



Lytham Town Council

Report to: Full Council

Date: Wednesday 1st July 2026

From: Clerk / Responsible Financial Officer

Agenda Item: N/A

Subject: Clerk / RFO's Report – End of First Quarter 2026/7.

Financial Health Dashboard

- All budgets, reserves & controls are on track.
- Year-end payments covered & within budget

1. Purpose of Report

This report is prepared by the Clerk / Responsible Financial Officer in accordance with Lytham Town Council's Standing Order 17c.

The purpose of this report is to provide a clear monitoring position to Full Council as to the nature of the finances of Lytham Town Council. The data is accurate to the end of the office day, Tuesday 30th June 2026, and it is the end of Quarter 1 Responsible Financial Officer's report.

Forecasted / expected expenditure up to 31st March 2027 (Year-end) is included within this report.

2. Legal Basis

This report is prepared in accordance with:

- **Lytham Town Council Standing Orders - 17c**
- **Local Government Act 1972, s.151** – duty for the Responsible Financial Officer to ensure proper financial administration.
- **Accounts and Audit Regulations 2015** – requirement to maintain adequate accounting records and present statements of accounts.
- **Lytham Town Council Financial Regulations** (adopted 29/11/2025) – specifically sections relating to payments, reserves, and budget monitoring.
- **Proper Practices as defined in the JPAG Practitioners' Guide 2024/25** – for annual reporting, internal control, and AGAR compliance.

3. Executive summary

As at 1st July 2026, at the conclusion of Quarter 1 of Financial Year 2026/7, the council remains within its approved budget, with expenditure forecast to match budget allocations and only minor adjustments potentially required for anticipated year-end payments. No concerns are raised regarding reserves or internal controls. Internal anti-fraud verification checks on all invoice suppliers will take place during August 2026, in accordance with the Council's Development Plan arising from our Internal Audit report.

End of Year Report Issues:

Items of Note / Awareness raised in the End of Year 2025/6 RFO report are both now resolved. **These were:**

- (a) The procedural delay in making Employer and Employee contributions to the Lancashire County Pension Fund to ensure Lytham Town Council's legal requirements for pension auto-enrolment and contributions.
Solution: All back payments (Employee and Employer) contributions have been made (May 2026 payment made) and new monthly returns are now in place. 2025/6 contributions which were placed in Earmarked Reserves were transferred and utilized for due contributions.
- (b) The delay with Fylde Council invoicing Lytham Town Council for room hire at Lytham Institute for meetings.
Solution: This is now resolved with all monthly payments invoiced and settled for FY 2025/6. No new invoices yet received for Q1 FY 2026/7

4. Financial Health Summary:

Category	Status	Comment
Overall Budget	● Green	On track / within approved budget
Reserves	● Green	General and earmarked reserves healthy
Internal Controls	● Green	No issues reported
Year-End Payments	● Green	Forecasted payments covered by budget

Key:

- **Green** ● – on track
- **Amber** ● – minor concern / monitor
- **Red** ● – significant variance / requires attention

Foreseeable Issues:

Category	Status	Comment
Christmas Lights purchase (See Section 10 for detail)	● Amber	Work in progress. Initial scoping indicates suitable funding available without requirement for sponsorship

5. Key figures (at a glance):

Item		Balance / YTD Notes	
A	Bank balance [Actual]	£ 97,685.49	Reconciled on 30/06/2026
B	Total receipts 2026/27	£ 51,750.58	This is made up from: • 50% Precept payment of £50,335 & • VAT Reclaim payment of £1,415.58
C	Additional receipts forecast	£50,334.00	2 nd 50% Precept Payment at End August 2026
D	Total payments 2026/27 [Actual] (YTD - End of Q1)	£ 16,234.85	All payments made up to 16:00 30/06/2026
E	Forecast / expected payments committed to - remaining to 31/03/2027	£29,147.04	Details shown at Section 6
F	Total Committed Expenditure for 2026/7 [at 30/06/2026] {Formula = D+E}	£45,381.89	*SPIDs purchase is foreseeable - however there is a specific Earmarked Reserve established for the majority of this payment.
G	Total reserves [at 30/06/2026]	£57,122.75	General reserve £23,968.75, Earmarked reserves £33,154.00 (See Annex B)
H	General reserves: % of precept	23.8%	In line with reserves policy and good practice - Slightly below 25% due to increase in Precept. Recommendation - to transfer additional £1,198.50 from general fund to General Reserves to return to 25%.
I	Uncommitted General Funds {Formula = (A-G)-E} [as at 30/06/2026]	£11,415.70	Minor variances anticipated - within tolerance
J	Uncommitted General Funds following receipt of 2 nd 50% Precept payment {Formula = H+C}	£61,749.70	

