



TODMORDEN TOWN COUNCIL

Item 13 – Town Council 27<sup>th</sup> April  
2021

# TODMORDEN TOWN COUNCIL

## REPORT TO FULL COUNCIL

<b>REPORT AUTHOR</b>	<b>Colin Hill Town Clerk and Responsible Financial Officer</b>
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<b>Date</b>	<b>27<sup>TH</sup> April 2021</b>
<b>SUBJECT</b>	<b>Start of Year Budget and Reserves Movements</b>

### PURPOSE OF REPORT

1. To remind Members that when estimating budgets for 2021/22 because of uncertainty around Council Tax Support Grant and Parish Grant, and a nil increase in Precept, an Earmarked Budget Phasing Reserve of £7,268 was established to meet a year one budget shortfall in our three - year forecast.
2. To advise Members that whilst the actual combined Precept/Grant income from CMBC was better than expected, additional commitments made in Feb/March plus additional budget provision deemed prudent by the Responsible Financial Office result in a revenue-based budget of £309,297 against income of £303,711, a shortfall of £5,586 which will need to be covered by drawdown on the Earmarked Budget Phasing Reserve of £7,268.
3. To remind Members that within the Revenue Expenditure figure of £309,297 is included proposed transfers to Earmarked Reserves of £19,750 to Community Development and £7,500 for Festive Lights replacement (eight-year programme). It also includes provision of £5,000 for Election Costs, which will this year be drawn on - see Appendices 1 and 2
4. To remind Members that at year end an Earmarked Reserve of £9,000 was established for known commitments and £6,000 for Children's Festive Displays which will need to be released back into the 2021/22 revenue budget.
5. To advise Members that budgets in relation to the Wheelspark Project will also need to be established once this scheme has been finally contracted for.

### FINANCIAL CONSIDERATIONS

6. The decision to create an Earmarked Reserve for potential budget phasing was a prudent one and sufficient was created to meet the 2021/22 requirement.
7. Earmarked Reserves remain strong. Assuming the Wheelspark project moves to contract stage and no repayment of grant funds received to date is necessary, General Reserves at £106,421 is in excess of that of £80,000 required under our Reserves Policy.

## **RECOMMENDATION**

8. That Members note the start of year budget position.
9. That £5,586 is drawn down from the Earmarked Budget Phasing Reserve to balance the start of year budget for 2021/22.
10. That £19,750 is moved from the revenue budget to Community Development Earmarked Reserve.
11. That £7,500 is moved from the revenue budget to Festive Lights Earmarked Reserve.
12. That £9,000 is moved from the Year End Commitment Earmarked Reserve to the Revenue budget.
13. That £6, 000 is moved from the Children's Festive Lights Displays Earmarked Reserve to the Revenue budget.
14. That Wheelspark revenue expenditure budgets of approximately £239,000 are established on receipt of Grant Funds from Calderdale MBC and contracts executed for construction to begin.

## **REASONS FOR RECOMMENDATION**

15. A balanced budget must be delivered.
16. Movements from Earmarked Reserves need to be authorised by Full Council.
17. Increases in start of year budgets need to be authorised by Full Council.

## **POLICY IMPLICATIONS:**

18. None arising from this report.

## **DETAILS OF CONSULTATION:**

19. None from this report.

## **CLIMATE CHANGE:**

20. None arising from this report.

## **IMPACT EQUALITY ASSESSMENT**

21. None arising from this report.

## **SUPPORTING PAPERS:**

22. Appendix 1 - Start of year budgets - excel version.  
Appendix 2 - Start of year budgets – Alpha financial system.

**FURTHER INFORMATION, PLEASE CONTACT: Colin Hill**