

## **AGENDA 8a, Enc ii) End of Year Financial Report, March 2025**

### **Introduction**

This report focuses specifically on the financial performance and budget management for the 2024/25 year. Due to this being an election year and the constraints of the pre-election period, a more detailed report covering projects and work undertaken throughout the year will be drafted post-May, when it can be shared more widely with all stakeholders. The current document addresses only financial aspects rather than achievements, in compliance with pre-election period guidelines.

### **Financial Overview**

Our total year-end balance shows a deficit of **£2,148**, which represents careful management of resources across multiple headings despite several challenging areas.

### **Explanation of Overspends**

#### ***Management & Support***

- **Employment Costs** exceeded budget by **£3,037.97** due to nationally agreed pay increases. However, we've partially mitigated this through a reduction in staffing levels.
- **Telecoms & IT** costs were **£776.83** over budget due to necessary infrastructure improvements including Councillor email services, upgraded office telephone systems, and continuation of our Widescope contract.
- **Insurance** premiums increased by **£1,477** beyond our projected estimates, a trend that has been monitored throughout the financial year.
- **Staff Training** exceeded budget by **£740.00**, which was an agreed strategic investment in our team's capabilities. This overspend was partially offset by the **£835** underspend in Member Training.

#### ***Environmental Services***

- **ATC Neighbourhood Partnership Agreement** shows the most significant overspend of **£43,010**. Detailed explanation for this has been provided in a separate report.
- **Defibrillators** costs exceeded budget by **£979** due to the necessary replacement of a unit that was vandalised, an unplanned but essential public safety expense.

### **Explanation of Underspends**

#### ***Management & Support***

- **Civic Head Expenses** came in **£1,171** under budget. We had allocated funds to refurbish the chain of office and deputy medal, but secured these services at a significantly lower cost through a local supplier.

#### ***Recreation & Leisure Services***

- **Events, Community & Engagement** shows a positive balance of **£3,475**. We've successfully delivered our planned community program while implementing cost efficiencies.

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- **Play Areas (General)** maintenance came in **£2,598** under budget by bringing repairs in-house rather than contracting external providers.
- **Allotments (General)** shows an underspend of **£10,703**. It's important to note that this figure reflects a transfer in of nearly **£12,000** from contingency earlier in the year to address emergency works at Hirst East End following a fire and to resolve asbestos issues on two plots. With the transfer in this would be an overspend. For this reason my suggestion is that **£5,000** in transferred to **Earmarked Reserves for Allotments**.

### ***Environmental Services***

- **Environmental Contracts** cost **£6,504** less than budgeted following our decision to bring maintenance of the Jack Charlton statue environs in-house and transitioning away from annual barrier planters and hanging baskets.
- **Climate Change Projects & Initiatives** shows a **£3,259** underspend due to fewer projects being implemented. We've addressed this by bringing new community groups and partners into the committee to generate more initiatives for the coming year.

### ***Grants & Funding***

- **Small Grant Funding** has **£1,260** remaining due to fewer applications meeting our criteria and some approved grants being below the £500 threshold.

### ***Other Services***

- **Election Expenses** show **£8,500** unused as no casual vacancy elections were required during the 24/25 period.
- **CCTV Provision (Town Centre)** came in **£1,860** under budget as the contract implementation was slightly delayed beyond April.

### ***Carry Forwards***

As previously agreed, Environmental Enhancements (Ward Councillor Improvements) have been set aside and will be added to next year's reserve budget:

<b>Ward</b>	<b>Amount</b>
Environ Central Ward	£4,063.50
Environ College Ward	£5,089.00
Environ Haydon	£3,927.69
Environ Seaton	£636.00
Environ Bothal	£2,948.50
NS Community Centre	£3,000.00

Additionally, we have established the following reserves for next year from this year's balances:

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Purpose	Amount
Play Areas	£45,000.00
Allotments	£5,000.00
Memorials	£1,000.00
Full Council Elections	£0.00
Youth	£21,161.30

We have several outstanding creditors (invoices expected for 24/25 but not yet received) and have added an accrual for the ECO Fair of **£3,321**, which represents the balance of funding allocated for this initiative.

### Conclusion

Despite the overall deficit of **£2,148**, our financial performance demonstrates remarkable resilience and adaptability. Our team has shown exceptional commitment to financial responsibility while maintaining high-quality community services.

We've achieved significant efficiencies through innovative approaches such as bringing services in-house, implementing strategic procurement practices, and fostering community partnerships. Every member of the team has embraced their role as stewards of public funds.

Looking ahead to the new financial year, we're in a strong position to support the priorities of the new council. Our reserves are strategically allocated to areas of community importance such as Play Areas (**£45,000**) and Youth initiatives (**£21,161.30**). Additionally, our ward-specific improvements funds (**£16,665** total) will ensure locally targeted enhancements.

We remain committed to transparency, accountability, and continuous improvement in our financial management; our new financial package will help in this regard. With the continuing commitment of officers and members we're confident in our ability to deliver exceptional value to our community while maintaining financial responsibility in the coming year.

