Haydon Wick Parish Council
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Meeting	Finance & Policy Committee
Date	21st May 2024
Report Title	Grounds Maintenance Facility – Cashflow Update
Agenda Reference	Agenda Item 16
Author	Jodie Smart, Finance Officer and Deputy RFO

Officer's Recommendation:

To note the report

Background

The Grounds Maintenance Facility build has now commenced and is expected to complete around October 2024.

The Parish Council has secured a loan from the Public Works Loan Board for up to £768,590.00. This can be 'drawn down' in installments. However, the approval to borrow expires on 17th December 2024.

Payment Schedule

An up-to-date payment schedule has been provided by the Contractor as follows:

		Retention	Payment			
Month	Instalment	5%		PM Payment	**Total Payment**	
3	104,589	5229.45	99359.55	3000	**107,589**	
4	160,370	8018.49	152351.31	3000	**163,370**	
5	167,342	8367.12	158975.28	3000	**170,342**	
6	125,507	6275.34	119231.46	3000	**128,507**	
7	83,671	4183.56	79487.64	3000	**86,671**	
8	55,781	2789.04	52991.76	3000	**58,781**	
	697,260		**662397**	**18000**	**732,692**	Inc 2.5% retenti
9	**17,431.50**				Balance less 2.5% retention to	
					750,123.00	

Cashflow Forecast

The Finance Officer and Deputy RFO has provided a cashflow forecast and loan drawdown projection as follows:

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LOCAL COUNCIL AWARD SCHEME QUALITY GOLD

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Cashflow Forecast											
End April £999,885											
	3. June	4. July	5. August	6. September	7. October	8. November	9. December	10. January	11. February	12. March	Totals
Balance B/F	898,375	689,276	420,196	148,344	503,228	313,047	903,979	761,280	660,870	560,460	
Income (regular)	1,752	1,752	1,752	588,603	4,652	1,752	1,752	1,752	1,752	1,752	1,203,480
Income (PWL Draw Down)	-					750,123					750,123
Total Income	900,127	691,028	421,948	736,947	507,880	1,064,922	905,731	763,032	662,622	562,212	
Expenditure (regular)	103,262	107,462	103,262	105,212	108,162	102,162	109,588	102,162	102,162	102,162	1,250,845
Expenditure (GMF Instalment)	107,589	163,370	170,342	128,507	86,671	58,781	34,863				750,123
Total Expenditure	210,851	270,832	273,604	233,719	194,833	160,943	144,451	102,162	102,162	102,162	
Balance C/F	**689,276**	**420,196**	**148,344**	**503,228**	**313,047**	**903,979**	**761,280**	**660,870**	**560,460**	**460,050**	
Over/(under) 3 months reserve	400,173	131,093	- 140,759	214,125	23,944	614,876	472,177	371,767	271,357	170,947	
To include EMR Balance	90705	85405	84305	81255	79155	79155	71729	89161	89161	89161	

As highlighted in the chart, the only month that reserves would fall below the required reserve is August, just ahead of the second installment of the precept and council tax support grant receipts. This will need careful consideration closer to the time, depending on what actual cash balances and interest rates are for both the loan and CCLA investment account.

There is potential for the loan drawdown to be taken in one installment as late as November/December. However, close monitoring of the actual cashflows and interest rates will need to be in place to recommend the best course of action as the build/year progresses.

As reported at agenda item 13, the Parish Council is in a reasonable position with regards to cash, as there was a further underspend on reserves (compared to Q3 projection) in 2023/24 and the Council Tax Support Grant was not budgeted for in 2024/25 but has since been agreed by Swindon Borough Council. Therefore, there is technically £37,621.00 of unallocated funds available. The Finance Officer and Deputy RFO suggests that these monies are allocated to the project, initially as contingency. When the project has reached fruition, a balancing figure will be known, and so Council may decide to reduce the call on the loan or allocate any remaining funds to alternative projects.