East Dean & Friston Parish Council

Date: 7th November 2019

Title: **Report Item 9 - Revised budget projected outturn at Q2 2019/20**

By: **Councillor Kevin Godden, Lead Member for Finance**

Purpose: **To provide Members with the financial position of the Council based upon incurred and projected income and costs**

Members are asked to:

1. **consider the budget allocation and future accounting of the East Dean in Bloom project**
2. **to request from the Neighbourhood Plan Steering Group a business plan for the delivery of this project including budget profile and timetable**

Introduction

1. The budget was approved at a special meeting of the Council on 22nd January 2019. This report sets out the projected outturn for the accounting year ending 31st March 2020 at the end of Q2 (30th September 2019). The current budget was set at £67,597 for the year. This included £16,537 as revenue contributions towards capital projects. There have been virements during the Q2 period and additional budget approvals funded from revenue reserves.

Table 1 – Comparison of Revised Budget and Projected Outturn

Account Code	Revised Budget 2019/20	Projected Outturn 2019/20	Variation Budget v Outturn
Revenue Income	**-68,757**	**-69,098**	-341
Council Office Costs	19,740	17,923	-1,817
Professional Expenses	4,806	4,502	-303
Councillor Expenses	1,960	1,344	-616
Revenue Funding of Capital Projects	16,537	16,071	-466
Pavilion Maintenance	1,777	1,792	15
Sports and Play Grounds Maintenance	940	929	-11
Other Maintenance	3,750	3,089	-661
Mowing Services	7,143	7,158	15
Other Services	13,745	12,613	-1,131
VAT	0	-823	-823
Totals	**1,640**	**-4,499**	**-6,140**

2. It can be seen that overall the projections indicate that the Council will underspend its budget by circa £6,140 or circa 10%.

3. Details of variations are reported on an exception basis and are included in the table below. Negative figures are savings.

Table B – Summary of Variations Reported for Q2

Cost Centre	Variation £	Explanations
Community Clean Grant	425	• Grant received from Wealden DC for cleaning equipment
Squeeze Gate Contributions	40	• Two contributions from residents towards repair to gate
East Dean in Bloom contributions	150	• Contributions higher than budgeted for
Travel Expenses	1,323	• Councillor budget for travel is much lower than anticipated – expected to travel more to SDNPA at Midhurst
Election Costs	361	• No expenses claimed by Councillors but a charge made by Wealden DC for managing process.
Councillor Expenses	626	• No Councillors have claimed expenses to date.
Revenue Funding of Capital	466	• Capital expenditure substantially lower than anticipated especially Neighbourhood Plan.
Winterisation of Pavilion	100	• Not required this year.
War Memorial Maintenance	100	• Major project being delivered and therefore not required.
East Dean in Bloom Cost savings	600	• Expenditure lower than anticipated.
Savings in Donations and Contributions	1,150	• Grants scheme payments are lower than anticipated and reported previously.
VAT	613	• VAT income projected to be higher than budgeted for.
Other	231	• Numerous small changed in budgets to spend.
Variation	**6,185**	• **Underspend at Q2**

4. Details of the analysis of the revenue variations per account code are included in Appendix 1 to this report.

5. In terms of East Dean in Bloom, the budget for this scheme was £1,500 funded by private contributions of £800 and the Council £700. Contributions received have been £950 and expenditure incurred is £899 leaving a net position currently for this scheme of £750 Credit which Members may wish to hold in a reserve as Restricted Funds or leave the scheme to self-fund itself and the Council return its contribution to reserves.

Capital Projects

6. The table below sets out the projected outturn on this year's capital investment projects. It can be seen that only the Refurbishment of the Pavilion has had some works started.

Table 3 – Capital Project Projections

Capital Project	Revised Budget 2019/20	Actual Spend to Date (Net of VAT)	Estimate of Future Spend in Year	Projected Outturn 2019/20	Variation Budget v Outturn
801 - Friston Build Out Scheme	6,000	3,000	3,000	6,000	-
802 - Refurbishment of War Memorial	2,500	-	2,500	2,500	-
803 - Refurbishment of Bus Shelters	500	-	-	-	500
804 - EDF Cricket - Capital Contribution to W	5,000	-	-	-	5,000
805 - New Fencing at Recreation Ground	1,000	-	1,000	1,000	-
806 - Major Refurbushment of Pavilion	5,000	815	4,185	5,000	-
807 - Neighbourhood Plan	14,225	131	1,440	1,571	12,654
Total	**34,225**	**3,946**	**12,125**	**16,071**	**18,154**

7. These projects have been allocated project leaders (Councillors) who are responsible for the delivery of these projects. They all require a business case prior to commencement, including details of the works, the capital costs, any on-going revenue cost, timetable and procurement approach.

8. A number of projects are on track and will be delivered this year, however it may be noted that the bus shelters (803) has not yet been approved and relocation of the cricket wicket (804) is subject to other external funding and may be incurred in a future year. A short commentary relating to each of the other capital projects is below:

   Friston Build Out (801) – progressing well and assumed that the balance of the payment due to ESCC will be made in this financial year. Currently at design stage.

   War Memorial (802) – works to fencing to be undertaken in this financial year.

   Refurbishment of Pavilion and Fencing for Recreation Ground (805/806) have been combined for budgeting purposes. The £815 relates to the pavilion repair and re-boarding of the kitchen ceiling etc

   Neighbourhood Plan (807) - the £131 relates to the cost of the notice board. No staff costs have been allocated to the Neighbourhood Plan project to date but an estimate of 5 months' salary for the share of the Admin Assistant has been provided for. This project needs a detailed delivery plan and profiled expenditure.

Financial Implications

9. Included within this report.

Procurement and Legal Implications

10. All revenue expenditure and capital projects comply with Standing Orders and Financial Regulations.

Report Ends