

Resources Committee

Agenda Item 7

2019/2020 – Unspent Budget Virement

Report Type:	Public Report for Information
Purpose of Report:	To consider options for rolling forwards unspent budgets for the financial year 2019/2020 or virement.
Recommendations:	It is RECOMMENDED that: (a) Members consider the report and options for rolling-forwards unspent budgets or re-tasking by virement. (b) Recommends to Full Council proposals for the above.
Wards:	All Wards
Contact Officer:	Daniel Lucas – Town Clerk

1. BACKGROUND

- 1.1. The Town Council’s end of year accounts for the financial year 2019/2020 are attached at Appendix 1. Appendix 1 shows a summary of receipts and payments by: cost-centre and code; the budgeted amount for the year; the actual spent and a variance column. These have been agreed by internal audit, however, have yet to be agreed by Full Council which shall be considered later this month. For the present purposes, these figures are accurate, and Members shall note that the unspent budgets position for 2019/2020 is approximately £195k. The total unspent for each cost centre/code is then given.
- 1.2. This report asks Members to consider where to “roll-forwards” unspent budgets so that the unspent amount continues in the same cost-code (i.e for the same purpose); or whether the unspent budgets should not roll forwards and where virement to other purposes should happen.
- 1.3. The Council’s Financial Regulations require the Council to consider the position of virement so in the first instance Resources Committee is asked to formulate the recommendation to Council concerning the rolling-forwards and/or virement of unspent budgets from the last financial year (2019/2020).
- 1.4. In terms of principles to consider when considering the issue, the Town Clerk has identified the following which should help shape any decision Members are minded to make:
 - i) The Town Council should aim to have at least between 3-6 months operating costs in reserve. Initially the Council resolved to achieve £86k (3 months operating costs) in reserves by allocating £21.5k over a 4 year period to achieve this figure. This was based upon the annual precept of circa £342k per annum. Members should now note the Council’s operating precept is approximately £514.5k per annum. A minimum of 3 months’ operating costs in reserve should therefore be approximately £129k;
 - ii) The Service Level Agreement this Council has with BCP Council is to continue this financial year and negotiations have yet to commence. Nevertheless, it is fair to anticipate an inflationary and other costs increase given the financial matters BCP are also currently

dealing with. A conservative estimate would suggest a 12-15% increase in the SLA costs. The cost of the SLA last financial year was £56,876 (inc VAT) so a minimum anticipated increase of 12% would need approximately £6,900 to be found and ear-marked in the Council's reserves for this purpose.

iii) Councillors should also be mindful of the Neighbourhood Plan too and the costs for printing, PR/advertisement, website design etc. The Council has budgeted £50k this financial year – again being mindful – that this is probably a 4 year project so it may well serve if the reserve had a Neighbourhood Plan “contingency” given the initial high start-up costs of good website design etc.

1.5. To assist the Town Clerk has provided a simple excel spreadsheet with some basic proposals which takes into account the principles above and suggests where unspent budgets can roll-forwards to this financial year's budgets or where sums should vire.

2. IMPLICATIONS

Legal

2.1. None

Environmental

2.2. None

Financial and Risk

2.3. Members are asked to consider the report, especially the Reserves position for this financial year.

Equalities

2.4. None.

Consultation and Engagement

2.5. None required.

3. CONCLUSION

3.1. Members are asked to consider the report and to approve the recommendations outlined.

Appendices:

Appendix 1 – Unspent Budgets Summary Report.

Appendix 2 – Basic Excel Workbook suggesting options.

Appendix 1 - Christchurch Town Council
Summary of Receipts and Payments
All Cost Centres and Codes

6 July 2020 (2019 - 2020)

Allotments

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
1	C1 Douglas Avenue				860.00	810.67	49	49
2	C2 Rutland Road		30.93	31	10,115.00	10,843.67	-729	-698
3	C3 Southey Road				1,635.00	1,541.11	94	94
	SUB TOTAL		30.93	31	12,610.00	13,195.45	-585	-555

Druitt Gardens and Hall

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
6	C6 Druitt Gardens				9,735.00	12,011.50	-2,277	-2,277
7	C7 Druitt Hall				7,880.00	303.80	7,576	7,576
	SUB TOTAL				17,615.00	12,315.30	5,300	5,300

Income

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
53	Allotments		4,894.11	4,894				4,894
54	Events Licenses		7,239.00	7,239				7,239
55	Pitch Bookings							
	SUB TOTAL		12,133.11	12,133				12,133

Office of the Mayor

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
13	C13 (a) Accidental Damage				300.00		300	300
14	C13 (b) Travel Expenses				700.00		700	700
15	C13 (c) Civic Regalia and				1,500.00		1,500	1,500
16	C13 (d) Miscellaneous				2,239.50	237.48	2,002	2,002
17	C13 (e) Hospitality				4,000.00	88.06	3,912	3,912
18	C13 (f) Ceremonial Events				2,000.00	107.00	1,893	1,893
19	C13 (g) Insurance/Valuation				2,000.00		2,000	2,000
20	C13 (h) Postage				500.00	303.56	196	196
21	C13 (i) Salaries				10,970.50		10,971	10,971
	SUB TOTAL				24,210.00	736.10	23,474	23,474

Old Town Hall

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
22	C14 Old Town Hall				20,000.00	1,810.37	18,190	18,190

Christchurch Town Council
Summary of Receipts and Payments
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6 July 2020 (2019 - 2020)

SUB TOTAL	20,000.00	1,810.37	18,190	18,190
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Overheads

