

# MALVERN TOWN COUNCIL



## STATEMENT OF ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

**MALVERN TOWN COUNCIL**  
**STATEMENT OF ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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# **MALVERN TOWN COUNCIL**

**2023/2024**

## **COUNCIL INFORMATION**

The following schedule sets out details of Members of the Council during the year ended 31 March 2024.

**Mayor:** Cllr C Hooper (appointed 18/05/23)

**Deputy Mayor:** Cllr D Watkins (appointed 18/05/23)

### **Members of the Council 2022/23 and 2023/24**

Cllr K Aksar (2022/23)	Cllr L Lowton (2022/23 & 2023/24)
Cllr S Austin (2023/24)	Cllr J Maclusky (co-opted Aug 23)
Cllr M Birks (co-opted Aug 23)	Cllr F Matthews-Jones (2022/23 & 2023/24)
Cllr C Bovey (2022/23 & 2023/24)	Cllr R McLaverty-Head (2022/23 and co-opted Aug 23)
Cllr A Cherry (2023/24)	Cllr D Mead (2022/23 & 2023/24)
Cllr I Dawson (2023/24)	Cllr S Meager (co-opted Aug 23)
Cllr C Fletcher (2022/23 & 2023/24)	Cllr K Newbigging (co-opted Aug 23)
Cllr J Green (2023/24)	Cllr N Mills (2022/23)
Cllr C Hooper (2022/23 & 2023/24)	Cllr C Palmer (2022/23)
Cllr N Houghton (2022/23 & 2023/24)	Cllr J Satterthwaite (2022/23)
Cllr M Jones (2023/24)	Cllr A Stitt (2022/23)
Cllr L Lambeth (2022/23)	Cllr D Watkins (2022/23 & 2023/24)
Cllr C Lee (co-opted Aug 23 and resigned Jan 24)	Cllr J Wilkinson (2022/23)
Cllr J Leibrandt (2022/23 & 2023/24)	

**MALVERN TOWN COUNCIL**

**2023/2024**

**COUNCIL INFORMATION**

**Accounts Prepared by**

Linda Blake ACMA CGMA CPFA

**Internal Auditor**

Duncan Edwards – DKE Audit Services

**External Auditor**

PFK Littlejohn LLP

## MALVERN TOWN COUNCIL

### STATEMENT OF ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

#### EXPLANATORY FOREWORD

The Accounts and Audit Regulations 2015 state that a Council with gross income and/or gross expenditure over £200,000 but less than £6.5 million per annum is subject to an Intermediate Level Review by the External Auditor and must complete the Annual Governance and Accountability Return 2023/24 Form 3.

As a smaller authority, Malvern Town Council is required by law to:

- a) Complete the Annual Governance and Accountability Return 2023/24 Form 3. This comprises:
  - Annual Internal Audit Report 2023/24, page 3 which is completed by the Council's Internal Auditor, Duncan Edwards.
  - Section 1 – Annual Governance Statement (AGS) 2023/24, page 4
  - Section 2 – Accounting Statements 2023/24, page 5
  - Section 3 – External Auditor Report and Certificate 2023/24, page 6Sections 1 and 2 must be completed and approved by the authority.
- b) To prepare Accounting Statements for the year ended 31 March 2024 in the form required by proper practice.
- c) Certify the Accounting Statements.
- d) Consider and approve the Internal Audit work which has been carried out during the year and ensure the Internal Auditor completes page 3 of the AGAR.
- e) Consider the findings of the Council's review of the effectiveness of the system of Internal Control.
- f) Review the effectiveness of the Council's system of Internal Control and prepare the Annual Governance Statement.
- g) At a meeting of Full Council, sign and approve the AGAR Sections 1 and 2. At the meeting where these are approved, the Council must in the following order:
  - Approve Section 1 of the AGAR, the Annual Governance Statement.
  - Consider the Accounting Statements.
  - Approve Section 2 of the AGAR, the Accounting Statements by Resolution.
  - Ensure the Accounting Statements are signed and dated by the person presiding at the meeting at which the approval is given.
- h) Publish on a public website the approved sections of the AGAR and the completed notice of Public Rights and Publication of Unaudited Annual Governance and Accountability Return along with its accompanying notes.

