

PORLOCK PARISH COUNCIL

REPORT - QUARTER 2 BUDGET REVIEW

1 APRIL TO 30 SEPTEMBER 2026

Date: 13 October 2026

Author: J Jones, Clerk & RFO

Based on the Detailed Receipts & Payments Report to 30 September 2026

Summary

At the end of Quarter 2 of the 2026/27 financial year, Porlock Parish Council remains in a sound overall financial position. The year-to-date position is:

- Total receipts received: £159,196
- Total payments made: £104,284
- Net receipts over payments: £54,911

The positive cash position continues to reflect receipt of the full annual precept of £131,322, while expenditure is incurred throughout the year. Overall receipts are 102.9% of the annual budget and payments are 67.4% of the annual budget. The expenditure percentage is affected by planned projects funded from earmarked reserves and by several annual commitments paid in the first half of the year.

Income Performance

Key observations

- The full annual precept has been received.
- Interest income is £1,040, representing 80.0% of budget.
- Cemetery income has exceeded budget at £4,150, or 103.8%.
- Library income is £5,790, or 96.5% of budget, including the full £5,000 partnership grant.
- Community Room income remains low at £125, or 12.5% of budget.
- Doverhay Toilets income is £141, or 14.1% of budget.

Income Source	Budget	Actual	% Received
Precept	£131,322	£131,322	100.0%
Interest (Administration)	£1,300	£1,040	80.0%
Allotment Trust Account	£1,350	£808	59.8%
Cemetery Income	£4,000	£4,150	103.8%
Old School Centre Income	£5,300	£2,780	52.5%
Library Grant & Income	£6,000	£5,790	96.5%
High Bank Car Park Permits	£3,465	£1,492	43.1%

Expenditure Performance

Staff Costs

Total staff costs are £37,148, representing 43.6% of the £85,181 annual budget and therefore below the straight-line half-year profile. Individual variances should continue to be monitored, particularly Admin Officer – Memorials at 62.4%, while training costs are £50 over budget and other staff expenses have almost fully utilised their allocation.

Category	Budget	Actual	% Spent
Total Staff Costs	£85,181	£37,148	43.6%

Administration

Administration expenditure is £6,412, or 55.5% of budget. System licences (87.9%), insurance premiums (88.4%) and internal audit fees (84.3%) remain high because these are substantially annual commitments. Unbudgeted other expenses and sanitary waste contract costs total £202 and should be kept under review.

Category	Budget	Actual	% Spent
Administration	£11,545	£6,412	55.5%

Memberships & Subscriptions

Most annual subscriptions have now been paid. Expenditure is £1,091 against a budget of £1,143, leaving £52 available. SLCC is £16 over budget; however, the cost centre overall remains within budget.

Budget	Actual	% Spent
£1,143	£1,091	95.4%

Cemetery & St Dubricius

The cost centre is over its annual revenue budget because £19,390 of improvements and other project expenditure has been incurred. Total spend is £26,337 against a budget of £14,845. Transfers of £19,601 from earmarked reserves substantially offset this position, while £3,400 of cemetery income has been transferred to reserves.

Budget	Actual Spend	% Spent
£14,845	£26,337	177.4%

Grounds Maintenance

Expenditure is £7,832, or 64.9% of budget. Flower displays are 90.6% spent, dog bins 99.4%, signage 148.1% and War Memorial maintenance 102.8%. These pressures are partly offset by low expenditure on gardens and beds maintenance. £832 has been transferred from earmarked reserves.

Budget	Actual Spend	% Spent
£12,066	£7,832	64.9%

Old School Centre

Expenditure is £8,591, or 50.3% of budget, broadly in line with the half-year profile. Business rates account for £3,712. Maintenance works are at 83.0% and unbudgeted plumbing works total £850, while no expenditure has yet been recorded for wood pellets or the alarm budget. Income is £2,780, or 52.5% of budget.

Budget	Actual Spend	% Spent
£17,071	£8,591	50.3%

Doverhay Toilets

Costs remain below the half-year budget profile at £3,016, or 43.8% of budget. Water charges are £697 and toilet cleaning is £1,571. Income remains below target at £141, with no street-light reclaim recorded.

Budget	Actual Spend	% Spent
£6,886	£3,016	43.8%

Earmarked Reserve Activity

Planned and exceptional expenditure continues to be supported by earmarked reserves:

Area	Transfer From EMR
Cemetery & St Dubricius	£19,601
Section 137	£1,849
Sponsorships & Grants	£1,713
Grounds Maintenance	£832

Old School Centre	£523
High Bank Car Park	£992
Library	£449
Village Hall Car Park	£300
Administration	£199

Total transfers from earmarked reserves are £26,458. Transfers to earmarked reserves total £12,943, mainly reflecting income allocated to the relevant reserves.

Areas Requiring Monitoring

- Cemetery improvements and associated reserve funding.
- Grounds Maintenance lines already at or above annual budget, including signage, dog bins and War Memorial maintenance.
- Memberships and subscriptions, with only £52 remaining.
- Unbudgeted expenditure within Administration, the Old School Centre and High Bank Car Park.
- Lower-than-profile income from Community Room bookings, Doverhay Toilets and High Bank Car Park permits.
- Outstanding annual or seasonal costs not yet incurred, including Old School Centre heating and alarm costs.

Quarter 3 Outlook

The Council enters Quarter 3 with a positive cash position, but the full precept has already been received and must fund the remainder of the year. The next review should therefore focus on the underlying revenue position after excluding reserve-funded projects, the remaining seasonal property costs, and any corrective action needed on overspent budget headings.

Council should:

1. Continue monthly monitoring of budget headings at or above 75% utilisation.
2. Confirm that all reserve-funded expenditure is matched to the appropriate earmarked reserve.
3. Review income recovery at operational facilities and the timing of outstanding receipts.
4. Prepare a year-end forecast once Quarter 3 expenditure and winter property costs are clearer.

Overall assessment

The Council remains financially sound at the end of Quarter 2. Core staffing costs are below the half-year profile and several service areas remain close to budget. The headline expenditure percentage is elevated by planned reserve-funded activity and annual commitments paid early. Continued monitoring is required where individual budget lines are already substantially utilised or where income remains below target.