A Civility & Respect Pledge Council

ST AGNES PARISH COUNCIL
Parish Clerk & RFO: Catherine Nutting LLB, PGDip, BA (Hons), PSLCC
Parish Rooms, 17 Vicarage Road
St Agnes, Cornwall
TR5 0TL

01872 553801
clerk@stagnes-pc.gov.uk
www.stagnes-pc.gov.uk

Full Council – 13th April 2026

Item 9. Year End Report

Significant Budget Variation Report (>80%) End Qtr.4

Setting the annual budget is always a 'best guess' endeavour, undertaken at Quarter 3 (Oct-Dec) of the preceding financial year. The budget is based on the best information known at the time. Cost increases e.g., materials/fuel etc, unforeseen situations/emergencies and wider economic, geopolitical and domestic politics all influence the Parish Council's budget over the course of the year. Consequently, some budget headings underestimate the actual costs incurred.
The Council holds sufficient reserves to mitigate significant budgetary pressures; and underspends in other budget areas enable the Council to redress budgetary imbalances by virement over the course of the financial year (usually the later part of Quarter 3 and Quarter 4).

January 2026 – March 2026 (Quarter 4)
NB/. This report addresses changes in the budget since the last report (203/25, 09.02.2026); it does not repeat explanations for >80% budgets detailed previously, where there have been no additional movement.

Context

This report reflects the final position at Year End (31.03.2026) and should be read as an update to the Quarter 3 report presented to Council in February 2026.

The figures now reflect the full financial year. Total expenditure at Year End is approximately 80.2% of the approved budget. While some individual budget lines are overspent, overall expenditure remains within the Council's approved budget envelope and below full budget utilisation.

As previously noted, setting the annual budget is a "best guess" exercise based on the best information available at the time. Council activity, operational decisions, cost increases and unforeseen events result in both over and underspends across budget headings.

Virement has not been routinely used, in order to preserve a transparent and accurate record of expenditure. The Year End position therefore provides a clear reflection of actual spending patterns, supporting informed financial planning and budget setting for future years.

Overall, the Council's financial position at Year End remains strong, with sufficient reserves to mitigate budgetary pressures and support service delivery.

Virement is the process of moving part of the approved budget from an underspent budget line to another budget line that is under pressure. This keeps overall spending within the Council's agreed annual budget, while relieving pressure on individual line items. However, virement is not always helpful, as it can mask the true level of expenditure need and spending trends that helpfully inform future budget setting. Therefore, the RFO does not recommend that the Council vire funds but instead allow the financial year to close with a true reflection of line-by-line expenditure. This will support informed trend analysis, identification of financial pressures, and clearer budgeting/business planning for 27/28 and beyond.

As explained above, setting the annual budget is always a "best guess" exercise, based on the best information available at the time. Council activity and decisions during the financial year result in both over and underspends, which is expected.

NB/. It is also relevant to note that, as new staff learn the accounting codes, some coding errors have made certain budgets appear overspent when they are not (e.g. the Grants budget). These errors are understandable and very easily corrected. Please speak to the Clerk/RFO if you have any questions.

Budget Item	**Budget %**	**Explanation**	**Committee & Minute Ref**
Advertising (110/4150)	242% Annual Budget: £1,000 Spend to-date: £2,420	Recruitment advertising for five vacancies not foreseen when setting the budget in Dec 24	Full Council 42/25, 02.06.2025
Telephone & Broadband (110/4155)	91.9% Annual Budget: £2,500 Spend to-date: £2,297	Position has stabilised since Quarter 3. Costs reflect increased staffing infrastructure requirements.	Full Council 119/25, 01.09.2025
IT Maintenance & Support (110/4175)	137.1%* Annual Budget: £12,000 Spend to-date: £16,453	This budget funds all Council IT systems & support – recurring e.g., Accounting/VAT/ Allotments/Cemeteries/ Microsoft, device support, mapping etc; and 'one-off' costs e.g., 3-year firewall/ setup of five staff laptops and the Data Protection Audit. The Data Audit is offset by a £5,000 EMR release.	Full Council 99/25, 04.08.2025 **The accounting software is designed to track the year-to-date (YTD) budget. It does not reflect EMR transfers, which are treated differently: they are only shown in the bottom-line centre total. Therefore, the 137.1% is inaccurate.*
Website (110/4180)	213%* Annual Budget: £1,400 Spend to-date: £2,983	The overspend includes the website upgrade cost, which is offset by a £2,500 EMR release.	Full Council 90/25, 04.08.2025
Capital Expenditure (110/4325)	95.2% Annual Budget: £1,500 Spend to-date: £1,427	This budget reflects the purchase of staff laptops. This budget will come under further	Full Council 119/25, 01.09.2025