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
29	Salaries				75,000.00	77,348.26	-2,348	-2,348
30	Telephone				1,000.00	701.29	299	299
31	Office General				2,500.00	5,091.84	-2,592	-2,592
32	Training				2,000.00	380.00	1,620	1,620
33	Postage				350.00	29.28	321	321
34	Photocopying				1,250.00		1,250	1,250
35	Insurance				12,000.00	5,686.62	6,313	6,313
36	Legal Costs				10,000.00		10,000	10,000
37	Election				8,000.00		8,000	8,000
38	Office Equipment				500.00		500	500
39	Refreshments				500.00		500	500
40	Travel				280.00		280	280
41	Advertising				600.00		600	600
42	Bin Liners				50.00		50	50
43	Membership Subscriptions				2,000.00		2,000	2,000
44	Newsletter				1,000.00		1,000	1,000
45	PR				1,000.00	320.00	680	680
46	Professional Fees				700.00	350.00	350	350
47	Audit Fees				2,000.00		2,000	2,000
48	IT and Website				10,000.00	5,024.07	4,976	4,976
49	Rent				10,000.00		10,000	10,000
50	Rates				4,500.00	2,618.31	1,882	1,882
51	Contingency				18,500.00	3,682.00	14,818	14,818
52	Reserves				21,500.00		21,500	21,500
	SUB TOTAL				185,230.00	101,231.67	83,998	83,998

Play Facilities

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
4	C4 Arena Wheel Park				4,820.00		4,820	4,820
8	C9 Enfield Rd Play Areas				1,921.00		1,921	1,921
10	C10 Knapp Mill Play Area				1,921.00		1,921	1,921
11	C11 Mundeford Quay Play Area				1,921.00		1,921	1,921
12	C12 Mundeford Recreation				8,088.00	8,324.97	-237	-237
24	C16 River Way Play Area				1,921.00		1,921	1,921
25	C17 Rutland Rd Play Area				1,921.00		1,921	1,921
27	C19 Waterman's Park and Play				1,921.00		1,921	1,921
28	C20 Waterman's Park Wheel				14,700.00		14,700	14,700
	SUB TOTAL				39,134.00	8,324.97	30,809	30,809

Christchurch Town Council
Summary of Receipts and Payments
 All Cost Centres and Codes

6 July 2020 (2019 - 2020)

Precept income 2019-20

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
56	Precept	342,009.00	342,009.00					
SUB TOTAL		342,009.00	342,009.00					

Recreation Grounds

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
5	C5 Barrack Road recreation				20,285.00		20,285	20,285
9	C9 Knapp Mill Open Space				6,025.00	5,020.83	1,004	1,004
23	C15 Quomps Open Space				15,965.00	16,163.28	-198	-198
26	C18 Tuttons Well and Guide Hut				935.00	779.16	156	156
SUB TOTAL					43,210.00	21,963.27	21,247	21,247

Summary

NET TOTAL	342,009.00	354,173.04	12,164	342,009.00	159,577.13	182,432	194,596
V.A.T.		0.00			12,931.20		
GROSS TOTAL		354,173.04			172,508.33		

Unspent - Year End 2019-20 Appendix 2

	Roll forward	Vire	unallocated virement
C6 - Druitt Gardens			
C7 - Druitt Hall			
Sub-Total		£5,300.00	
C53 - Allotments income	£3,284.00	£1,600.00	
Sub total to vire (for SLA costs)	£3,284.00	£6,900.00	
		£18,190.00	£18,190.00
C14 - Old Town Hall			
Overheads:			
C30 - Phone	£299.00		
C32 - Training		£1,620.00	
C33 - Post		£321.00	
C34 - Photocopying	£1,250.00		
C35 - Insurance		£6,313.00	
C36 - Legal		£10,000.00	
C37 - Election	£8,000.00		
C38 - Offices Expenditure	£500.00		
C39 Refreshments		£500.00	
C40 - Travel		£280.00	
C41 - Avertising		£600.00	
C42 - Bin liners		£50.00	
<i>C43 - Membership subscriptions £2,000</i>			
C44 - Newsletter		£1,000.00	
C45 - PR	£680.00		
C46 - Proffessional fees		£350.00	
C47 - Audit		£2,000.00	
C48 - IT & Website	£4,976.00		
C49 - Rent	£10,000.00		
C50 - Rates		£1,882.00	
C51 - Contingency	£14,818.00		
Overheads sub totals:	£40,523.00	£24,916.00	£24,916.00
		£21,500.00	
C52 - Reserves Play			
Facilites:			
C4 - Arena Wheel Park		£4,820.00	
C9 - Knapp Mill Open Space		£1,921.00	
C10 - Knapp Mill Play Area		£1,921.00	
C11 - Mudeford Quay Play Area		£1,921.00	
C16 - River Way Play Area		£1,921.00	
C17 - Rutland Road Play Area		£1,921.00	
C19 - Waterman's Park Play Area		£1,921.00	
C20 - Waterman's Park Wheel Park	£14,700.00		
Play Facilities sub totals:	£14,700.00	£16,346.00	£16,346.00
Total budgets to roll forward 2020/21	£58,507.00		
sub total to vire to reserves:		£59,452.00	£59,452.00
plus C52 existing Reserves		£21,500.00	
plus C6 & C7 reserves allocated to SLA Costs		£6,900.00	

Total to vire to reserves: £87,852.00

C43 Membership budget £2,000 to be consolidated with C31 Office General budget £2,500
(C31 Office General Budget consolidated =£4500)