



TODMORDEN TOWN COUNCIL

Item 8 – Town Council 27th April
2021

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REPORT TO FULL COUNCIL

REPORT AUTHOR	Colin Hill Town Clerk and Responsible Financial Officer
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Date	27th April 2021
SUBJECT	Year End Outturn – Year on Year Analysis

PURPOSE OF REPORT

1. To advise Members that the end of year accounting process has been completed and that subject to any unforeseen adjustment required by the Internal Auditor, the Council's General Reserves figure stands at £109,121 (2020 £101,441) and Earmarked Reserves £187,913 (2020 £73,500) – See Appendix 1 Balance sheet as of 1st April 2021.
2. To advise Members that all outstanding monies due to the Council were collected before year end all payments made for works carried out in 2020/21
3. To advise Members that included in this outturn is a receipt of £13,619 in respect of an initial grant payment in respect of the Wheelspark project, which if drainage site investigation works do not reach a satisfactory conclusion, will need to be repaid back.
4. To advise Members that the receipt of £13,619 was wrong. It should have been £11,349 but an overpayment of £2,270 was made. If we need to repay this overpayment, then our true General Reserves will fall to £106,421. If all to be repaid, then £87,822 – still above our threshold of £80,000.
5. To advise Members that as our expenditure at risk to date has effectively been met from the first payment of Wheelparks Grant from CMBC, we have not therefore yet contributed any of our £25,000 commitment to this scheme. Once the scheme is contracted and we account for this in 2021/22, we will need to either move £20,000 from our Earmarked Community Development Reserve to the Earmarked Wheelspark Reserve noting there is an existing balance of £5,000 or just £10,000 and use General Reserves as the balance reducing this then to a true figure of £96,421 at year end.
6. To advise Members that activity in 2020/21 was greatly impacted by Covid 19 in terms of reduced grant provision, but additional expenditures relating to new Festive Lights provision, IT Provision, Skips initiative and other budget codes resulted in turnover increasing to £254,624 (2020 £217,709)
7. To present to Members a year on year variance analysis for their consideration, noting that as part of good governance arrangements, Members should be given the opportunity to see

year on year movements and be satisfied that there are no variances, that because of in year reporting, are unexpected. See Appendices 2a Outturn and 2b Variance Analysis.

FINANCIAL CONSIDERATIONS

8. Overall Income including receipt of grants increased to £366,718 (2020 £222,944) . During the year the opportunity was taken to increase Earmarked Reserves by £104,413 that will enable the Council to respond positively to business in 2021/22, including a number of already identified projects to take forward.
9. Within the year end Earmarked Reserves total of £187,913 is a figure of £5,000 for Skate Park and £60,000 for Community Development . On contracting for construction of the wheelspark, as already agreed by Council, either £20,000 will be added to this existing Earmarked Reserve by transfer from the Community Development Reserve to the Skate Park Reserve, reflecting our additional contribution required to lever in a total of £225,000 of Grant funding, or £10,000 and the balance from General Reserves.
10. Given we are moving into a new year where we wish to support the Community in its efforts to rebuild back activity, we may wish to keep availability to assist over and above planned budgets by retaining some leeway in the start of year General Reserves position.

RECOMMENDATION

11. That Members note the satisfactory outturn for 2020/21.
12. That Members consider the year on year variances.
13. That Member approve a transfer of £20,000 from the Earmarked Community Development Reserve to the Earmarked Wheelspark Reserve.

REASONS FOR RECOMMENDATION

14. Members have a collective responsibility to ensure the Council's finances are sufficient to meet its commitments.
15. Members should be satisfied that any variances year on year are justified taking into account activities supported during the year.
16. Council approval is required to make transfers between Earmarked Reserves.

POLICY IMPLICATIONS:

12. None arising from this report.

DETAILS OF CONSULTATION:

13. None from this report.

CLIMATE CHANGE:

14. None arising from this report.

IMPACT EQUALITY ASSESSMENT

15. None arising from this report.

SUPPORTING PAPERS:

- 16. Appendix 1 - Balance Sheet as of 1st April 2021
- Appendix 2a - Outturn 2020/21
- Appendix 2b - Year on Year Variance Analysis 2019/20 v 2020/21

FURTHER INFORMATION, PLEASE CONTACT: Colin Hill