



TODMORDEN TOWN COUNCIL

Report to Full Council

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Date	15th March 2023
Subject	Estimated year end outturn, virements & movement to Earmarked Reserves

Purpose Of Report

1. To present to Members an estimated year end outturn for 2022-23, (Appendix 1) indicating savings of £29,028 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 is currently at £78, 236 but there is a predicted underspend of circa £20,000 which will leave a reasonable leeway before reaching the preferred minimum level of £80,000. (predicted to be circa £88,000)

Background

5. This year's revenue budget changes have been dealt with by a mixture of formal reports for budget changes, for example Office move 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 one regular costs has increased –Software costs reflecting the updated system.

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 Reserves				
	Current Reserve level	Additons Feb 2023	Revised level	Reason
Emergency Flood Repair	-£20,000	£0	-£20,000	No call on this
Elections	-£17,983	£0	-£17,983	prudent provision with the funds given by CMBC added to it
It upgrade	£0	£0	£0	This was used with the IT upgrade in 22/23
Community Development	-£40,000	£0	-£40,000	Added to each year so can be called on as required for community development
Festive Lights Replacement	-£23,300	£0	-£23,300	Being added to each year at the start of year
Remembrance Parade	-£2,500	£0	-£2,500	No call on this
Non Precept Grant Phasing	-£44,151	£0	-£44,151	required 23 onwards due to CMBC withdrawal of precept grant
Budget Phasing	-£4,333	£0	-£4,333	required 23 onwards due to CMBC withdrawal of precept grant
Covid 19 Assist	-£3,500	£0	-£3,500	Reallocated to a staffing budget
Yr end commitments	£0	-£4,915	-£4,915	Remaining development budget, lobb mill budget
Benches	-£10,000	£0	-£10,000	To be used when refurbishing the Council's benches
Defibrillators	-£7,000	£0	-£7,000	To be used for the defib project
WNW Community Garden	-£1,000	£0	-£1,000	Sponsorship commitment
TIB Funding Gap	-£5,000	£0	-£5,000	Needed as CMBC are charging for lamp post flowers from 22/23 but don't know who they are charging
TH Relocation	-£1,390	£1,390	£0	To be added to Gen reserves as relocation has taken place
Climate Emergency Projects	-£5,000	£0	-£5,000	Retained for future projects (subject to staffing)
Town Deal Contrib	-£2,000	£2,000	£0	Town deal project Manager costs
Neigh Plan	£0	-£8,815	-£8,815	Unspent Neighbourhood plan project costs which will be required in 23/24
CV Project devel grp	-£5,000	£0	-£5,000	Centre Vale project costs
Totals	-£192,157	-£10,340	-£202,497	

Financial

10. The impact of staffing changes, including increased hours for the Administration Office and the loss of the Climate Officer is significant in terms of an additional circa £15,000 of costs to be met.
11. 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.
12. Underpinning all of these changes is also a General Reserves position of a minimum of £80,000 which is maintained if the proposed viements are approved.

Recommendation

13. That Members note the estimated year end outturn and agree to the proposed virements totalling £29,028 as detailed in Appendix 2.
14. That Members approve the proposed transfer to Earmarked Reserves of £13,730 arising out of these budget savings as detailed in Appendix 3 and that £3390 be removed from the EMRs
15. That a EMR be created for the remaining restricted funds for the Town Deal project and the remaining £8,060 be moved into it.
16. That the EMR for COVID-19 assistance be closed and the funds be transferred into a Staffing EMR.
17. That the Town Clerk have delegated authority at year end to move any unspent budget (circa £20,000) into the general reserve.
18. That the Town Clerk transfer the EMR Town Deal Contribution into the Town Deal project salary costs for 2022/23 which currently has an overspend of £2000.

Reasons For Recommendation

19. Full Council will need to approve these budget movements and approve changes to the 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: Naomi Crewe