6. ● Budget monitoring - No Action Required

- Overall expenditure is in line with budget.
- All budget headings are operating within foreseen limits.
- Anticipated payments up to 31/03/2027 include:
 - Clerk (Net) Salary up to March 2027 & associated HMRC payments.
 - Pension Payments.
 - Room Hire charges.
 - IT subscription payments (website, emails & Accountancy package).
 - Payroll provider
 - Insurance and
 - Bank Charge.
- No variances >10% are expected at year-end across all but two Cost Codes / Budget Headings
 - A) Pension Payments - Back Payment of 2025/26 remittance contribution was made on 2026/27 - however Earmarked reserve was used to manage this
 - B) Room Hire - This was shown as an underspend for 2025/26 however these payments now made in 2026/27 as they were only invoiced in the current Financial Year.
- NB: Variation on Salary / On Costs of Clerk-RFO post may arise from 2026/27 NJS Pay Claim & Award. Date of settlement not yet briefed.
Action Required - Nil. Will be catered for via In Year variation.

Recommendation: No action needed or recommended at this time.

7. ● Reserves Position and Proposed Year-End Movements:

Total reserves: £57,122.75

General Reserve: £23,968.75

Earmarked reserves (list):

- Election Reserve
- Neighbourhood Development Plan Reserve
- Clifton Street Banners & Christmas Lighting
- Speed Identification Devices
- Community Grant Scheme (2025/26)
- Allotments Contingency

Recommended Actions:

The Clerk/RFO recommends that Council first approves a transfer of £1,198.50 from the general fund to General Reserves, which would bring the reserve back up to 25% of precept.

Council may then wish to consider a further transfer of £5,033.45 to bring General Reserves to 30% of precept.

These are sequential steps, not alternative options – the first brings reserves back to the minimum target; the second is a discretionary increase above it.

Annex B provides full, existing, reserves schedule.

8. ● Bank reconciliation status

The bank accounts were reconciled to 30th June 2026.

There was nil variation.

Copies are available for inspection and / or online viewing by Councillors and published on the Council's website.

9. ● Payments / Receipts of note

Significant receipts: None received

Significant payments made in Quarter 1 FY 2026/27:

19/06/2026	£5,431.68	LCC	Lancashire County Pension Fund	All payments required from Sept 2025 to March 2026 AND April 2026 & May 2026
------------	-----------	-----	--------------------------------	--

Full payments list attached in Annex D.

10. Christmas Lighting project ● Amber Status

The Working Group exploring options for Lytham Town Council taking ownership of the provision of Christmas lights for Lytham from November 2026 remains active. On 26th June 2026, concept ideas were received from Lightpool / Blackpool City Council. No costing quotations have yet been received as no formal inquiry has yet been made.

The Working Group will be meeting again next on Monday 13th July 2026 to consider options.

Clerk/RFO is working to an estimation of between £25,000 and £40,000. In line with Standing Orders and Financial Regulations - the formal Tendering process would be initiated for projects in excess of £25,000.

Informal conversations between the Clerk and the Manager with Blackpool City Council have sought to identify multi-year payment plans and also opportunities for Partnership initiatives, being aware of the imminent announcements in relation to Local Government Reorganisation for Lancashire. The Working Group chair - Cllr Blackshaw has had conversations with members about community fund raising and / or sponsorship opportunities

Clerk assessment:

It remains realistic to cover the full cost of a significant scheme within this financial year, and a scheme of this scale could represent good value for money given the multi-year benefit to Lytham's festive appeal. Multi-year purchase deals are worth exploring, though it's worth Council being aware that committing to one would tie the hands of a future council, which could not simply step away from that financial commitment partway through.

The legal power to purchase a scheme of this kind is derived from the Local Government Act 1972, ss.144 and 145. A licence application would also need to go to Lancashire County Council Highways for permission to use the lamp posts to suspend the lights. Any tendering process will need to cover design, manufacture, testing, fitting, removal, and storage.

11. ● VAT, Payroll, Pensions, Grant Claims

- VAT reclaim made and received - £1,415.58.
- PAYE fully up to date: all payments processed on schedule.
- Pension payments fully up to date: all payments now processed

12. ● 2026/7 Precept Payments

The first instalment (50%) of the Precept Grant for 2026/7 has been received. Second instalment (50%) expected at end of August 2026

13. ● Risk & internal controls

- ✓ No control issues or breaches to report.
- ✓ Council financial regulations remain fully observed.

