



REPORT FOR DECISION

Item No:- FC23/031

Committee:-	Finance and Governance Committee
Date:-	20 <sup>th</sup> September 2023
Author:-	Martin Hammond, Clerk
Report Title:-	Budget for 24-25
Wards Affected:-	All

### 1. Purpose of Report

To seek the committee's views on increasing the Councils' overall net budget to approximately £500,000 for the 2024-5 year.

### 2. Recommendations

That the committee set out the parameters for the 24-25 budget ahead of public consultation during the late autumn and for Council to consider at its next meeting.

### 3. Information – current position in 23-24

- 3.1. The gross expenditure for 23-24 amounts to £444,500 and is funded by
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|--|----------|
| Precept                                  | £400,000 |
| Income                                   | £ 18,900 |
| Cash in hand as at 1 <sup>st</sup> April | £ 25,617 |

There is also £75,000 held in an earmarked account for public toilets installation.

- 3.2. There was £25,617 unspent at the end of 22/23 financial year and committee agreed to allocate some of this to reserves and some to supplement the budgets for office accommodation and allotments.
- 3.3. The likely out-turn for the year is expected to be broadly in line with the budget, but a delay in the toilet programme would generate monthly savings of about £3000 for each months' delay. Appendix One shows a summary of the projected out-turn for the year, which shows we should have about £6000 in hand at the year end. (This relies on a two month delay in the toilet programme).

- 3.4. Bank interest payments have been greater than planned but so far have simply been used to supplement reserves; the net gain in the year will be about £3000.
- 3.5. The main risk in the budget for 23-24 was that the total cost of events would outstrip the £120,000 provided for. However, there is no indication, at this half way point, that that budget will be overspent and some indications it will be underspent by a little.
- 3.6. The pay award for 23-24 has yet to be agreed; a 2% increase was built into the budget but the projected increase is probably more likely to be 5%, which will put an extra £1700 strain on the overall budget.
- 3.7. The cost of office moves and a more expensive new office has increased those costs by about £6000 in this financial year. Stripping out the one off costs will mean next year's costs will rise by £5000 compared to the original estimate for 23-24.
- 3.8. The cost of insurance was greater than originally provided because of the need to improve cover on allotment fencing.
- 3.9. The net cost of markets in 23-24 has reduced because of the payment of rate relief, which will not apply in 2024/5.

#### **4. Projected changes for the 24-25 budget**

- 4.1. Appendix One also projects the spending into 2024/5 with the following key changes:-
  - Potential new service pressures
    - o A new running event to be held annually – possible net cost of £25000- to be considered by Markets and Events Committee shortly, and it is possible the event may fall outside the 24/25 financial year.
    - o Revitalisation of the Kettering Cultural Consortium and replacement of cultural monies which will cease to flow into the town from March 2024 - £10,000 proposed for consideration by Markets and Events Committee next week.
    - o Delivery of town centre planting schemes currently provided by NNC - net cost £25000-£30,000. This was potentially due to transfer in 2023, and may be re-considered as NNC prepare their own budget.
    - o Full year cost of managing the new toilets – this is assumed to be £3000 per month, including supplies, water and power, cleaning and management, CCTV maintenance
    - o Continuation of the market superintendent role at the market – 3 hours per week £3000/year
    - o A small increase in the bio-diversity budget of £1000.
    - o Preparatory work on a Neighbourhood Plan – although this is still some way from being tested and costed, and some grants may be available, a neighbourhood plan which covered the town centre would be an extensive undertaking requiring some specialist support, so a figure of £10,000 has been included at this point.

- Additional staff hours to allow us to cope with extra events and functions in the most economic way possible – by
  - a- Increasing the hours of the deputy clerk by 2hrs per week, bringing her to 30 hours/week and will involve an extra whole employment cost of £1977
  - b- increasing the hours of the admin officer from 10 to 15 – this will enable some delegation of work from the clerk and deputy clerk to the admin officer and will involve an extra whole employment cost of £4250.
  
- The costs of inflation
  - o General inflation on supplies and services
  - o An assumed 3% pay award in 2024/5
  
- The ending of rate relief on the market – entailing an extra cost of £2000 per year
  
- A request from NNC to contribute to the costs of a new play area on the Ise in the sum of £7000. A report to Council in October will address this issue and its implications.

4.2. This report does not envisage any other general transfer of assets or services from NNC although the possibility of being approached to pick up services or assets which NNC can no longer afford remains a possibility. Clearly any such “offer” would add additional costs to the Town Council’s budget.

4.3. The resulting outline budget amounts to £498,000, which would equate to a band D precept of approx. £29.30, (it is currently £23.72), an increase of 23%, or just over 10p per week.

## **5. Consultation and Engagement**

5.1. The report to this committee in July set out the consultation programme for the budget from now until the end of the calendar year.

## **6. Finance, Legal and Resource Implications**

6.1. The budget set out in Appendix One and in the bulk of the report above is a net budget, in that trading or other income has been taken into account in the figures for each activity area. Income comes largely from market stall hirings, from allotment rents and from bank interest payments.

6.2. The Council’s budget remains one which puts a relatively light call on council taxpayers – at under £30, the precept would be half the average precept for a parish council in North Northamptonshire or nationally.

## **7. Climate change implications**

None specifically, although the Council's policy is to take account of climate changes implications in everything it does.

## **8. Policy Implications**

The Council's policy is make best use of its resources. The corporate plan will be revised alongside the budget as it is prepared.

### Background Papers

None

