



## FINANCE REPORT

As with the Clerk’s Report to Council, this report is not an item of debate, but seeks to inform councillors of all matters financial, including income and expenditure against budget, the level of balances held, proposed movements of deposits, future plans as well as seasonal issues, such as the Audit and Budget setting processes. If councillors consider a matter included in the report is in need of debate, the subject can be added to a future meeting’s agenda for this purpose. I will always endeavour to answer any questions raised from the content of the report, but please bear in mind that if further investigation is necessary, answers will need to be given outside the meeting.

### Bank Accounts

	<u>£</u>	<u>Rate</u>
Lloyds Current Account	16,615.67	
Lloyds 30 Day Account	120,772.21	0.01%
Lloyds Ticketsource	45.00	
Cambridge & Counties 31 Day Account	1,841,370.78	0.9%
Public Sector Deposit Fund	64,447.47	varies

**Total** **2,043 251.13**

Business Credit Card 357.92

### Investments

Local Authorities Property Fund	2,077,819.13	varies 720,689 units approx. 4.5%
Rathbones Investment Management Ltd	3,000,000.00	varies but approx. 3.5%

**Total** **5,077,819.13**

Town Mayor’s Charity Account 784.95

Notice has been given to withdraw a further £100,000 from the Cambridge & Counties account to cover the cost of the penultimate payment due to Five Rivers of between £55-60,000 by the end of this month.

### Finance & General Purposes Committee

	<u>£</u>	<u>Budget</u>	<u>% Budget</u>
Income	95,240	194,000	49.09

<b>Expenditure</b>	271,305	555,448	48.84
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Income reflects the interest received from the bank deposits and investments plus solar panel receipts. It has held up better than expected as the Local Authorities Property Fund quarterly income was not as badly affected by Covid-19 issues as expected. Bank reconciliations are behind schedule for this month so many transactions are still to be processed. Expenditure is lower than expected. Largely this is because general expenses on items such as stationery, postage and printing plus training and travel expenses have all been lower than normal. Staff costs have also been lower than expected because the Technician salary that was budgeted for this year is yet to be incurred and may be deferred until next year as one of the budget measures to repair the hole in the overall income budget as a consequence of Covid-19.

### Public Halls Committee

	<u>£</u>	<u>Budget</u>	<u>% Budget</u>
<b>Income</b>	38,085	208,965	18.23
<b>Expenditure</b>	100,649	330,964	30.41

The Festival Hall complex year to date income is 3.4% (2019: 53.2%) and Avenue Pavilion income is at 7.2% (2019: 53.2%) reflecting the decimation wrought by the effects of Covid-19 on the hire of both these halls. Income received is from the Nursery and Petersfield Town Juniors for the rental of the pavilion at Love Lane plus commercial lease income at the Town & Festival Hall. It is difficult to be precise in predicting the likely income shortfall at this stage as it will depend on how many of the regular Avenue Pavilion bookings are able to return and what can be achieved in the Festival Hall with the potential of a further Covid-19 restriction on the horizon. Bookings for The Avenue Pavilion have improved this month but whether this is sustainable remains to be seen. There is some positive news in that finally SSE have accepted our claim for FIT payments in respect of the solar panels installed at the Avenue in December 2015. Payments will be backdated to the date of installation because the Council had the foresight to ensure that readings have been submitted from that date forwards so SSE have clear evidence of the claim. This is likely to be only £2-3,000 in back payments but with this years income shortfall facing us, any bonus is welcomed. Currently I am estimating a shortfall of between £120-140K for the year. Expenditure has been lower than usual due to the lack of booking activity with a significant drop in utility costs. Cleaning equipment costs are also low as a result of some bulk purchases being made at the end of the last financial year. Once the Structural Survey has been completed on the Town & Festival Hall and the outcomes assessed there will be some increase in expenditure on our halls generally

### Grounds Committee

	<u>£</u>	<u>Budget</u>	<u>% Budget</u>
<b>Income</b>	58,874	97,200	60.57
<b>Expenditure</b>	167,956	362,123	46.38

Income is mainly from the lease of property and concessions on The Heath, some of which is received quarterly in advance plus the work that the grounds team undertake. Both of these are where they would be expected to be at this time of the year. Expenditure is lower than expected although there has been significant expenditure of the capital budget on new grounds equipment and the depot containers. The revenue budgets

that are slightly overspent on year to date basis are vehicle maintenance, equipment hire, materials purchases and litter collection which reflects where the pressure has been on the grounds team during the Covid-19 pandemic. These overspends are not of current concern and can be compensated for by significant underspends elsewhere in the budget.

## Overall

	<u>£</u>	<u>Budget</u>	<u>% Budget</u>
<b>Income</b>	192,199	500,164	38.43
<b>Expenditure</b>	539,910	1,248,535	43.24

If everything was on track the year to date figures would show an 50.00% spend. The figures within this report are bound to be in need of an update once all the bank reconciliation work has been completed for September.

Income will fall well short of budget this year as a result of the Covid-19 pandemic. (2019: 45.61%) Expenditure is generally a little lower than expected for time of year which reflects the lower than usual demand on many of our routine cost headings as well as lower building use and energy demands as a result. (2019: 40.38%) It is planned to bring proposals to this committee next month on where anticipated savings can be made from the revenue budget to meet the projected income shortfall from the loss of hire income as a result of Covid-19.

This report aims to provide an overall summary of the position of the Council financially with any significant anomalies or variances being reported for your attention and potentially, action. It also demonstrates that councillors are fulfilling their role in monitoring the Council's finances and ensuring that good governance is being followed.

Neil Hitch,  
Town Clerk & Responsible Finance Officer  
12th October 2020