

KETTERING TOWN COUNCIL

REPORT FOR DECISION

Item No:- FC/046

Committee:-	Finance and Governance Committee
Date:-	26 th November 2021
Author:-	Martin Hammond, Clerk
Report Title:-	BUDGET AND PRECEPT FOR 2022-23
Wards Affected:-	ALL

1. Purpose of Report

To consider, agree or amend the draft budget for 2022-23

2. Recommendations

The Committee is asked to approve a draft budget for 2022-23, to present to Council on 15th December for its initial consideration.

3. Information

- 3.1. The attached draft budget has been compiled using known information about the Council's current commitments and intended service growth. It sits alongside the draft corporate plan which is the subject of an earlier report on this agenda.
- 3.2. Figures in red indicate items where there is still some uncertainty about the precise figure required.
- 3.3. As agreed at the previous meeting, funds for elections and reserves are shown. At the time of writing, the principal uncertainty for the current year's budget and therefore future years' budgets are the out-turn cost of the May elections, which have not yet been confirmed by NNC.
- 3.4. Items in the future year's budget which need to be addressed are

- a) **The market** – a sum has been included to allow for management costs and an operating deficit in the first full year that the Town Council will have control over the market. It is assumed that KTC will assume control not later than 1st April 2022, and it is recognised that decisions about the level of market rents, the nature and cost of a contract with a third party to manage the market and the application of any incentives may make the first year more uncertain.
- b) **Allotments**, similarly uncertainty about the Council's relationship with allotment societies has prompted the inclusion of a small sum, to cover any repair, maintenance or other liabilities arising from the Council's land ownership responsibilities.
- c) **Public toilets** – this will be a major project for the Town Council in the coming year and the two figures included here are the best estimates at this stage of the installation and purchase costs and the annual running costs (cleaning, maintenance, insurance, water and electricity costs). The experience of the first year will allow for a better estimate to be arrived in future years. The Council could decide to borrow to meet the installation costs rather than bear the cost from its revenue budget.
- d) **Traffic speed devices**. The figure in the budget represents the cost of acquiring a third device
- e) **Twinning** – a figure has been included to provide ongoing support for twinning organisations but this is a notional figure until members consider what they wish to provide in support for twinning groups.
- f) **Community grants** – a proposed figure of £15000 has been included on the basis that this is a small grants scheme will be making grants of between £50 and £500. It is possible to combine this and the twinning grant above, if members prefer, into one budget line.
- g) **Events** – members indicated a spending level similar to the Welcome Back Fund would be an appropriate budget provision for next year. The full cost of supporting the Remembrance Day events (£2000) has been added to that figure for next year. However, to successfully deliver £40,000 of events in the year, the Council will need some dedicated resource and expertise. This will need to be met from within the total budget or by adding to it.

3.5. The budget does not at this stage contain anything for the costs of establishing a public lottery, pending the discussion later in the meeting on this matter. It also does not reflect the discussion at Council on 17th November about promotional work around sustainability and carbon use mitigation.

4. Setting a precept

4.1. The Council needs to set a precept at its January meeting. Precept levels are calculated by dividing the budget by the tax base for the Town Council's area. The tax base is calculated by NNC and is expressed as the equivalent number of Band D properties in the parish. NNC have advised our tax base is 16,237. (For illustration, a budget of £162,370 would therefore cost each household £10). Each additional £1000 spending costs the average household just over 6p/year.

4.2. The draft budget shown in appendix one would generate a precept of £14.54. This is a significant percentage increase on the Council's first year precept, but is likely to be lower

than Corby, Rushden and Wellingborough's 22/23 budgets, and in absolute terms, would cost the average household an extra 12.5p a week in Council tax.

5. Consultation and Engagement

5.1. The earlier report on the corporate plan sets out a proposed consultation process.

6. Finance, Legal and Resource Implications

6.1. The Council must set a precept by mid January, or NNC will fix a precept for it.

6.2. The proposed budget above seeks to deliver the Council's plans for next year.

7. Policy Implications

7.1 The Council's policies are achieved through the appropriate budget provision.

Background Papers

Minutes of F&G Ctte 19/10/21

Precept letter and tax base calculation from NNC 25/10/21