- i) Ensure arrangements are in place for the exercise of public rights with an inspection period of 30 working days. The period for local government electors to inspect, object and question the auditors will be Monday 1 July until Friday 9 August 2024.
- j) Submit the approved and signed AGAR along with the list of items required for an intermediate level review to the External Auditor no later than Monday 1 July 2024.
- k) Publish or display the certified Governance and Accountability Return by 30 September 2024, including the signed external auditor report.

The Town Council still publishes its own format of accounts in addition to the AGAR. These accounts are in line with the format of the quarterly accounts subject to Year End Financial Reporting adjustments and allow councillors to see more detail in the Council's Year End Accounting Statements.

Council approved a simplified format for its statement of accounts in April 2010 and Malvern Town Council's financial statements for the year ended 31 March 2024 are set out in the following pages.

### **Summary Budget / Actual Comparison for the Year**

This compares current year income and expenditure with the previous year and also with the current year's budget. Explanations of the major variances are explained within the accounts.

### **The Income and Expenditure Account**

This illustrates the Council's revenue account, covering income and expenditure and allocating them across the departmental headings. Movements on the general fund are detailed at the bottom of the Consolidated Revenue Account in order to reconcile the net surplus or deficit from expenditure against services to the Council's spending against council tax raised, taking into account the use of reserves built up in the past and contributions to funds and reserves.

### **The Balance Sheet**

This sets out the financial position of the Council at 31 March 2024 i.e. its assets and liabilities at that date. Local authorities are required to include capital reserves on their balance sheet which are used to account for the financing of fixed assets. These reserves do not have equivalents in other sectors.

### **Notes to the Financial Statements**

These include supporting notes on:

Fixed Assets	Stocks, Debtors and Cash in Hand and at Bank
Creditors	Borrowings
Movements in Reserves	Earmarked and Special Reserves
Staffing Structure	Section 137 Expenditure
Publicity	



# **MALVERN TOWN COUNCIL 2023/24 ACCOUNTS**

## **SUMMARY BUDGET / ACTUAL COMPARISON FOR THE YEAR 2023/24**

	2023/24 Budget	2023/24 Actual	2022/23 Actual
<b><u>Gross Income</u></b>			
Rental Income	56,372	40,513	48,940
Other Administration / Event related	3,750	36,288	2,988
Allotments	5,851	5,786	5,874
Cemetery	71,500	69,969	70,829
Grounds Maintenance	9,040	7,355	11,359
Leisure and Recreation	12,788	7,101	8,521
Reverse Premium Income	-	-	50,000
Interest Receivable	7,600	18,614	8,223
Deferred Grants *	-	8,893	8,893
	<u>166,901</u>	<u>194,519</u>	<u>215,627</u>
<b><u>Administration</u></b>			
Paycost	229,881	213,212	230,308
Utilities	18,925	23,779	13,717
Rates	9,159	10,345	10,374
Maintenance of Buildings	10,780	13,572	10,091
Communication Costs	12,310	12,179	11,502
Insurance	37,000	19,572	18,200
Professional and Consultancy Fees	23,600	73,884	4,877
IT Expenses	9,350	13,240	10,633
Leasing	1,500	1,241	1,369
Depreciation *	-	1,231	7,913
Miscellaneous	16,821	12,483	13,453
	<u>369,326</u>	<u>394,738</u>	<u>332,437</u>
<b><u>Operations</u></b>			
Paycost	279,626	285,018	248,004
Utilities	12,956	10,026	13,662
Rates	10,195	13,534	10,192
Maintenance of Buildings	1,825	2,362	1,017
Communication Costs	1,340	1,115	1,996
Maintenance of Grounds	35,305	31,452	33,655
Equipment and Vehicle Running Costs	18,043	17,070	15,361
Depreciation *	-	83,127	77,287
Miscellaneous	2,302	2,495	1,801
	<u>361,592</u>	<u>446,199</u>	<u>402,975</u>
<b><u>Discretionary Costs</u></b>			
Grants, Donations and Community Projects	42,050	38,106	36,811
Events	51,908	40,021	48,723
Depreciation *	-	4,015	4,015
	<u>93,958</u>	<u>82,142</u>	<u>89,549</u>

\* These items are not currently included within the budget, but form part of the year end financial reporting adjustments.

