Cramlington Town Council
Interim Financial Report April to August 2022

1. Background

This report gives an overview of the Council's accounts for the first five months of the 2022-23 financial year. Due to the many variables in the early months and many larger expenses falling later in the year, at this stage there is little value in presenting a detailed schedule of to the Council.

2. Uncommitted Budget

The budget for 2022-23 included an uncommitted amount of £184,000. In addition £47,000 was available from excess reserves, giving a total of £231,000 available for new schemes that were included in the agreed multiyear programme. During the year to date additional expenditure has been agreed or anticipated, and some significant reductions have arisen.

The table below gives a summary of the main changes.

	£'000	£'000
Available Funds April 2022:		
Uncommitted Budget	184	
Excess General Reserve	47	231
Less Projects Agreed for Current Year		
Adventure Playground (Alexandra Park)	100	
Weldon Road Playground Replacement	80	
Dog Exercise Park	26	206
Add Budget Reductions		
Additional Grass Cutting	37	
Seasonal Support Operations Team	9	
Staffing Changes	16	62
Less Budget Additions		
Speed Awareness Signs	26	
Bus Shelter Programme	15	
Storey Street Allotments (Clearance)	24	
Allotments (Storm Arwen Damage)	30	95
Unallocated Balance		8

3. Expenditure Variations

To date, only two expenditure headings show a significant variations. While the statement above shows £54,000 additional expenditure on Allotments, there may be further costs as other fencing repairs are identified. The total budget for Allotments is £22,000 and this will be greatly exceeded.

Last year £3,000 was approved for planting of trees to mark the Queen's Jubilee. However, the final cost of this scheme was £7,000 and has fallen into the current year. Administrative changes have been put in place to avoid any repetition of this failing.

It is anticipated that there will be the usual variations in expenditure against budget, but that these will offset each other and there only be a small overall variation at the year end.

4. Inflation

The current higher level of inflation will have an impact on this year's budget, but to a limited extent. The full effect of price increases will impact next year.

5. Banking Arrangements

The process of transferring the Council bank account from the Cooperative to Barclays is almost completed and the old account will be closed in October. The investment account with the Nationwide Building Society will be retained until a later date. The Council has £105,000 in its current and £204,000 in the investment accounts.

Operation of the Barclays business account gives greatly improved access and flexibility, while the two stage control over payments adds greater security.

6. External Audit of the 2021-22 Accounts

This audit has been completed and no action is required by the Council.

7. Recommendation

No action is require for the current year, but the Council should note the impact on future years when framing their 2023-24 budget.

JWH
23rd August 2022