		pressure before Year End due to the purchase of new desks, chairs and office furniture to accommodate staffing requirements not foreseen when setting the budget in Dec 24	
Cost centre 110 Office Running Costs	117.9% Annual Budget: £21,220 Spend to-date: £25,024 Corrected: 88.5%	As explained above, the accounting software tracks the year-to-date (YTD) budget per line item and does not reflect EMR transfers at line level; these are shown only in the bottom, Centre total. The *Office Running Costs* centre total expenditure to date is £18,779 against the annual budget of £21,220. Therefore, the cost centre is not 117.9% overspent as reflected at the line level but is **88.5% spent.**	
Subscriptions (115/4165)	80.5% Annual Budget: £4,200 Spend to-date: £3,380	This budget reflects the Council's annual subscriptions to regulatory bodies (e.g. NALC, CALC, ICCM). There will be no further expenditure against this budget.	Clerk authorised expenditure (delegation) of budgeted subscriptions.
Legal & Professional Fees (115/4310)	309.3% Annual Budget: £8,000 Spend to-date: £24,745	This budget is inherently hard to forecast. It covers known costs e.g., fixed contracts (WorkNest HR & H&S / Azets payroll) and statutory safety surveys (electrical, asbestos, legionella). It includes devolution legal fees (offset by a Transition of Service EMR release); plus, unplanned costs such as Occupational Health & HR/legal advice etc. This is the budget which will reflect any costs associated with instructing solicitors to	Full Council 253/24, 03.03.2025 WorkNest contract * Full Council 78/25, 07.07.2025 Azets contract * Full Council 100/25,04.08.2025 Wheal Friendly Retreat * Full Council 221/24, 03.02.2025 Land transfer to LIC * Full Council 190/24, 04.11.2024

		write to the LPA (Co-op application). However, as above, the EMR transfer of £2,841 is not reflected. Locum Finance Officer Fees have also been coded here.	Museum transfer to Trust * Full Council 32/24,07.05.2024 138/24, 09.09.2024 147/24, 07.10.2024 Devolution package * AMC 20/25 & 21/25, 09.07.2025 Safety surveys * HR H52/24,10.04.2025 H7/25, 29.05.2025 Staffing matters
Cost centre 115 Services & Fees	151.3% Annual Budget: £32,406 Spend to-date: £47,658	This cost centre remains the only materially overspent centre at Year End. The increase since Quarter 3 reflects continued legal and professional costs. The Council holds sufficient reserves to mitigate this pressure, and underspends elsewhere ensure the overall budget remains within limit. This outturn has informed the uplift in the 2026/27 budget, providing a more realistic provision for unavoidable expenditure in this area..	This cost centre covers all the Council's legal/professional/ insurance/bank fees. Expenditure can be unforeseen, reactive and unavoidable to safeguards the Council in significant situations. The 26/27 budget reflects expenditure analysis based on rising rates.
Allotments: Water (200/4110)	206.2% Annual Budget: £600 Spend to-date: £1,237	Expenditure covers water for both allotment sites. Consumption is seasonal and weather-dependent; figures reflect May–November usage. SWW now bills to meter readings rather than estimates. *NB/. Push tap installation is ongoing across the sites, which will reduce future accidental or malicious wastage.*	Clerk authorised expenditure (delegation) of contractual water bill.