# **MALVERN TOWN COUNCIL 2023/24 ACCOUNTS**

## **SUMMARY BUDGET / ACTUAL COMPARISON FOR THE YEAR 2023/24**

	2023/24 Budget	2023/24 Actual	2022/23 Actual
<b><u>Asset Renewal and Refurbishment</u></b>			
Litter Bins	-	-	-
Refurbishment of Jamaica Crescent Play Area	20,000	-	-
Refurbishment of Michael Crescent Play Area	-	-	-
Works to Victoria Park Play Area	-	10,000	-
Preparatory Works - New Hub at Victoria Park	-	15,194	30,252
Surfacing Works to Car Parks at Monksfield Lane Allotments	-	4,350	-
Mill Lane Car Park and Fencing	12,000	3,375	-
Malvern Sign in Rose Bank Gardens	-	4,288	-
Refurbishment of Bus Shelter Outside Rose Bank Gardens	-	8,812	9,724
Jenny Lind Fountain in Rose Bank Gardens	-	-	2,000
Repairs and Resurfacing of Roads at Great Malvern Cemetery	-	3,150	10,973
Refurbishment of Ground Floor Cemetery Lodge and Toilets	8,000	-	-
Timber Building in Cemetery Yard	15,000	714	-
Tarmacking of Pathway at Dukes Meadow	-	-	3,905
Fencing and Footpath Works - Western Boundary of Rose Bank Gardens	-	-	6,950
Works to investigate land slippage	-	-	2,350
Replacement Vehicle	28,750	-	-
New Electric Tool Package	6,000	5,769	-
New Christmas Lights	-	2,492	-
Contingency Fund	20,000	-	-
<b><u>Special Expenditure</u></b>			
Early Retirement Costs	8,000	8,490	7,722
Loan Repayments	-	-	-
Special Expenditure Total	117,750	66,634	73,876
Gross Expenditure Total	942,626	989,713	898,837
Net Cost of Services	775,725	795,194	683,210
Add Movements to Reserves	20,000	48,625	86,690
Less Movements from Reserves	(38,750)	(150,167)	(49,884)
Reversal of Depreciation	-	(88,373)	(89,215)
Reversal of Deferred Contributions	-	8,893	8,893
Capital Financed from Revenue	-	7,000	17,464
Adjusted Net Expenditure for the Year	756,975	621,172	657,158
Precept on the District Council	757,000	757,000	701,500
<b>(Surplus) / Deficit for the year</b>	<b>(25)</b>	<b>(135,828)</b>	<b>(44,342)</b>



# MALVERN TOWN COUNCIL 2023/24 ACCOUNTS

## INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2024

	-----2024-----			2023
Cost of Services	Gross expend- iture £	Gross income £	Net expend- iture £	Net expend- iture £
Cemetery	135,373	69,969	65,404	63,849
Allotments	23,304	5,786	17,518	6,016
Maintenance of other Town Council grounds	151,425	7,355	144,070	176,972
Leisure and recreation services	183,006	7,101	175,905	131,660
Miscellaneous services	37,000	-	37,000	22,156
Other services provided to the public	129,272	1,674	127,598	160,699
Administration - Corporate and democratic support	198,904	75,127	123,777	80,778
Administration - Professional support	93,323	-	93,323	21,385
Grants to local bodies	38,106	-	38,106	36,811
<b>NET COST OF SERVICES</b>	<b>989,713</b>	<b>167,012</b>	<b>822,701</b>	<b>700,326</b>
Interest, deferred grants and investment income			(27,507)	(17,116)
<b>NET OPERATING EXPENDITURE</b>			<b>795,194</b>	<b>683,210</b>
<b>Precept on District Council</b>			(757,000)	(701,500)
<b>(SURPLUS) / DEFICIT FOR THE YEAR</b>			<b>38,194</b>	<b>(18,290)</b>
<u>Reconciliation of Items for Movement on General Fund</u>				
Removal of depreciation and deferred contributions to avoid impact on precept			(79,480)	(80,322)
Movement on Earmarked Reserves			(101,542)	36,806
Capital Financed from Revenue			7,000	17,464
Removal of Income from Sale of Land to Reserves			-	-
<b>Surplus for the Year Ended 31 March 2024 after movements on General Fund</b>			<b>(135,828)</b>	<b>(44,342)</b>

