

**RFO Notes on Finances this year to date - August 2017.**

At the Council meeting in November 2016, a reforecast of the remaining expenditure in 2016/17 and a budget for 2017/18 was completed. This showed that, due to the number of projects that were to be completed, there were potential cash flow issues. Accordingly, decisions were taken to access available grants to assist, to scrutinise expenditure in accordance with the budget and to increase the Precept. Below are a few comments: -

In 2016/17 there had been a budget for the **20MPH project** of £4,500. This was to be funded by a £2000 grant from the District Councillors locality budget + payment from Walberswick PC of £2,500 for the balance. This did not materialise in that financial year however the bill for £ 4662 has now been received and the grant has been requested. The balance is £162 above budget.

The business rates for the **Heritage Hut** were budgeted at £1,500 due to previous years. This has been challenged and this year the rates were £362 - a budget surplus of £1,138.

A payment of **CIL** has been received to the value of £ 1,010. This is a budget surplus.

The **administration costs for 2016/17** were reforecast at £ 5,125.46. Actual was £3,807 in this year however this is due to the Clerks costs and expenses from Jan - Mar not being paid in 2016/17 financial year. These were paid in **this** financial year and therefore the budget for 2017/18 will be overrun. Additionally, the hours and expenses due to mileage that are being currently claimed by the Clerk will result in significantly more cost than budgeted. This needs to be discussed and reforecast if required.

A budget was set of £ 3,500 to reinstate the **fencing around the playing fields**. This was to be funded by a grant from the S106 money (as agreed in November 2016). However, it is noted that some work has been undertaken to a value of £ 860 without any grant being applied for which is regrettable. It is strongly recommended that the Council revisits the decisions made in November regarding the funding of the Fencing and Pavilion projects and ensures that the available grants are utilised.

An additional £1,000 for the audit of the 2016/17 was budgeted due the costs incurred by a couple of members of the public who engaged in correspondence and phone calls questioning the accounts of 2015/16 with the external Auditors. To date, that looks as though it will be still required.

It should be noted that, at the November meeting in 2016, Council was concerned with the Cash Flow which was dipping lower than is recommended. Consequently, a significant rise of the precept was agreed.

Although a couple of items such as the rates and the receipt of the CIL payment are favourable, items such as the unbudgeted spending on the fencing and the necessity to compensate the Clerk, on the number of hours that she is having to work, will quickly consume these additional funds. It is noticed that, in the agenda and minutes of the meeting 17<sup>th</sup> July 2017, the purchase and installation of a flashing VAS sign is being considered. There is no budget for this and given the cost then it is suggested that either a grant is found to fund this entirely or that this purchase is moved into the following year and considered when setting the precept in November.

Council are recommended to continue to exercise caution in any commitment of expenditure and to ensure, unless it is an unavoidable or emergency item, that it was in the original budget.