



Quarterly Financial Report – Q3 2024-25

Introduction

This report provides an overview of Minehead Town Council's financial performance for the third quarter of 2024-25 fiscal year (October, November & December). It highlights areas of overspending and underspending, along with explanations for these variances from the budget. This report is accompanied by month 9, Detailed Income & Expenditure by Budget Heading.

Overspent Areas:

1190/101 Interest received (243.9% Received) Governance & Administration - INCOME

Reason: This is increased income due to interest rates remaining around 4-5% This is due to the sluggish Economy and the Bank of England not reducing their interest rate.

4023/101 Subscriptions (118% spent) Governance & Administration

Reason: Overspend is due to larger than expected increase in the joint Somerset Association of Local Councils (SALC) & National Association of Local Councils (NALC) subscriptions paid in August 2024.

4025/101 Insurance (93% spent) Governance & Administration

Reason: Paid annually in April. Budget was estimated with a +/- 10% margin of error.

4026/101 Website (81.8% spent) Governance & Administration

Reason: Added Accessibility upgrade to the website, remaining budget will cover monthly payments for quarter 4.

4040/101 Computer Equipment/Licences (100.7% spent) Governance & Administration

Reason: email licence number increased to 19. The monthly cost for is £111.70, annual total £1344. Likely to be a overspend of approx. £250-£300.

4405/102 Cleaning & Windows (80.8% spent) Town Council Offices

Reason: Cleaning materials purchased for Office.

4410/102 Rent for Town Council Offices (94.4% spent) Town Council Offices

Reason: Paid in one lump sum at the start of the financial year in April. Rent was fixed at the previous year's price. Share of buildings insurance paid Oct 2024 for year 24/25.

4411/102 Rates for Town Council Offices (85.5% spent) Town Council Offices

Reason: Payable to Somerset Council in one lump sum in May.

4413/102 Electricity for Town Council Offices (92.2% spent) Town Council Offices

Reason: Electricity price increased Oct 24, as fixed rate ended, will miss budget target by one month.

4460/102 Summerland Room (all costs) (79.5 % spent) Town Council Offices

Reason: Budget set too low. Predicted cost for this year is approx. £500-£540. Centre to be absorbed into cost centre 250 as used as store for toilet supplies.

*1020/201 Purchase of Graves (81.1% Received) Cemetery - **INCOME***

Reason: Increase in interments requiring new plots. Reading as an overspend but is income.

4411/201 Rates for Cemetery and Churchyard (92.2% spent) Cemetery

Reason: Payable to Somerset Council in one lump sum in May.

*1258/202 Allotment Deposits (175.0% Received) Allotments - **INCOME***

Reason: Increase in allotment new tenancies. While recorded as income, these deposits are held and will be refunded to tenants upon satisfactory return of their plot

4412/202 Water (87.8% spent) Allotments

Reason: Water bills for all sites cover six-month period (Mar- Sept) next bill due April 2025, so new budget.

4411/205 Rates (240.5% spent) Depots & Compound

Reason: Somerset West & Taunton Council (SWaT) have applied business rate relief for stores and hospitality incorrectly on the two depots since 2020 total £24000. This has come to light in Oct 2024 when Somerset Council reviewed business rates, invoices received for extra £5500 received Oct 2024. This increase has not been budgeted for, so funds will come out of Capital Reserves. Previous years relief will not be paid back as SWaT should have claimed back the relief paid out from Central Government.

Budget 2025/26 reflects the true business rate costs.

4326/205 Refuse & Recycling (77.2% spent) Depots & Compound

Reason: Increase in Summer waste and includes Cemetery bin waste. Should even up over Winter and separate £1000 Cemetery budget to be used when this line is complete.

4413/205 Electricity (96.1% spent) Depots & Compound

Reason: Includes electricity used to charge electric vehicles. Their share of cost to come from Vehicles, Plant & Equipment cost centre.

4330/207 Fuel (76.8.5% spent) Vehicles, Plant & Equipment

Reason: Cost with locking up Blenheim Gardens will come from Devolution budget line.

4000/214 Wages, NI and Pension (76.9% spent) Community Centre

Reason: Budget left will cover quarter 4 costs with a small overspend.

4022/214 Phone & Broadband (99.7% spent) Community Centre

Reason: Cost increased during 2024. Will need to look if broadband is essential at the Community Centre.

