

Final Financial Report – 2024-25

Introduction

This report provides the final analysis of Minehead Town Council's financial performance for the fiscal year of 2024-25.

The overall picture of Minehead Town Council's income and expenditure remains healthy and within the 2024/2025 agreed budget.

The Ear Marked Reserves fund has been topped up with the agreed 2024/25 budget amounts. The total balance is £529,240.70. A new Ear Marked Reserves savings account is being opened to spread the funds across a broader range of financial institutions. The purposes for these funds are reviewed as part of the precept budgeting process.

The General Reserves fund has been reviewed, and the balance amount remains within the recommended three to twelve months of net monthly spend. A new General Reserves savings account is being opened to spread the funds across a broader range of financial institutions. These funds are reviewed as part of the precept budgeting process.

Part of this report is to examine areas of variances of greater than 15% in conjunction with the completed Detailed Income & Expenditure by Budget Heading (month 12)

Overall, the Governance & Administration Cost Centre (101) comes in at 84.6% of budget with a few nominal codes overspent. Below, we analyse these codes in more detail.

1190/101 Interest received (317.3%) Governance & Administration

Reason: Interest rates on Minehead Town Council's savings accounts remain robust, with slower than anticipated rate cuts throughout 2024/25, due to the Bank of England not cutting their interest rate. The prediction through 2025/26 is for further rate cuts.

4007/101 HR Support/EAP (125%) Governance & Administration

Reason: Overspend due to a health consultation for an employee with a trained consultant.

4023/101 Subscriptions (122.9%) 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.

4040/101 Computer Equipment/Licences (128%) Governance & Administration

Reason: email licence number increased to 19. The monthly cost for is £111.70, annual total £1344. Overspend of approx. £250-£350.

Overall, the Allotments Cost Centre (202) comes in at 55.8% of budget. Nominal code overspends are:

1030/202 Income Allotments (149.2%)

Reason: More income has been received due to splitting of some allotment plots into half size plots and a greater number of existing plots becoming available.

1258/202 Allotment Deposits (175.0%)

Reason: Increase in allotment new tenancies. Now recoded to a restricted code (holding account) as allotment deposits are refundable.

Overall, the Depots and Compound Cost Centre (205) are the only cost centre to come in over budget (110.9%). This is due to the Somerset West & Taunton situation explained below.

4411/205 Rates (360.2%)

Reason: Somerset West & Taunton Council (SWaT) applied business rate relief for stores and hospitality incorrectly on the two depots since 2020 total £24000. This came to light in Oct 2024 when Somerset Council reviewed business rates. It has been agreed that the amount prior to year 24/25 does not have to be paid back, as SWaT should have claimed this back from Central Government, as this relief was a Central Government scheme. Invoices received for the extra £5500 for the 2024-25 business rates were received in Oct 2024. This increase was not included in the 2024/25 budget (set Jan 2024), so funds have come out of 2024 general reserves.

Budget 2025/26 reflects the true business rate costs.

4413/205 Electricity (142.2%)

Reason: Increase in electricity spending is due an increase of battery-operated equipment useage and the ending of the current fixed rate deal taken out in 2022 on Depot 31.

Overall, the Community Centre Cost Centre (214) comes in at 79.6% of budget with a few nominal codes overspent.

4022/214 Phone & Broadband (127%)

Reason: Cost from supplier increased during 2024. This will need to look if broadband is essential for the groups that use the centre and how much is used by the football club at the weekends.

4413/214 Electricity (123.5%)

Reason: Costs averaging approx. £550 per month, therefore shortfall estimated around £1500. The nominal code budget 25/26 has been increased to cover this. Ways of reducing use will need looking at.

Overall, the Open Spaces and Recreation Cost Centre (215) comes in at 39.5% of budget. Variations include:

1034/215 Income Alcombe Football Club (227.1%)

Reason: Income increased due to the football paying their 2023/24 electricity reimbursement and rent late.

Overall, the Public Toilets (250) comes in at 65.3% of budget. Nominal Code overspends include:

4000/250 Wages, NI & Pension (117.5%)

Reason: includes weekly Saturday working including paid holiday days as normal working pattern.

4401/250 General Maintenance (361.9%)

Reason: The balance after the insured accident where the car drove into the side of Summerland wcs, still leaves an over spend of 125% this is due to replacing damaged toilet seats (Warren Rd) new flush systems, relining drains(Summerland) damaged door, relining drains(Quay West) painting (Blenheim Gardens)

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

Reason: Includes new Female Hygiene Unit collection contract.

Conclusion

Overall, Minehead Town Council finished on budget for the 2024-2025 financial year.

New EMR codes have been created:

Devolution Costs (317) as the transfer of most assets from Somerset Council to Minehead Town Council didn't take place at the end of March 2025 & has been pushed back to the 1st May 2025. This money is to spend putting right the defects that Minehead Town Council inherits with these assets and for their associated costs that haven't been budgeted for.

Elections (320). There currently isn't a fund for elections and their associated costs. The next election is in 2027; therefore, funding will be required for hiring premises, personnel etc.

Monuments/Historical (353) There currently isn't a fund for the maintenance/conservation of the historical structures in Minehead, eg Queen Anne statue & canopy, war memorials etc. These structures require knowledgeable care, usually from qualified conservators who charge accordingly. A fund is needed to meet these costs.

Trees (the Avenue) (359)

Unfortunately, we have missed the Autumn/Winter 2024 time for replacing the dead/damaged trees in The Avenue. With the cost of replacing a tree with add on

costs at approx. £3000 (price 2024) a fund is required to pay for the further replacements.

The pending external review for the 2022/23 accounts has not been completed and will run into the financial year 2025/26.

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.

The situation is being closely monitored, and our financial strategies will be reviewed once a decision has been made.

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

21.04.2025