**LTC Virement Proposals January 2019**

During the budget working group meeting on the 16th January there was a shortfall in the 2018-2019 budget identified relating to Hamilton House. This is made up from the following areas.

**Areas of Overspend**

**IT Equipment**

As part of the Hamilton House refurbishment IT equipment was purchased and installed by ECCH, at a cost of £20,160. This is currently against a budget of £10,000, meaning that £10,160 still needs allocating.

**IT Service Charge**

As well as the initial purchase cost there is an IT service charge as part of the lease. This is £12,920 per year, however as we have only occupied the first floor since August 2018 we will have to pay £12,920 X 2/3 = £8,613 for this financial year.

**Hamilton House Capital Initial Payment**

During the financial year £180,000 has been paid to ECCH towards the capital repayment for Hamilton House, £30,000 as an initial payment to enable ECCH to start work and £150,000 directly for capital repayment. The £150,000 was found during the August Full Council meeting from various areas, however the £30,000 has no budget allocated for it.

**Hamilton House Capital Loan Repayment**

Also during this financial year we will have a portion of the Hamilton House loan to repay. The loan repayment cost per year is £13,430, so from August we will have to pay £13,430 x 2/3 = £8,953

**Hamilton House Rent**

The yearly rent for Hamilton House each year is £13,200, as we have only been occupied the first floor since August 2018 we will have to pay £13,200 X 2/3 = £8,800.

**Hamilton House Service Charge**

The yearly service charge for Hamilton House each year is £20,020, as we have only been occupied the first floor since August we will have to pay £20,020 X 2/3 = £13,347.

**Hamilton House Furniture**

As part of the first floor refurbishment furniture was bought for Hamilton House, at a cost of £32,711.

In total the amount required is £10,160 + £8,613 + £30,000 + £8,953 + £8,800 + £13,347 + £32,711 = £112,584

**Areas of projected underspend**

**East of England Park**

At the start of the year there was £75,000 in the budget for the East of England Park, however no work is likely to take place this year by us. During the year there have been three virements from the East of England budget, one for £20,000 for Hamilton House Capital Works, one for £25,000 for CCTV, and one for £20,000 for Festive Lights. This leaves £10,000 in this year’s budget that is unlikely to be spent.

**Budget Contingency**

At the start of the year there was £50,000 in the Budget Contingency. During the year there has been one virement of £40,000 to Hamilton House Capital Works, which leaves £10,000 in this year’s budget.

**CCTV**

During the year Full Council agreed to a virement of £25,000 for CCTV work, however the work that this was going to fund is no longer taking place. This leaves £25,000 in CCTV that is unlikely to be spent.

**Fen Park Toilets**

In the 18-19 budget there is a line for Fen Park Toilets for £7,500, as we were planning to rebuild the toilets. As there is no toilet currently there it leaves a projected underspend of £7,500.

**Town Hall**

Within the Town Hall Budget there are three main budget areas of projected underspend. The first area is Business Rates of £20,000, of which we are unlikely to spend anything. The second area is Utilities, where we have £16,000 for Electricity and £9,000 for Gas. As the Town Hall is currently unoccupied the actual cost for these should only be a standing charge, which should not exceed £1,000 per area. The third area is for all of the extras, made up of Machine Repairs and Maintenance at £1,000, Materials at £2,000, Laundry at £100, Cleaning at £400 and Telecommunications at £400, totalling £3,900 This gives a projected underspend in the Town Hall budget of £20,000 + £15,000 + £8,000 + £3,900 = £46,900.

**Caravan and Camping Income**

In the 2018-19 budget we have forecast income for Caravans and Camping of £80,000. In 2017-18 the actual income was £94,000, meaning we are likely to receive £14,000 more income than we have budgeted.

In total this adds up to £10,000 + £10,000 + £25,000 + £7,500 + £46,900 + £14,000 = £113,400. As this is £816 more than is needed the difference will go into the Town Hall Business Rates in anticipation of Hamilton House Business Rates, making the reduction in this area £19,184 instead of £20,000, and the total increase and decrease in budgets £112,584.