

**Report**

Officer: Ros Williams – Deputy Town Clerk/RFO
Date: 6th December 2023
Meeting: Town Council – 19th December 2023

Draft Budget**Aim**

1. To present Council with a further draft budget for FY 2024/2025 for consideration and discussion.

Information

2. A draft budget was presented to Council on Tuesday 21st November 2023.
3. Members discussed the budget, which was looked at in detail, and asked for the following amendments to be made, for both income and expenditure:

Income	Comments
1400 – Market	Increase by CPI – 6.7%
1100 – Cemetery fees	Apply an increase
Expenditure	
4020 – Pay award contingency	Reduce from 6% to 5%
4635 – Town Events	Take out the £4,500

4. A meeting was held between the Town Clerk and the Mayor. Following the discussions, the following changes were asked for:

Nominal Code	Original £	Revised £	Difference £
4032 – Election expenses	8,000	4,000	-4,000
4127 – General property repairs	19,550	16,550	-3,000
4160 – Public conveniences contract	30,000	22,100	-7,900
4201 – Stock	2,000	1,500	-500
4202 – Tree management	8,000	6,000	-2,000
4292 – Floodlighting – St Marys	170	0	-170
4400 – Stationery	3,280	3,000	-280
4440 – Telecoms	9,030	8,530	-500
4586 – Benches	600	0	-600
4589 – Memorial plaques	110	0	-110

5. The changes have been made.
6. The market fees have been increased by 6.7% with the Cemetery fees being increased by 5%.
7. The decrease in the grants budget has been factored in; 1% of this year's precept instead of 2%.
8. The increase in the car parking fees for Severn Park have also been factored in; £93,000.
9. The draft budget is based on all current services and activities.



10. Increases have been applied to payroll, and associated costs, following discussions with the Town Clerk.
11. An increase has been applied to the grant budget for the youth provision following a new quote being received for 2024/2025 (should Members agree to a further 12 months).
12. Attached at Appendix 1 is the current draft budget for 2024/2025.

Discussions/Comment

13. There are a number of activities/areas that are a cause for concern. These are highlighted in red:
 - Cemetery fees – An unknown entity, limited burial space and the popularity of cremations is increasing.
 - Interest received – Bank interest can be volatile due to interest rate reductions. Expenditure on the retaining wall project has had a negative effect on our reserves meaning that there are less funds being invested.
 - Payroll – Unknown potential pay increases.
 - Health & Safety – Procedures are being reviewed and updated
 - Public Conveniences contract – The current contract expires in June 2024.
14. No expenditure for the retaining wall has been including within this draft budget.
15. No comments have been received from Councillors with regards to further amendments to the draft budget as requested at the November 2023 Town Council meeting.
16. It now shows expenditure of £1,132,944 and income of £364,433 with a precept requirement of £768,511.
17. This would be an increase in precept of £44,533 compared to last year.
18. The Council Tax Base figure (CTB) for 2024/2025 is 4660.39.

Summary

19. If a balanced budget were to be achieved again for 2024/2025, with no monies being taken from EMRs or the General Fund, this draft budget would mean a percentage increase on the precept of 5.89% and in annual monetary terms, £9.17.
20. Income has been increased in certain areas to 'balance the budget' and to offset the increase in precept. We do need to be aware however, that in this economic climate household budgets may be reduced and people may be looking to make savings and lettings income will be affected.
21. The RFO would like to inform Members that this budget is lean and does not lend itself to unexpected or unbudgeted expenditure. We will need to be extremely mindful of all spends throughout the year and prioritise that spending. Our estate and equipment are of an aged nature and unfortunately, some of our town services are subject to continued vandalism and although a tight rein may be kept on the budget, demands for expenditure may be out of our control. The retaining wall project has depleted our reserves and there is no safety net.

Members are asked to inform the RFO if the following amendments are to remain in the budget:

1. Cemetery fees increased by 5%
2. Market fees increased by 6.7%
3. Increased Severn Park car fees to reflect an annual increase of £20,000
4. Grants budget reduced to 1% of the previous year's precept instead of 2%
5. All changes shown in item number 4

Members are asked to inform the RFO of any amendments, additions or deletions that Council may wish to make for inclusion in the final draft budget that will be discussed and dissected at the Finance Committee meeting of 9th January 2024. Final approval is required by full Council at the Town Council meeting being held on Tuesday 16th January 2024 for both the budget and precept for 2024/2025.