**MALVERN TOWN COUNCIL 2023/24 ACCOUNTS**  
**CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2024**

	Notes	2024 £	2023 £
<b>FIXED ASSETS</b>	<b>1</b>		
Operational assets			
Land and buildings		1,525,218	1,313,318
Plant, vehicles and equipment		92,305	102,887
Infrastructure		-	-
Non-operational assets		-	-
		<u>1,617,523</u>	<u>1,416,205</u>
Long Term Investments	<b>2</b>	66,484	66,484
<b>CURRENT ASSETS</b>			
Stocks	<b>3</b>	-	-
VAT recoverable		131,483	8,559
Debtors	<b>4</b>	8,970	11,454
Payments in advance		8,234	7,977
Cash in hand and at bank	<b>5</b>	371,740	745,671
		<u>520,427</u>	<u>773,661</u>
<b>CURRENT LIABILITIES</b>			
Creditors	<b>6</b>	(60,836)	(64,272)
Receipts in advance		(4,713)	(6,106)
Short term borrowing	<b>7</b>	-	-
		<u>(65,549)</u>	<u>(70,378)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		2,138,885	2,185,972
<b>LONG TERM BORROWING</b>	<b>7</b>	-	-
<b>DEFERRED GRANTS AND CONTRIBUTIONS</b>		(86,785)	(95,678)
<b>TOTAL ASSETS LESS LIABILITIES</b>		<u>2,052,101</u>	<u>2,090,295</u>
<b>REPRESENTED BY:</b>			
Fixed asset restatement account	<b>8</b>	924,769	924,769
Capital financing account	<b>8</b>	175,545	248,025
Earmarked and special reserves	<b>9</b>	264,513	366,055
Balance on income and expenditure account		687,274	551,446
		<u>2,052,101</u>	<u>2,090,295</u>

These financial statements were approved by the Council on 19 June 2024 and signed on its behalf:

.....  
Town Mayor

.....  
Town Clerk

# MALVERN TOWN COUNCIL 2023/24 ACCOUNTS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

### 1. FIXED ASSETS

#### 1.1 Movements in fixed assets

	Operational property £	Vehicles, plant & machinery £	Infra- structure £	2024 £	Totals 2023 £
<b>Cost</b>					
At 1 April 2023	2,160,771	698,098	8,608	2,867,476	2,534,583
Additions	884,261	35,764	-	920,025	32,151
Revaluation	(195,000)	-	-	(195,000)	(180,433)
Disposals	(450,000)	-	-	(450,000)	(225,530)
At 31 March 2024	1,693,327	733,862	8,608	2,435,796	2,160,771
<b>Depreciation</b>					
At 1 April 2023	140,748	564,896	8,608	714,252	702,646
Charge in year	42,027	46,346	-	88,373	89,215
Revaluation	-	-	-	-	-
Eliminated on disposals / revaluation	(14,667)	-	-	(14,667)	(47,295)
At 31 March 2024	168,109	641,557	8,608	818,273	744,567
<b>Net Book Value</b>					
At 31 March 2024	1,525,218	92,304	-	1,617,524	1,416,205
At 31 March 2023	1,313,318	102,887	-	1,416,204	1,831,937

#### 1.2. Valuation of fixed assets

The Code of Practice on Local Authority Accounting in Great Britain requires that all assets are re-valued at least once every five years.

The last valuation of the Council's Offices on Belle Vue Terrace was carried out by the Valuation Agency as at 1 April 2021. The building was sold in February 2024 and has been disposed off at revalued cost.

The Council's Operational Properties were valued as at 1 April 2020 by the Valuation Agency. These properties therefore next become due for valuation on 1 April 2025.

