

## **Third Quarter Financial Summary – 2025/26**

This report provides an overview of the Council's financial position at the end of the third quarter (April–December 2025), together with updated forecasts to year-end and a summary of movements within the earmarked reserves.

### **1. Overview**

Total expenditure for the year is currently forecast at £238,644, compared with an approved budget of £234,138, giving a projected variance of £4,506. This variance is manageable and reflects staffing changes, essential maintenance, and planned use of earmarked reserves.

Income remains in line with expectations, with the full precept received and no significant shortfalls anticipated.

The General Fund is forecast to close the year at £127,254, providing a stable financial position going into 2026/27.

### **2. Key Variances**

#### **2.1 Staffing Costs**

Staffing costs are higher this year due to:

- The appointment of a new maintenance employee (30 hours per week)
- This being the first full year with three part-time office staff
- Four members of staff now enrolled in the pension scheme, increasing employer contributions
- Additional training requirements for new staff

These changes explain the higher figures under Maintenance Wages, Office Salaries, ERS NI, and Pension Contributions.

#### **2.2 Administration**

Most administrative lines remain within or close to budget. Notable variances include:

- Software licences – increased due to the introduction of HR management software
- Stationery and printing – increased due to the new HP Instant Ink contract
- Legal costs – partly offset by EMR releases
- Emergency funds – used earlier in the year for unplanned expenditure

Overall, Administration is forecast to be £1,218 over budget.

### **2.3 Amenities**

Amenities expenditure is forecast to be £5,701 under budget, mainly due to:

- Machinery repairs and maintenance scheduled for completion in the final quarter
- Weed control now being undertaken in-house, reducing external contractor costs
- Some open spaces and minor maintenance works delivered at lower cost than anticipated

These variances reflect improved efficiency and better use of staff resources.

### **2.4 Cemetery**

Cemetery expenditure is forecast at £27,171, against a budget of £31,940, giving an underspend of £4,769. This variance is mainly due to the timing of planned works:

- The memorial repair and remedial work has not yet been undertaken and is scheduled for completion in the final quarter
- Some general maintenance and enhancement works have been delivered at lower cost than anticipated, with others deferred to 2026/27

The forecast reflects the expected spend once the memorial work is completed.

### **2.5 Education Grants**

Education Grants are forecast at £28,207, above the budget of £23,357, reflecting higher demand for bursaries and associated administration. This overspend is fully supported by the Education Bursaries EMR.

### **2.6 Playing Field Trust**

Expenditure is higher due to essential repairs, ground works, and maintenance. These costs are in line with operational needs and supported by EMR allocations where appropriate.

### **2.7 Public Toilets**

Expenditure remains broadly on track, with contract cleaning and utilities representing the main costs.

## **3. Earmarked Reserves (EMRs)**

Movements in EMRs during the year include:

- £26,189 additions (April–December)
- £61,555 releases (April–December)
- £15,500 planned additions (Jan–Mar)
- £8,916 planned releases (Jan–Mar)

The EMR balance at year-end is forecast to be £315,205.

Key releases include:

- Play equipment and fencing
- Office equipment
- Village enhancements
- Dunstan Close land clearance
- Legal fees
- Headstone testing and repairs
- Dog walking area
- CCTV upgrades

These movements reflect planned project delivery and responsible use of reserves.

#### **4. General Fund Position**

The General Fund is forecast to close at £127,254, after all income, expenditure, and EMR movements. This remains within an acceptable range for a council of this size and provides sufficient resilience for unexpected costs.

#### **5. Risks and Pressures**

- Staffing costs will remain higher due to the expanded team and pension enrolments
- Inflation continues to affect utilities, materials, and contract costs
- Some projects may require additional funding in 2026/27 if prices increase further

EMR balances remain healthy and continue to support long-term planning.

#### **6. Conclusion**

The Council's financial position at the end of the third quarter is stable and well-managed. Variances are understood and largely attributable to planned staffing changes, essential maintenance, and strategic use of earmarked reserves. The Council remains on track to deliver its services and commitments for the remainder of the financial year.