MANAGEMENT & SUPPORT	BUDGET	B/F	GROSS BUDGET	SPENT/COM MITTED	INCOME RECEIVED	BALANCE
Employment Costs	£299,631		£299,631	£302,669		-£3,037.97
Office Rental	£6,500		£6,500	£6,507		-£6.64
Meeting Hire	£800		£800	£690		£110.00
ATC Vehicle Costs	£6,000		£6,000	£5,786		£213.71
Storage Unit (Green Lane)	£4,000	£290	£4,290	£4,080		£209.62
Tools & Equipment	£5,000	£106	£5,106	£4,947		£158.93
Office, Stationery & Sundries	£5,000	£189	£5,189	£5,011		£177.70
Telecoms & IT	£8,000	£59	£8,059	£8,836		-£776.83
Professional Expenses	£1,500	£938	£2,438	£2,439		-£1
Publicity & Comms	£1,500		£1,500	£532		£968
Audit Fee	£2,750		£2,750	£2,390		£360
Insurance	£7,500		£7,500	£8,977		-£1,477
Subscriptions	£6,000		£6,000	£5,412		£588
Expenses (Phone, Mileage, Clothing)	£2,500	£85	£2,585	£1,905		£680
Civic Head Expenses	£3,540		£3,540	£2,369		£1,171
Staff Training	£3,000		£3,000	£3,740		-£740.00
Member Training	£1,000		£1,000	£165		£835
RECREATION & LEISURE SERVICES	BUDGET	B/F	GROSS BUDGET	SPENT/COM MITTED	INCOME	BALANCE
Events, Community & Engagement	£38,000	£613	£38,613	£36,253	£1,116	£3,475
Play Areas (Capital)	£0		£0	£5,098	£4,848	-£250
Play Areas (General)	£7,000	£1,200	£8,200	£5,602		£2,598
Christmas Lights Displays	£27,500		£27,500	£27,185		£315
Allotments (Capital)	£28,546	£8,780	£37,326	£37,615	£0	-£289
Allotments (General)	£6,745	£2,418	£9,163	£21,866	£23,407	£10,703
ENVIRONMENTAL SERVICES	BUDGET	B/F	GROSS BUDGET	SPENT/COM MITTED	INCOME	BALANCE
ATC Neighbourhood Partnership Agreement	£238,000		£238,000	£281,010		-£43,010
Environmental Contracts	£26,000	£3,588	£29,588	£23,084		£6,504
Environmental Enhancements	£16,830	£20,572	£37,402	£37,304	£0	£98
Defibrillators	£3,070		£3,070	£5,189	£1,140	-£979
Climate Change Projects & Initiatives	£15,000	£5,288	£20,288	£17,029		£3,259

Bus Shelters (Capital)	£24,530		£24,530	£33,359	£9,417	£588
Bus Shelters (General)	£4,000		£4,000	£3,356		£644
Seats	£1,000		£1,000	£522	£447	£925
Litter Bins	£8,000		£8,000	£8,357	£629	£272
Memorials	£1,000		£1,000	£0		£1,000
<b>GRANTS &amp; FUNDING</b>	<b>BUDGET</b>	<b>B/F</b>	<b>GROSS BUDGET</b>	<b>SPENT/COM MITTED</b>	<b>INCOME</b>	<b>BALANCE</b>
Annual Grants	£66,000		£66,000	£66,000		£0
Small Grant Funding	£10,000	£891	£10,891	£9,631		£1,260
Detached Youth	£0	£4,794	£4,794	£4,057		£737
Youth Funding	£24,000		£24,000	£24,000		£0
<b>OTHER SERVICES</b>	<b>BUDGET</b>	<b>B/F</b>	<b>GROSS BUDGET</b>	<b>SPENT/COM MITTED</b>	<b>INCOME</b>	<b>BALANCE</b>
Election Expenses (Casual Vacancies)	£8,500		£8,500	£0		£8,500
CCTV Provision (Town Centre)	£35,465		£35,465	£33,605		£1,860
CCTV Provision (Play/Other)	£10,712	£979	£11,691	£11,778		-£87
Interactive Cameras	£500		£500	£6,610	£6,408	£298
<b>total</b>	<b>£964,619</b>	<b>£50,790</b>	<b>£1,015,409</b>	<b>£1,064,968</b>	<b>£47,411</b>	<b>-£2,148</b>
<b>Earmarked Reserves</b>	£61,960	£3,040 moved out of Earmarked Reserves for Civic Reglia repairs and updates. £11,946 moved out of contingency for Hirst East End Fire Damage, Demolition and Asbestos. £4.7k moved from Environ to Employment.				
<b>General Reserves &amp; Contingency</b>	£163,054					
<b>Gross Budget</b>	<b>£1,240,423</b>					

Cashbook Balance BF	£264,898
Precept	£899,950
VAT Due	£75,738
Surplus	<b>£163</b>