#### 1.3. Note on Rose Bank Gardens

The Council began a 99 year lease of Rose Bank Gardens on 15 February 2012. CIPFA SORP states that Community Assets should be included at their historical cost which is nil as the gardens were gifted to Malvern Hills District Council (the lessor) and are being leased on a peppercorn rent. Therefore a nil value has been assumed.

### 2. LONG TERM INVESTMENTS

2024

2023

Long term investments represent the funds held by the Council in a Local Authorities Property Fund.

Local Authorities Property Fund	66,484	66,484
	66,484	66,484

### 3. STOCKS

The Council has resolved that stocks with a value of less than £2,500 are not material to the accounts. There is, accordingly, no stock shown in the balance sheet.

### 4. DEBTORS

An analysis of debtors is as follows:

	2024	2023
Interest receivable on investments and bank accounts	3,695	1,536
Sundry debtors	5,275	9,918
	8,970	11,454

# MALVERN TOWN COUNCIL 2023/24 ACCOUNTS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

### 5. CASH IN HAND AND AT BANK

	2024	2023
Current Account	142,992	486,882
Public Sector Deposit Account	228,516	258,516
Petty Cash	232	441
Unity Credit Card	-	(168)
	<u>371,740</u>	<u>745,671</u>

### 6. CREDITORS

	2024	2023
An analysis of creditors is as follows:		
HM Revenue & Customs	11,302	12,089
Creditors	23,243	30,781
Accruals	26,291	21,402
	<u>60,836</u>	<u>64,272</u>

### 7. BORROWINGS

At 31 March 2024, the Council had no loans outstanding. A loan application for £310,000 to be taken over a period of 25 years, received approval in March 2024 and is due to be drawn down in April 2024. Loan Repayments will commence in October 2024.

### 8. STATEMENT OF TOTAL MOVEMENT IN RESERVES

	Capital accounts Fixed asset restatement £	Capital financing £	Revenue reserves General £	Earmarked and special £	Totals 2024 £	2023 £
Balance at 1 April 2023	(924,769)	(248,025)	(551,446)	(366,055)	(2,090,295)	(2,430,673)
Net (surplus)/deficit for year	-	-	(135,828)	-	(135,828)	(44,342)
Disposal of fixed assets	-	-	-	-	-	-
Revaluation / Impairment	-	-	-	-	-	358,668
Release of retentions	-	-	-	-	-	-
Movements on EM reserves	-	-	-	101,542	101,542	(36,806)
Net depreciation of fixed assets	-	79,480	-	-	79,480	80,322
Financing of fixed assets	-	(7,000)	-	-	(7,000)	(17,464)
Balance at 31 March 2024	<u>(924,769)</u>	<u>(175,545)</u>	<u>(687,274)</u>	<u>(264,513)</u>	<u>(2,052,101)</u>	<u>(2,090,295)</u>

### 9. EARMARKED AND SPECIAL RESERVES

The Council has adopted, as a key element of its financial strategy, a policy of developing reserve funds against future known or anticipated commitments. The policy includes a recognition of the need to maintain assets in a fit and proper condition such that their value, both operational and financial, will remain the same over time.

The reserves also include two perpetuity funds: that is funds where the capital amount is required to be maintained intact and invested with the income generated being applied for maintenance purposes. In one case, the fund is in respect of a section 106 payment from Malvern Hills District Council.

A Vehicle and Machinery Reserve also exists to smooth the impact of the purchase of these larger items against the annual precept. Funds are built up annually and then released only when Vehicles and or Machinery are required.

A further reserve was created in the 2022/23 financial year with funds received alongside the transfer of land at Adam Lea being set aside for future maintenance.

