Nom Ledger	Name	% Budget to date	Budget £	Spend to date £	Comment (1)	Comment (2)
101 – Central Costs	4000	Salaries	25.4	156,000	39,570	Additional hours pay and backpay is included in this quarter	Budget deemed sufficient with the information we hold at this stage in the FY
101	4130	Insurance	30.5	19,000	5,795	This includes a pre-payment made at year end for £5,795.00 – Insurance cover runs from July 2021 – July 2022	Budget deemed sufficient until end of FY
101	4460	Subscriptions	70.7	3,200	2,264	Two of the five subscriptions have been paid in the first month of the financial year	Budget deemed sufficient until end of FY

Cost Centre	Nom Ledger	Name	% Budget to date	Budget £	Spend to date £	Comment (1)	Comment (2)
101	4482	Computer Support	83.8	6,300	5,281	This amount includes an amount of £3917 prepayment (11 months). Unexpected additional set up costs have been incurred	Monitor throughout FY
101	4899	Miscellaneous	1639.4	750	12,296	Expenditure for spend on Ear Marked Reserves needs to pass through the revenue budget. £12,000 of this relates to Youth Provision	No further sizeable expenditure is expected in this FY
110	4535	Civic and Ceremonial	32.6	3,500	1,142	Extra costs for live streaming and sound provision costs – Annual Town Meeting	Budget deemed sufficient with the information we hold at this stage in the FY
120	4800	Grants	56.7	10,000	5,670	The amount of £5,200 has been granted to Youth Provision	This budget has been increased by £7,500 from the general reserve Min No : 0083/2122

Cost Centre	Nom Ledger	Name	% Budget to date	Budget £	Spend to date £	Comment (1)	Comment (2)
205 – College House	4110	Rates	47.3	4,125	1,953	Rates paid in 2 instalments, April & October	Budget deemed sufficient until end of FY
205	4120	Heat & Light	41.2	4,125	1,698	Includes gas charges for the first quarter, March to June and are subject to seasonal variations	Budget deemed sufficient with the information we hold at this stage in the FY
206	4110	Rates	50	610	305	Rates paid in 2 instalments, April & October	Budget deemed sufficient until end of FY.
210 – Town Hall	4110	Rates	45.2	3,150	1,422	Rates paid in 2 instalments, April & October	Budget deemed sufficient until end of FY
210	4115	Water Rates	42.2	400	169	Two quarterly payments have been made, covering period 10th November 2020 to 10 th May 2021	Budget deemed sufficient until end of FY
211	4460	Subscription	99.7	370	369	Annual subscription to NABMA has been paid No further expenditure expected	Budget deemed sufficient until end of FY

Cost Centre	Nom Ledger	Name	% Budget to date	Budget £	Spend to date £	Comment (1)	Comment (2)
250 - Grounds	4120	Heat and Light	26.9	5,000	1,346	Slight increase in costs and subject to seasonal variation	Budget deemed sufficient until end of FY
250	4157	Waste Disposal Litter	30.5	5,000	1,527	Additional skip hire costs in June. Removal of soil - Toilet repairs, Fox Corner	Budget deemed sufficient with the information we hold at this stage in the FY
250	4204	Maintenance General	30.2	4,500	1,361	Includes prepayment of £399 for Smartwater Licence: cover period - 15/02/2021 - 14/02/2022 Additional costs include Clock Tower Repairs & AFC Electrical Test	Budget deemed sufficient with the information we hold at this stage in the FY
255	4480	Computing Costs	100	172	172	Allotment software payment paid in June. Now given notice to cancel so expect a saving for next FY.	Budget deemed sufficient until end of FY

Cost Centre	Nom Ledger	Name	% Budget to date	Budget £	Spend to date £	Comment (1)	Comment (2)
260 – Severn Park	4215	Hire/Maintenance- SP Toilets	48.5	3,500	1,696	This includes amounts for extra cleans MIN NO : 0068/2122 Up to 3 additional cleans in the next few months up to £1,000	Budget deemed sufficient with the information we hold at this stage in the FY Cost of additional cleans is being monitored
285 – Public Conveniences	4110	Rates	46.2	6,953	3,213	First instalment for this FY has been refunded and second payment no longer due	There is likely to be a saving in this cost code of around £3,000
285	4160	Public Conveniences- Contract	38.1	29,000	11,050	Payment for this contract now paid 6 monthly. First payment has been made	New three-year contract has been negotiated. Savings expected of around £6,000 on this cost code but additional cost for utilities of water and electricity

Cost Centre	Nom Ledger	Name	% Budget to date	Budget £	Spend to date £	Comment (1)	Comment (2)
285	4170	Repairs	136.5	750	1,024	Extensive work being carried out at Fox Corner	Sufficient savings/ additional income in cost centre as a whole to bear this cost
291	4291	Street Lighting Maintenance	37.1	4,500	1,668	Payment of a backlog of invoices which were previously chased but not presented from supplier. Less invoices expected for the remainder of the year	Budget deemed sufficient with the information we hold at this stage in the FY.
299	4110	Rates	47.6	3,300	1,572	Rates paid in 2 instalments, April & October	Budget deemed sufficient until end of FY
299	4150	Cleaning Contract	63.4	950	602	Annual invoice now paid for sanitary disposal: July 2021/22. Prepayment of £150 for next financial year	Budget deemed sufficient until end of FY
299	4720	Licences	62	765	475	Annual Music Licence already paid – April 21-22 Only Premises Licence now due	Budget deemed sufficient until end of FY

Cost Centre	Nom Ledger	Name	% Budget to date	Budget £	Spend to date £	Comment (1)	Comment (2)
301 – CCTV	4110	Rates	44.4	3,600	1,597	Rates paid in 2 instalments, April & October	Budget deemed sufficient until end of FY
301	4120	Heat & Light	44.7	1,985	892	Four monthly gas payments: March – June 2021 and one for electric: 6 th February to 7 th May have been paid	Budget deemed sufficient until end of FY
301	4175	Maintenance Contract	63.5	3,000	1,905	Amount includes a pre-payment for £1,440	Budget deemed sufficient until end of FY

A number of the overspends are due to the irregular nature of expenditure. In the majority of cases overspends can be readily offset by underspends in the same Cost Centre.

There are no recommendations in this report that require a decision of Council.

Rachel Follette
Finance Administrator