14. Recommendations & Motions

1. That Council notes the Clerk / RFO's end of Quarter 1 report and budget position to 1st July 2026.
2. That Council approves the proposed transfers to reserves as set out in Section 7.
3. That Council approves the payments list in Annex D.
4. That Council notes the bank reconciliation and that accounts are in order.

15. Appendices (list)

Appendix A: Budget Report

NB: This report also includes £125.76 of Direct Debits payments made on 1st July 2026.

Appendix B: Reserves Schedule

Appendix C: Bank Reconciliation Summary

Appendix D: Payments List (Quarter 1 - 2026/27)

Signed:



Luke Russell

Clerk / RFO

Wednesday 1st July 2026

Appendix A - Budget Report

Attached as a separate .pdf file due to size.

Appendix B - Reserves Schedule at 30th June 2026

30 June 2026 (2026/27)

Lytham Town Council Reserves Balance 2026/27

<u>Reserve</u>	<u>OpeningBalance</u>	<u>Transfers</u>	<u>Spend</u>	<u>Receipts</u>	<u>CurrentBalance</u>
Capital					
General Reserves	23,968.75				23,968.75
Total Capital	23,968.75				23,968.75
Earmarked					
Election Reserve	15,000.00				15,000.00
NH Development Plan	5,000.00				5,000.00
Clifton St Lamp posts Banners &	4,000.00				4,000.00
SPID Funding	6,000.00				6,000.00
Community Grant Scheme (202	1,500.00	-500.00			1,000.00
Allotments Contingency	1,500.00				1,500.00
Training - Emergency First Aid &	1,000.00	-346.00			654.00
Pension Contributions 2025/26	4,500.00	-4,500.00			0.00
Total Earmarked	38,500.00	-5,346.00			33,154.00
TOTAL RESERVE	62,468.75	-5,346.00			57,122.75
GENERAL FUND					40,569.74
TOTAL FUNDS					97,692.49

Appendix C - Bank Reconciliation

1 July 2026 (2026/27)

Lytham Town Council

Prepared by: Luke Russell Date: 01/07/2026
Name and Role (Clerk/RFO etc)

Approved by: _____ Date: _____
Name and Role (RFO/Chair of Finance etc)

A	Bank Reconciliation at 30/06/2026		
	Cash in Hand 01/04/2026		62,513.84
	ADD Receipts 01/04/2026 - 30/06/2026		51,750.58
			114,264.42
	SUBTRACT Payments 01/04/2026 - 30/06/2026		16,578.93
	Cash in Hand 30/06/2026 (per Cash Book)		97,685.49
B	Cash in hand per Bank Statements		
	Petty Cash 30/06/2026	0.00	
	Unity Bank 30/06/2026	97,685.49	
			97,685.49
	Less unrepresented payments		
			97,685.49
	Plus unrepresented receipts		
	Adjusted Bank Balance		97,685.49
	A = B Checks out OK		

01 July 2026 (2026/27)

Lytham Town Council
RECONCILIATION - Unity Bank 30-06-2026

From Accounts	£97,685.49
---------------------	------------

Payments not cashed	Add
Receipts not entered	Subtract

Statement should be	£97,685.49
----------------------------------	-------------------