Details of movements on individual reserves are set out below:

	Year ended 31 March 2024			
Name of Reserve	Balance as at 1 April 2023 £	Addition to reserves £	Contributions from reserves £	Balance as at 31 March 2024 £
Elections	12,500	-	(10,089)	2,411
Cemetery extension	16,659	-	-	16,659
Asset Repair and Development Reserve	32,294	28,625	(13,064)	47,855
Vehicle and Machinery Replacement Fund	53,202	20,000	(28,764)	44,438
Allotment Reserve	50,000	-	(50,000)	-
Capital Receipts Reserve	48,250	-	(48,250)	-
CIL Reserve - Brookfarm Drive	36,666	-	-	36,666
Premium for Land at Mill Lane	50,000	-	-	50,000
Graves perpetuity	5,284	-	-	5,284
Townsend Way - s106 perpetuity	61,200	-	-	61,200
	<u>366,055</u>	<u>48,625</u>	<u>(150,167)</u>	<u>264,513</u>

# MALVERN TOWN COUNCIL 2023/24 ACCOUNTS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

### 10. STAFFING STRUCTURE

The Council's approved and actual establishment at the year end was:

	2024	2023
Operations management	1.0	1.0
Operations Staff	8.0	8.0
Total Operations Staff	9.0	9.0
Administrative and Corporate support	5.0	3.6
Town Clerk	1.0	1.0
Total numbers:	15.0	13.6
Full time equivalents	14.0	13.6

### 11 SECTION 137 EXPENDITURE

Section 137 of the Local Government Act 1972 (as amended) enables the Council to spend, in any single year, up to a specified product per head for each registered elector in Malvern Town, on activities and projects which are not authorised specifically by any other statute. All such expenditure must be declared by the Council to be for the benefit of all or some of the inhabitants of the Town.

	2024	2023
Annual product per head	9.93	8.82
Number of registered electors	22,864	22,864
Maximum permissible amount under section 137	227,040	201,660
Expenditure during the year comprised the following:		
Remembrance Observation	180	1,387
Other grants and donations	16,326	9,596
Citizen's Advice Bureau Grant	16,000	16,000
Community Action Grant	5,450	10,900
	37,956	37,883

### 12. PUBLICITY

The Local Government Act 1986 requires the Council to disclose expenditure on publicity. Gross expenditure on publicity and advertising during the year was as follows:

	2024	2023
Public consultation	60	1,901
Council Newsletter	5,528	2,778
Statutory and public notices	854	813
Availability of grants	330	315
Events Publicity	115	798
Display Boards	689	-
Employment Vacancies	-	25
	7,576	6,630



## MALVERN TOWN COUNCIL

### SUMMARY OF MAJOR VARIANCES - FINANCIAL YEAR 2023/24

*A Summary of the major points contributing to the variance of actual from budget for the YEAR, is as follows:*

*Comments have been made where variances are greater than 10% of the budgeted amount or over £300*

#### INCOME - surplus income is shown in brackets

##### **Rental Income**

The budget for 2023/24 assumed that the Council building on Belle Vue Terrace would be occupied throughout the financial year with rental income being received. The rear middle flat has remained empty during the year, Community Action, tenants of the third floor, moved premises in December and following the sale of the building in February 2024, no further rental income has been received. 15,859

##### **Other Administration income / event related**

The sale of the Town Council Offices resulted in a gain on disposal of this asset which was not included in the original budget. (29,928)

##### **Grounds Maintenance**

Income was budgeted for the sponsorship of roundabouts during the year, but owing to uncertainties with nearby developments and a lack of interest in sponsorship opportunities, these were not pursued and income has been under budget. 1,500

##### **Leisure and Recreation**

An amount of £4,000 was included in the budget for income to be received from an ice cream tender at Victoria Park. Despite advertising, there was no interest in this tender during the summer of 2023 and then works were scheduled to begin on the new building in early 2024. 4,000

Usage of Town Council football pitches and changing rooms continues to decline, with facilities now only used by junior teams. Income has been falling over past years. 702

##### **Interest Receivable**

The Council now has investments with both the Public Sector Deposit Fund and the CCLA's Property Investment Fund. Interest rates have been higher than expected during the 2023/24 financial year resulting in higher than budgeted income. In addition, Officers have been mindful to deposit funds when bank balances were high following completion of the sale of Belle Vue Terrace. (11,014)

##### **Deferred Grants**

This item is not included in the annual budget and is an adjustment required in the Year End Accounts. (8,893)

#### COSTS - Expenditure below budget and therefore causing a surplus is shown in brackets

#### ADMINISTRATION

##### **Salary Costs**

The National Local Government salary agreement was finalised in November 2023 and resulted in an average increase against salaries of 7% which is above the 6% included in the budget. However this increase in salary costs has been more than offset as there has been a staffing vacancy since July 2023. Council have agreed to make the post of communications and events officer full time and it will be filled in the first quarter of 2024/25. (16,669)