4412/214 Water (78.8% spent) Community Centre

Reason: Increased usage at Community Centre

4413/214 Electricity (95.5% spent) Community Centre

Reason: Costs averaging approx. £500 per month, therefore shortfall estimated around £1000.

4100/215 Playgrounds Maintenance (89.2%) Open Spaces & Recreation

Reason: Annual external play equipment inspection & subsequent replacement parts. Any repairs required in quarter 4 over budget will be transferred to year 25/26.

4362/219 Christmas Decorations (85.0% spent) Community Services & Support

Reason: Majority of costs for Christmas 2024 have been paid. However, an additional invoice for electrical works due to issues associated with storm Darragh is expected.

4361/222 Floral Displays (89.9% spent) Town Centre Maintenance

Reason: Includes invoices for Autumn 2024 plants & associated sundries – MTC areas only

4000/250 Wages, NI & Pension (88.1%) Public Toilets

Reason: includes regular Saturday work

4412/250 Water (92.2%) Public Toilets

Reason: includes the flushing of blocked drains at Blenheim Gardens ladies

4425/250 Equipment Rental (92.7% spent) Public Toilets

Reason: Includes new Female Hygiene Unit collection contract.

Significantly Underspent Areas:

Advertising/Recruitment (6.6% spent) Governance & Administration

Reason: Budgeted for potential staff changes and councillor by-elections.

Legal and Professional Fees (7.7% spent) Governance & Administration

Reason: A provision has been made for the external review processes related to our 2022/23 accounts. The associated costs are currently undetermined and may impact this budget line item.

New Office Provision (0% spent) EMR Town Council Offices

Reason: Awaiting copy of proposed lease on the existing office to see if it cost effective to purchase. Chased Dec 2024

Cemetery Extension (0% spent) EMR Cemetery

Reason: EMR being built up the purchase suitable land for cemetery.

Vehicle Replacement (0% spent) EMR Vehicles, Plant & Equipment

Reason: New vehicle required in the next two years to replace Vauxhall van.

General Maintenance for Community Centre (11.5% spent) Community Centre

Reason: Budget set for potential repairs, painting and cleaning issues.

Weed Removal (10.8% spent) Open Spaces & Recreation

Reason: Continuing to explore weed removal options. Foamstream six-month trial results disappointing. Budget will be spent towards waste occurred from winter manual weed removal project and an early season treatment of street weeds, in line with adopted street weed control strategy approved in December 2024.

Devolution: (11.9%) Community Services & Support

Reason: Budget set for unknown factors associated with devolution from Somerset Council. Various expenses incurred thus far, including wall repairs, Blenheim Gardens daily gate locking, Blenheim Gardens, Quay, Harbour flower displays, Britain in Bloom & Green Flag. With discussions around the devolution of assets and services advancing, additional equipment may need to be purchased in preparation for this.

Public Toilet Improvements (0% spent) EMR Public Toilets

Reason: Further investigation required for Blenheim Gardens toilets refurbishment. Major works unlikely this year.

Conclusion

Overall, Minehead Town Council is on course to come in on budget for the 2024-2025 financial year. While there are some areas of overspend, these are largely due to timing for annual payments or unforeseen circumstances. These overspends are expected to be offset by underspending in other areas.

Others, like the EMR funds for the Cemetery Extension, are long-term projects that require funds to be built up to execute the specific project.

Monitoring of staffing expenditures, conducted in tandem with councillor budget reviews through the Finance and General Purposes Committee, have established a consistent framework for financial control. It's worth noting that certain budgets, such

as those allocated for the devolution of services from Somerset Council, were initially set to address uncertainties.

Devolution discussions continued through 2024 and although advancing, still have to be agreed in early 2025.

Another important consideration is the pending external review for the 2022/23 accounts. The costs associated with this process are yet to be determined, and their eventual resolution could have a notable impact on our overall financial position at year end. We are closely monitoring this situation and will adjust our financial strategies as necessary to accommodate any unforeseen expenses that may arise from this review. Expected Feb 2025.

As we move forward, we will maintain our focus on efficient budget management and transparent reporting to ensure the best use of public funds.

Jo Chapman

Deputy Clerk & RFO

08.01.2025