

Q3 Budget Monitoring Report – Summary 2025/26

Overall position

- **Total income received:** £82,641.55
- **Total expenditure to date:** £64,392.19
- **Net position at Q3:** Income is currently higher than expenditure, largely due to late grant payments received this year.

Income (Receipts)

- **Precept and allotment income** have been received in full and are exactly on budget.
- **Grant income** is significantly higher than expected. This is because:
 - £15,440 UKSPF grant for 2024/25 was paid late by Teignbridge District Council and received this year.
 - £900 Lottery grant was received for the VE Day memorial bench.
- **Interest income** of £382.56 was received but had not been budgeted for.
- **Cemetery income** is currently at around 74% of budget, which is in line with expectations at this stage of the year.
- **VAT reclaimed** is higher than budgeted due to increased expenditure on projects and capital items.
- **Fundraising and other small income** includes VE Day quiz fundraising and a utility refund.

Total income to date is 123.8% of the annual budget, mainly due to the timing of grant payments rather than ongoing additional income.

Expenditure (Payments)

- **Staffing costs** are at 84.7% of budget. This reflects the nationally agreed pay award (3.2%) implemented in August.
- **Office / computer costs** are over budget due to one-off purchases of new office equipment, including a laptop and printer.
£1,000 of this cost was funded from reserves, reducing the impact on the 2025/26 revenue budget.
- **Open spaces expenditure** is slightly over budget due to replacing the fence in Court Street car park.

- **Allotments expenditure** appears significantly over budget due to a major hedge cut:
 - £5,550 of this cost was taken from reserves and does not affect the day-to-day budget position.
- **Insurance costs** were higher than anticipated, but the council has entered into a new three-year long-term agreement.
- **Grants given and VE Day costs** are over budget, with the additional amounts covered by earmarked reserves and grant funding.
- **Christmas expenditure** appears underspent at Quarter 3. This is due to timing:
 - The invoice for the Christmas lights installation was received and paid in Quarter 4.
 - Once this cost is included, the Christmas budget is over budget for the year, rather than underspent.
- Several budget headings remain underspent, including training, chairman's allowance, and lengthsman.

Total expenditure to date is 96.5% of the annual budget, which is appropriate for Quarter 3 given that some payments came from reserves.

Key points for councillors

- The council remains in a stable financial position at Quarter 3.
- Higher income this year is mainly due to timing of grant payments, not increased routine income.
- Overspends are largely one-off or project-related and, where necessary, have been supported by reserves.
- No immediate financial concerns have been identified at this stage of the year.
- The Christmas budget position will change in Quarter 4 following receipt of the light's installation invoice.