##### **Utility Charges at Belle Vue Building**

Gas charges in Belle Vue Building were very high during the financial year. This related to both unit costs and to higher than expected usage. 5,033

##### **Rates**

The cost of business rates / council tax incurred at Belle Vue Terrace has been above budget due to charges made for the rear middle flat which has remained empty during the period. 1,186

##### **Maintenance of Buildings - rental costs**

Due to uncertainty around the sale of Belle Vue building, the budget assumed that the council would remain in occupation as owners of the building for the entire financial year. The sale was completed in early February 2024 after which, the Council became a tenant in the same building. 4,500

##### **Insurance**

When officers were setting the budget for 2023/24, the advice from the Council's insurance brokers was to expect a large increase in premium and the budget was set accordingly. When the insurance contract was agreed in July 2023, costs had only increased by 12% resulting in savings. In addition the premium for Belle Vue Terrace was removed at the sale date resulting in an additional credit. (17,428)

##### **Professional - Legal Fees**

The review of legal fees incurred and pending carried out at year end resulted in the need for an adjustment and overspend to cover both past and ongoing legal fees relating to Rose Bank Gardens and the sale of Belle Vue Terrace with associated lease arrangements. 42,500

##### **Professional - Estate Agent Fees**

Costs were incurred in relation to the marketing and sale of the Council owned building on Belle Vue Terrace 11,416



## MALVERN TOWN COUNCIL

### SUMMARY OF MAJOR VARIANCES - FINANCIAL YEAR 2023/24

#### COSTS - Expenditure below budget and therefore causing a surplus is shown in brackets

##### **IT Software Expenses**

An overspend against IT expenses has been caused by the costs of subscriptions including Survey Monkey, Canva and Creative Cloud. 1,258

Costs for data protection have also increased following the expiry of an initial discount period. 2,700

##### **Other Costs - Mayoral Allowance**

The Mayoral allowance was set at £3,000 as part of the 2023/24 budget. Costs in the year have been approximately one third of the budgeted amount. (1,960)

##### **Other Costs - Meeting Accommodation**

Savings have been made as a result of the Council decision to hold all meetings after Annual Council 2023 in the Council chamber on Belle Vue Terrace, thus avoiding room hire charges. (800)

##### **Depreciation**

This item is currently not included in the budget and forms part of the year end adjustments. 1,231

#### OPERATIONS

##### **Utilities**

There have been no costs incurred in respect of water charges at Victoria Park. The old pavilion was demolished in July 2022 and although some drainage charges are expected in respect of the tarmaced car parking areas, the account is on hold pending connection of a new supply. (3,133)

##### **Rates**

Some outstanding charges have been levied in relation to the old pavilion before it was demolished. These were not anticipated in the original budget and are therefore an overspend in the financial year. 3,075

##### **Maintenance of Buildings**

Repair and maintenance costs at Dukes Meadow Pavilion have been higher than anticipated due to a toilet leak. 551

Essential electrical repairs were also required at the cemetery lodge 200

##### **Maintenance of Grounds**

With a budget of £35,000 there have been a number of underspends and overspends against this cost heading. (3,853)  
Underspends include lower than expected gas lamp maintenance, reduced bedding costs and play area maintenance costs being reduced by the larger refurbishment schemes. Overspends include works in Rose Bank Gardens, planting of fruit trees in Greenfields Road / Yates Hay and works to pitches and courts at Victoria Park. 89% of this budget was spent during the 2023/24 year.

