



TODMORDEN TOWN COUNCIL

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REPORT TO RESOURCES COMMITTEE

REPORT AUTHOR	Colin Hill Town Clerk and Responsible Financial Officer
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Date	3rd November 2021
SUBJECT	Estimated year end outturn, virements and movement to Earmarked Reserves

PURPOSE OF REPORT

1. To present to Members an estimated year end outturn for 2021-22, (Appendix 1) indicating savings of £32,756 may be generated should Member approve proposed virements (Appendix 2).
2. To present to Members a schedule of proposed movements to Earmarked Reserves in order to provide for future costs not immediately covered within proposed future revenue budgets – see Appendix 3.
3. To inform Members that whilst these are prudent measures to take at this stage in the financial year, should unforeseen pressure on the revenue budget be seen or should Members wish to commit to new projects and or increase provision for existing, Earmarked Reserves can be drawn upon.
4. To inform Members that General Reserves provision has some leeway before reaching our preferred minimum level of £80,000.

BACKGROUND

5. This year's revenue budget changes have been dealt with by a mixture of formal reports for budget changes, for example Wheelspark and Staffing, and reporting of budget summaries where specific budgets have been realigned in year.
6. As part of the ensuing year budget process there is a need to arrive at an estimated outturn in order to understand whether there may be a need to call upon General Reserves to meet any proposed shortfall.
7. In terms of "regular" budget provision, the majority of costs are fairly predictable, but two regular costs have increased – Insurance cover, reflecting the additional cover now in place for the Wheelspark and Software costs reflecting the need to now meet the cost of remote working to enable access to our shared drive.

8. In addition to movement into existing Earmarked Reserves, new ones are also proposed reflecting new areas of financial provision that may become necessary.
9. The rationale behind movement into such Earmarked Reserves is detailed below

Earmarked Reserve	Current Reserve	Additions Nov 21	Revised Balance	Rationale
Emergency Flood Repair	-£20,000		-£20,000	No call on this
Community Development	-£49,750	-£5,250	-£55,000	Additional to provide increased match funding capacity. Further £5k addition revenue budget 2022/23
Elections	-£10,000	-£2,500	-£12,500	Prudent provision
Station Access	-£25,000		-£25,000	Expected to use in 2022/23
IT upgrade	-£4,900	-£1,100	-£6,000	Future remote working options
Festive Lights Replacement	-£15,000		-£15,000	Further £7.5k revenue budget 2022/23
Non Precept Grant Phasing	-£17,745	-£4,755	-£22,500	Additional in view of uncertainly re grant support
Budget Phasing	-£1,682	-£2,651	-£4,333	Additional to meet change in tax base
Covid 19 Assist	-£3,500		-£3,500	Contingency
Benches	-£5,000	-£5,000	-£10,000	to build pot to deliver cost effective substantive impact
Defibrillators	-£4,500	-£2,500	-£7,000	to build pot to deliver cost effective substantive impact
Wheelspark Retention	-£5,677		-£5,677	Likely to be released in 2022/23
WNW Community Garden Reserve		-£1,000	-£1,000	Sponsorship commitment
Tod in Bloom Funding gap		-£5,000	-£5,000	needed should CMBC charge/increase
Town Hall relocation reserve		-£3,000	-£3,000	To meet relocation/first year revenue cost should this go ahead
Total Movement to Earmarked Reserves		-£32,756	-£198,010	

FINANCIAL

10. The impact of staffing changes, including increased hours for the Town Clerk, salary grading changes and a new appointment (Climate Officer) is significant in terms of an additional circa £25,000 of costs to be met.
11. That in itself would represent a c10% increase in precept, let alone other costs that are also increasing.
12. The way that Members have structured the budget in recent years, by including revenue provision to increase some Earmarked provisions, has provided the flexibility to reduce

these provisions in the future, and to divert then this provision to meeting some of the increase in staffing costs.

13. Underpinning all of these changes is also a General Reserves position of a minimum of £80,000 which is still being maintained.
14. There is however one area of concern that could substantially impact and that is the level of Council Support Grant paid to Todorden Town Council by Calderdale MBC. Last year this was £33,133, the previous year £23,800. This is an unknown as to what to expect next year and prudent therefore, to increase the non -precept grant phasing Earmarked Reserve to £22,500 to meet any unforeseen reduction in this.

RECOMMENDATION

15. That Members note the estimated year end outturn and agree to the proposed virements totalling £32,756 as detailed in Appendix 2.
16. That Members approve the proposed transfer to Earmarked Reserves of £32,746 arising out of these budget savings as detailed in Appendix 3 .

REASONS FOR RECOMMENDATION

17. Resources Committee have overview of this process and delegated authority to effect budget changes and approve movement into Earmarked Reserves.

POLICY IMPLICATIONS:

17. None

DETAILS OF CONSULTATION:

18. None from this report.

CLIMATE CHANGE:

19. None arising from this report.

IMPACT EQUALITY ASSESSMENT

20. None arising from this report.

SUPPORTING PAPERS:

21. Appendix 1 - Estimated Year End outturn
- Appendix 2 - Proposed Virements.
- Appendix 3 - Proposed movements to Earmarked Reserves

FURTHER INFORMATION, PLEASE CONTACT: Colin Hill