



TODMORDEN TOWN COUNCIL

REPORT TO THE EMERGENCY COMMITTEE

REPORT AUTHOR	Colin Hill – Town Clerk and Responsible Financial
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Date	8TH APRIL 2020
SUBJECT	Financial Variance – Outturn to start of year budgets

PURPOSE:

1. To present to Members detail by code of variances of actuals to start of year budgets – Appendix 1
2. To ask Members to note that the overall variance of overspend to start of year budget of £3,525 is less than 2%.
3. To advise Members that start of year budgets were taken from the Rialtas Accounting system, and do not reflect the changes made in year that have been approved.
4. To advise Members that this will be submitted as part of underlying evidence for both the Internal and External Audit. External Audit requires any movement of 10%, or more, to start of year budget, to be reported with comment.
5. To advise Members that the start of year budget for 2020/21, will now reflect the detailed work carried out in preparation of this year’s budget.

BACKGROUND:

6. Members should be presented with an analysis of outturn spend to start of year budgets in order for them to understand how variances have been incurred.
7. Whilst Members are presented with a financial update summary each month and detail this last financial year to General Purposes Committee, nevertheless an annual overview serves to make Members aware of the overall position and an opportunity to consider any issues arising.

8. There were significant staffing challenges this year, that have resulted through a combination of locum cover, agency cover and the need for consultancy advice, in an overspend of circa £11k to start of year budgets, that it is anticipated will not be repeated.
9. In addition, in year staffing structural changes have also been required that has also contributed to this overall variance to staffing costs.
10. Of further significance is the cost of elections.

FINANCIAL IMPLICATIONS:

11. In terms of variance to start of year budgets an overspend of £3,525 (less than 2%) may be viewed as an acceptable outcome, especially given pressure on budgets through staffing and election costs.

RECOMMENDATION:

12. That Members of the Emergency Committee note the variances of spend to start of year budgets
13. That the Town Clerk be authorised to submit these to the Internal and External Auditors as part of our annual returns process.

REASON FOR RECOMMENDATION:

14. To provide Members with the opportunity to review this year financial performance against start of year budgets.
15. To provide the Authority for the Town Clerk to submit this analysis to the Internal and External Auditor

SUMMARY OF KEY POINTS:

16. Throughout the year Financial updates have been provided and changes to budget agreed.
17. The production of a year-end analysis provides the opportunity for Members to reflect on the financial performance of the Town Council.

POLICY IMPLICATIONS:

18. None arising from this report

DETAILS OF CONSULTATION:

19. None

SUPPORTING PAPERS:

- Appendix 1 - Outturn to start of year budgets
- Appendix 2 - FURTHER INFORMATION, PLEASE CONTACT: Colin Hill