##### **Depreciation**

This item is currently not included in the budget and forms part of the year end adjustments. 83,127

#### DISCRETIONARY COSTS

##### **Large Grants**

Expenditure on Large Grant Awards has been over budget during the financial year. Four large grants were awarded in October 2023, with a further three approved in March 2024, and the overspend being subsequently agreed by Full Council. 1,150

##### **Community Support Grant**

A Community Support grant was paid to Community Action to offset their rent for the period whilst they were tenants of Belle Vue Building. Following their departure from Belle Vue Terrace, no grant has been due, resulting in budget savings. (5,450)

##### **Events**

Despite a full and varied programme for Bands in the Park during summer 2023, costs for the year are below the amount included in the budget. Costs have been kept low due to work by officers to source good quality bands at a reasonable fee. (988)

Costs for the Christmas Light Switch on were slightly lower than anticipated. (830)

There was no Mayoral Bonanza held in August 2023 and this has resulted in budget savings being made (8,851)

##### **Depreciation**

This item is currently not included in the budget and forms part of the year end adjustments. 4,015

# MALVERN TOWN COUNCIL

## SUMMARY OF MAJOR VARIANCES - FINANCIAL YEAR 2023/24

***COSTS - Expenditure below budget and therefore causing a surplus is shown in brackets***

### ASSET REFURBISHMENT / RENEWAL

#### **Refurbishment of Jamaica Crescent Play Area**

This project was delayed during the year due to ongoing poor weather. An earmarked reserve has been created at year end to carry funds over into the 2024/25 financial year when works will be completed. (20,000)

#### **Works to Victoria Park Play Area**

Works to Victoria Park Play Area were agreed by Council during the year. The zip wire was moved, new safety surfacing installed as required and boundary fencing removed and relocated. These were works required due to the proximity of building works for the new community hub. 10,000

#### **Preparatory Works - New Hub at Victoria Park**

Some fees were incurred in respect of planning requirements, transport statements, design statements etc. Council agreed that these would be funded from reserves as required. 15,194

#### **Surfacing Works to Car Parks at Monksfield Lane Allotments**

Following an approach by Monksfield Lane Allotment Association who self manage one of the Council's allotment sites, it was agreed to fund works to improve the surfacing of car parks at the Monksfield Lane site. This is an overspend against budget, but makes improvements to a Council owned facility. 4,350

#### **Mill Lane Car Park and Fencing**

Works to install a car park on the land at Mill Lane / Adam Lee commenced during the year. The stone surfacing of the car park has been put in place ahead of any pump track construction taking place. The final stages of this project to install fencing and a new gateway will be completed after the pump track has been installed. (8,625)

#### **Malvern Sign in Rose Bank Gardens**

An amount of £5,000 was agreed by Council for this project and put into earmarked reserves at year end 22/23. The sign was installed during May 2023 and funds were released to offset the costs from this project. 4,288

#### **Refurbishment of Bus Shelter Outside Rose Bank Gardens**

The final works to install the metal cladding on the rear wall of the bus shelter took place in the first quarter of the year and therefore the remaining earmarked reserves were released to offset these costs. 8,812

#### **Repairs and Resurfacing of Roads at Great Malvern Cemetery**

This project began in the 2022/23 financial year and was completed in November 2023 when the final asphaltting works took place. 3,150

#### **Refurbishment of Ground Floor Cemetery Lodge and Toilets**

This project has been deferred as non urgent expenditure given other financial commitments. It will be reviewed as part of the 2025/26 budget. (8,000)

#### **Timber Building in Cemetery Yard**

When a storage container became available during the 2023/24 financial year, officers presented a revised specification with reduced costs to Council. This was agreed and a storage container was installed in Great Malvern Cemetery instead of the more costly option of creating a new timber storage building. (14,286)

#### **New Electric Vehicle**

Although included in the budget for 2023/24, the cost of the new electric Corvus vehicle was capitalised as part of the Year End Accounting Process. (28,750)

#### **New Christmas Lights**

Full Council agreed during the year that new Christmas Lights could be purchased for a tree in Barnards Green as well as for Belle Vue Island. This has been an overspend against budget. 2,492

#### **Contingency Fund**

Although included in the budget for 2023/24, Council have not agreed any specific use for the contingency fund in 2023/24 (20,000)

#### **Earmarked Reserves**

The Capital Receipts Reserve was released in March 2024 as part of the funding agreed for the new Community Hub Building. (98,250)

<b>Budget 2023/24</b>	<b>(25)</b>
<b>Year End Surplus</b>	<b>(135,828)</b>
<b>Variance against Budget</b>	<b>(135,803)</b>