Appendix D - Payments List - Quarter 1 FY 2026/27 - 01/04/2026 to 30/06/2026

Voucher No	Date	Net	VAT	Total	Cashed Date	Description	Supplier	Bank	Payment Ref	Minute Ref
32	29.06.2026	£180.00	£0.00	£180.00	30.06.2026	Room hire	Fylde Council	Unity Bank		
31	29.06.2026	£312.00	£0.00	£312.00	30.06.2026	Room hire	Fylde Council	Unity Bank		
30	29.06.2026	£72.00	£0.00	£72.00	30.06.2026	Room hire	Fylde Council	Unity Bank		
29	29.06.2026	£96.00	£0.00	£96.00	30.06.2026	Room hire	Fylde Council	Unity Bank		
28	29.06.2026	£240.00	£48.00	£288.00	29.06.2026	Events Permits	Lancashire County Council	Unity Bank		
27	23.06.2026	£1,451.49	£0.00	£1,451.49	29.06.2026	Salary (Clerk) (Net)	Town Clerk	Unity Bank		October 2025 - Agenda Item 9(2)
26	23.06.2026	£726.57	£0.00	£726.57	29.06.2026	HMRC [PAYE +NI (Er) + NI (Ee)]	HM Revenue & Customs	Unity Bank		October 2025 - Agenda Item 9(2)
25	19.06.2026	£5,431.68	£0.00	£5,431.68	29.06.2026	Pension Payments (Er & Ee) Clerk	Lancashire Pension Fund	Unity Bank		January 2026 Agenda Item 7(D) - Decision 02/2026
24	03.06.2026	£1,008.49	£0.00	£1,008.49	29.06.2026	NALC and LALC Membership subscription	Lancashire Association of Local Councils	Unity Bank		
23	02.06.2026	£144.00	£0.00	£144.00	02.06.2026	Room hire	Fylde Council	Unity Bank		
22	02.06.2026	£72.00	£0.00	£72.00	02.06.2026	Room hire	Fylde Council	Unity Bank		
21	02.06.2026	£96.00	£0.00	£96.00	02.06.2026	Room hire	Fylde Council	Unity Bank		
20	01.06.2026	£52.00	£10.40	£62.40	02.06.2026	Scribe Accounts	Scribe Accounts	Unity Bank		September 2025 Agenda Item 9(1)
19	01.06.2026	£52.80	£10.56	£63.36	02.06.2026	Website & Email provision	Easy Websites	Unity Bank		
18	31.05.2026	£7.00	£0.00	£7.00	02.06.2026	Bank Account Service Charge	Unity Trust Bank	Unity Bank		
17	20.05.2026	£1,451.49	£0.00	£1,451.49	02.06.2026	Salary (Clerk) (Net)	Town Clerk	Unity Bank		October 2025 - Agenda Item 9(2)
16	20.05.2026	£726.57	£0.00	£726.57	02.06.2026	HMRC [PAYE +NI (Er) + NI (Ee)]	HM Revenue & Customs	Unity Bank		October 2025 - Agenda Item 9(2)
15	14.05.2026	£500.00	£0.00	£500.00	14.05.2026	Community Grant Scheme Award	Community Workshop Lytham CIC	Unity Bank		29 April 2026. Agenda Item 6(3)
14	01.05.2026	£52.00	£10.40	£62.40	14.05.2026	Scribe Accounts	Scribe Accounts	Unity Bank		September 2025 Agenda Item 9(1)
13	01.05.2026	£52.80	£10.56	£63.36	14.05.2026	Website & Email provision	Easy Websites	Unity Bank		
12	30.04.2026	£7.00	£0.00	£7.00	14.05.2026	Bank Account Service Charge	Unity Trust Bank	Unity Bank		
11	29.04.2026	£346.00	£69.20	£415.20	14.05.2026	Emergency First Aid at Work Training	British Red Cross	Unity Bank		
10	21.04.2026	£1,451.59	£0.00	£1,451.59	14.05.2026	Salary (Clerk) (Net)	Town Clerk	Unity Bank		October 2025 - Agenda Item 9(2)
9	21.04.2026	£726.57	£0.00	£726.57	14.05.2026	HMRC [PAYE +NI (Er) + NI (Ee)]	HM Revenue & Customs	Unity Bank		October 2025 - Agenda Item 9(2)
8	21.04.2026	£80.00	£16.00	£96.00	14.05.2026	Payroll provision	Carter & Co Accountants Ltd	Unity Bank		
7	20.04.2026	£47.00	£0.00	£47.00	14.05.2026	ICO subscription	Information Commissioner's Office	Unity Bank		
6	15.04.2026	£155.00	£31.00	£186.00	14.05.2026	Payroll provision	Carter & Co Accountants Ltd	Unity Bank		
5	13.04.2026	£485.00	£97.00	£582.00	14.05.2026	Internal Audit provision	JDH Business Services Ltd	Unity Bank		
4	01.04.2026	£100.00	£20.00	£120.00	07.04.2026	Christmas Tree at Lytham Institute	T & C Laycock	Unity Bank		
3	01.04.2026	£52.00	£10.40	£62.40	07.04.2026	Scribe Accounts	Scribe Accounts	Unity Bank		September 2025 Agenda Item 9(1)
2	01.04.2026	£52.80	£10.56	£63.36	07.04.2026	Website & Email provision	Easy Websites	Unity Bank		
1	15.04.2026	£0.00	£0.00	£0.00	14.05.2026	Scribe Accounts	Scribe Accounts	Unity Bank		September 2025 Agenda Item 9(1)

