

BUDGET MONITORING AND VIREMENT REPORT

FINANCE COMMITTEE 16TH JULY 2018

FOR AGENDA ITEM F 18/23

Scope: The Council is required to 'maintain an adequate system of internal control'; this quarterly budget monitoring report forms part of Council's internal control processes.

Risk: Medium/High. The Council is required to make 'safe and efficient arrangements to safeguard public money' and to discharge its functions in accordance with its budget. Failure to monitor progress against the budget could lead to overspend, resulting in Council not being able to meet its commitments or deliver projects.

Report:

The budget provides a basis for monitoring progress during the year by comparing actual spending against planned spending. Generally, actual spend at the end of the first quarter is in line with the budget with just under 50% of income received (Income: £175,976; 48.2%) and just under a quarter of annual expenditure (Expenditure £79,290; 23%) having been spent, including annual invoices for insurance, rates, and waste disposal.

The accompanying figures in Appendix A recommend some minor adjustments between the budget allocations (virement) as well as highlighting areas to monitor and review at the end of the second quarter.

Recommended spend from EM Reserves is shown, and where this has been necessary due to underbudgeting (e.g. non-domestic business rates) it is recommended that the level of funding allocation made in the 2019/20 budget for these items is increased.

RECOMMENDATION:

a. VIREMENTS

To resolve to agree virements between budget allocations as set out in Appendix A.

REASON: to ensure sufficient funds are available for the remainder of the financial year

b. SPEND FROM EARMARKED RESERVES

To resolve to use EM reserves where available.

c. REASON: to spend funds which have been allocated and carried forwards for specific purposes

d. MONITORING

To resolve to further monitor items flagged up after 30.09.2018.

REASON: So that an accurate figure for the second half of the year can be vired if/as necessary

This concludes my report to the Finance Committee

Angie Hurren,
Principal, SLCC.
Broadclyst Parish Clerk
12.07.2018

Broadclyst Parish Council									
Income Expenditure First Quarter 2018/19 (to 30.06.2018)				APPENDIX A					
Reporting of variances and virements									
I/E Code	Cost Centre	Description	1st quarter exp.	18/19 budget	Variance (£)	%	Virement (£)	Virement to/from: (Code)	Reason(s)
4130	110	Subscriptions	2,982	1,200	-1,782	249%	2,000		Increased subscription costs for staff and council
4175	110	Office running costs	1,440	700	-740	206%	1,500		Running costs higher than anticipated
4420	110	Office utilities	368	300	-68	123%	750	from 4420 (190)	Final invoice for electric for old office (electric heating)
4260	150	Fun Day	1,360	2,000	640	68%	-640	to 4480 (120)	Vire to Emerging communitites 4480 (120) for Westclyst events
4560	200	Play Area Annual Inspection	615	300	-315	205%	315	from 4440 (200)	Vire from Play area maint. budget; increae 2019/20 due to increased inspection costs
Spend from EM Reserves									
4150	110	Youth Worker	2,500	8,000	5,500	31%	2,000		Increase to SLA; Spend from EM reserves
4250	150	Twinning	2,406	1,500	-906	160%	906		Amalgamated spend over 2 years; transfer from EM reserves
4460	110	Office rates	2,407	1,600	-807	150%	807		Higher rates for larger office; spend from EMR and allocate larger budget for 19/20
4460	170	Public Toilets rates	2,328	2,100	-228	111%	228		Spend from EM reserves and allocate larger budget for 19/20
Flagged for Monitoring									
I/E Code	Cost Centre	Description	1st quarter exp.	18/19 budget	Variance (£)	%			Reason(s)
4020	110	HMRC/Pension	13,215	49,000	35,785	27%			Continue to monitor - vire from staffing budget at 30.09.2018 if overspend % increases
4155	110	Finance Software and support	566	1,000	434	57%			Monitor
4170	110	Office rent	1,595	7,000	5,405	23%			Continue to monitor following higher rent for larger office
4171	110	Office moving costs	857	0	-857				Once final figure known, spend from General reserves or another area of budget
4185	110	CPD Training	3,517	4,000	483	88%			Monitor and review 30.09.2018
4326	160	Parish vehicle op budget	1,896	4,000	2,104	47%			Includes insurance for 2018/19. Monitor and review at 30.09.2018
4535	160	Westclyst Soprts pitch	2,283	1,500	-783	152%			Underbudgeted for cost of maint. contract. Will need to decide from where to spend.
4440	170	Public toilets maintenance	442	1,000	558	44%			Monitor and review 30.09.2018

Highlighted virements and spend from EM Reserves to be resolved.

Proposed: Cllr

Seconded Cllr

Vote:

Minute ref F18/23; 16.07.2018