

**Report to Councillors**  
**Narrative to Accompany Year End Reports**  
**Policy and Resources Committee, 17<sup>th</sup> April 2023, Agenda Item 7**

This narrative addresses those items which are over-budget and does not look at any items that are either on or below budget in detail.

## **INCOME AND EXPENDITURE REPORT**

### **1. Civic**

The current Mayor is owed £500 from the Mayoral Allowance for 22/23.

### **2. Staffing & Professional**

Although 4110 PAYE/NI and 4115 Pension are overspent, totalling them with 4100 Salaries does bring these all within budget.

4120 Staffing Training has been overspent due to the recruitment of new staff, which had not been anticipated.

4135 Audit is over budget by £2,000 due to the additional work undertaken by PKF of £3,785.

4141 HR expenses were not expected and therefore not budgeted. However our General Reserves Policy includes £25,000 for loss of staff and £20,000 for unanticipated legal costs. Our General Reserves now stand at £100,000 at year end, which is £10,000 less than the Assessment of Potential Risks states.

4142 DBS requirement was introduced without previously being budgeted.

4165 Planning Consultancy fee has been moved to EMR, however it is anticipated that this amount will now be required for the NHP. Due to the unexpectedly high number of responses Urban Vision are dealing with, we expect their fees will be much higher than anticipated. Their latest invoice is for £10,150 to be taken from the EMR of £12,500.

### **3. Office and Administration**

Overall this cost centre is 10% over budget. A new computer for a member of staff was agreed at the time and additional postage for sending letters to new residents had not previously been included within the budget.

### **4. The Guildhall**

There has been several maintenance projects undertaken at the Guildhall, which include cleaning of the gutters, replacement door locks and upgrade to the alarm system. Major works was the redecorating of the Council Chamber, undertaken by the facilities team. This provided a saving of approximately £10,000.

Guildhall weddings are proving successful, with 18 weddings in 22/23 and 15 booked for 23/24 and beyond.

#### **5. Front Brents Jetty and Moorings**

Within budget / underspent

#### **6. Faversham Creek**

4271 overspent with Breakthrough Communication, who were paid a lump sum then a retainer for a 10 month period.

#### **7. Facilities Management**

This is currently showing as overspent by 80+%, this is due to the unexpected recruitment of a new Facilities Manager. We also need to purchase some basic equipment, which had been the previous incumbent's own.

The report also shows hire of the storage container for 22/23 and 23/24, which will be amended at month 1 end.

#### **8. Community**

Some items have been moved to this cost centre during the year in order to sit better with the Community Committee, such as the Youth SLA. In the 2022/23 budget £60,000 was vired from EMR, part of this was for the youth contract.

#### **9. Charter Exhibition**

This budget is under-spent, but money has been put into EMRs for the new doors which were a requirement of the insurance. Delays from planning permission and ensuring they meet security requirements have led to the delays.

#### **10. Events**

Within budget / underspent

#### **11. Environment**

4811 Tikspac, we are still using a high number of poo bags. We do believe that they are being misused at some stations but are continuing to replenish as has been requested by Councillors.

Payment of the bus shelters was made in 22/23 although grants were obtained the previous financial year.

#### **12. Active Travel**

4272 Cycle hire scheme and 4273 bike hangar were grants and the EMRs have been updated accordingly.

4870 and 4949 sums have been moved to EMRs, whilst 4951 Parish to Town was a grant from 22/23 and has been removed from EMR.

#### **13. Neighbourhood Plan**

See also 4165 in paragraph 2 above. The figure of £788 needs to be refunded to Groundworks for the independent examination stage (which has not been reached at year end). There is a risk if we are required to repeat Reg 14 that there will be insufficient funds.

#### **14. Electricity**

From 1<sup>st</sup> April 2023 our Bulb Energy account has now officially changed to Octopus Energy. We have three separate accounts for the Guildhall, Front Brents and 12 Market Place. The first two are in credit, with the Guildhall DD set up to pay the entire invoice value. We have paid over £12,000 in 22/23 for 12 Market Place but owe a further £4k+. We have budgeted £8,000 for 23/24.

#### **15. General Overview of Risks**

Please note the following risks

- a. We have lower general reserves and less EMR starting 23/24 than in 22/23.
- b. We had a number of unplanned budget expenses in 22/23 which have lowered our general reserves.
- c. There is a risk that we will not have sufficient budgeted funds to complete the NHP without viring from other funds.
- d. The unknown cost of electricity for 23/24.
- e. Funding may not be found to enable the cycle hire scheme to continue.
- f. Instruction to seek quotations for the insurance reinstatement value of property and replacement valuation of civic regalia, which has not been budgeted.
- g. The need to recruit replacement staff.

#### **SALES LEDGER AGED ACCOUNT BALANCE**

BUR001 is currently awaiting payment through probate. There are 3 other payments that require approval to delete. The other payments all relate to wedding, some of which are deposits.

#### **PURCHASE LEDGER AGED ACCOUNT BALANCE**

Some of these items are current payments and will be removed once the bank rec has been completed (including Industrial Labels). Of note are the Bulb Energy accounts and a credit from SLCC

Louise Bareham  
Town Clerk  
17<sup>th</sup> April 2023