Streetlighting: electricity (305/4115)	147.9% Annual Budget: £1,500 Spend to-date: £2,219	Expenditure covers electricity for all Parish Council streetlights to December. This budget will be overspent by Year End. In June 2025, the Council entered a new 36-month contract (50/25, 02.06.25). Prices have increased, which was not known when setting the budget in Dec 24.	Clerk authorised expenditure (delegation) of contractual electricity bill.
Playing Fields: Rent (310/4100)	100% Annual Budget: £30 Spend to-date: £30	This is the annual rental cost of Beaconsfield Play Area, St. Agnes. There will be no further expenditure. NB/. The freehold is being devolved to the Council, which will eliminate this *de minimis* rental cost in future years.	Clerk authorised expenditure (delegation) of contractual rent.
Storage Facilities (General Maintenance) (315/4210)	116.7% Annual Budget: £2,000 Spend to-date: £2,333	This covers expenditure associated with the Maintenance Hub e.g. contractual utilities, security signage, fire safety inspections and renovation materials (to complete the Hub for team use). Costs – many associated with usage – were not known when setting the budget in Dec 24. The renovation project is now complete, and the Hub is in use. Ongoing costs will be limited to regulatory compliance and utilities.	Clerk authorised expenditure (delegation) of contractual costs. Asset Management Committee (AMC) 82/24, 10.02.25 * AMC 10/25, 09.07.25
Repairs & Maintenance (General Maintenance) (315/4315)	111.3% Annual Budget: £8,000 Spend to-date: £8,902	This budget funds generic maintenance expenditure across all Council sites, facilities and services and is inherently hard to forecast. It is impacted - directly and indirectly - by all Council decisions, as well as rising material and other costs. Generally, it covers low-cost, "in the moment"	Clerk authorised expenditure (delegation) of costs associated with other Council decisions/service/facility delivery/maintenance.

		expenditure required for service delivery (e.g. screws, paint, timber, replacement strimmer wire, key cutting, gate latches etc), which accumulate over the year. It also includes larger expenditure, such as tree works (essential management for public safety).	
Capital Expenditure (Maintenance Team) (315/4325)	215.3% Annual Budget: £3,000 Spend to-date: £6,458 **Corrected: 83%**	This budget funds maintenance equipment e.g., speed sensor batteries, sander, Hub security gates etc. As above, the line budget does not reflect the EMR release (£3,967) for Hub doors and windows. True YTD expenditure is £2,491 (83%).	AMC 82/24, 10.02.2025
Cemetery Maintenance Contract (400/4550)	90.7% Annual Budget: £15,120 Spend to-date: £13,710	This budget is for the ground maintenance of both cemeteries. Budget reflects contract.	Clerk authorised expenditure (delegation) of contracted invoices.
Council Offices – Rates (600/4105)	97.6% Annual Budget: £4,550 Spend to-date: £4,441	Annual business rates for office payable to Cornwall Council. No further spend expected.	Clerk authorised expenditure (delegation) - routine expenditure within approved budget.
Library – Repairs & Maintenance (710/4315)	226.4% Annual Budget: £1,000 Spend to-date: £2,264	This budget funds routine and emergency maintenance of the library and is inherently hard to forecast. It includes expenditure such as window & gutter cleaning, electrical safety report/works, fire risk assessment/works, sewage pump repair and tank emptying, boiler service etc.	Clerk authorised expenditure (delegation): routine expenditure for day-to-day service administration.

Churchtown WC – Water (805/4110)	112.4% Annual Budget: £3,100 Spend to-date: £3,484	Expenditure covers water for Churchtown, St. Agnes public toilets. Expenditure reflects footfall/service use.	Clerk authorised expenditure (delegation) of contractual water bill.
Trevaunance WC – Water (815/4110)	104.6% Annual Budget: £5,000 Spend to-date: £5,231	Expenditure covers water for Trevaunance Cove, St. Agnes public toilets. Expenditure reflects footfall/service use.	Clerk authorised expenditure (delegation) of contractual water bill.

Conclusion

The Year End position confirms that, while there are pressures within specific budget lines (notably Legal & Professional Fees and utilities), these are understood, explainable and reflect operational demand rather than poor financial control.

Overall expenditure remains within the Council's approved budget, supported by strong income performance and robust reserves.

The 2025/26 outturn provides a clear and accurate basis for future financial planning, and has informed the 2026/27 budget to ensure it more closely reflects the true cost of service delivery.