

To Hythe Town Council
Date 9 October 2020
Status **Non Exempt**
Responsible officer Responsible Financial Officer

Subject **NEW BUDGET v.1 2021.22 REPORT F&GP/14/20**

SUMMARY: This report gives

REASON FOR RECOMMENDATION:

The Committee is asked to agree the recommendations set out below because:-

- a) The Council is committed to control and manage its financial affairs in accordance with The National Association of Local Councils (NALC) guidelines.

RECOMMENDATIONS:

1. **To note and review the report F&GP/14/20**
2. **To recommend, including agreed amendments if any, the budget to full Council on 5 November 2020.**

INTRODUCTION

The preparation of the annual budget is one of the key statutory tasks undertaken by the Council.

The budget;

- Results in the Council setting the precept for the year;
- Gives the Clerk and other officers overall authority to make spending commitments in the line with decisions of the Council;
- Enables progress monitoring during the year by comparing actual spending against planned spending.

The budget is an essential tool for controlling the Council's finances and demonstrates that the Council will have sufficient income to meet its objectives and carry out its activities.

The key stages in the budgeting process are;

- Review of current year budget and spending;
- Determine the cost of spending plans;
- Assess levels of anticipated income;
- Provide for contingencies and the need for reserves;
- Approve the budget;
- Set the precept

The RFO has prepared the draft budget for Councillors to consider, discuss and amend and then the detailed final budget will be brought to a full Council meeting for approval. The budget and precept will be specified in the minutes.

In calculating the budget for 2021.22 priority has been given to ensuring that the financial information provided is relevant to the Town Council's regular income and expenditure with emphasis on continuing tree works on the Ash Tree dieback and completing projects deferred from the 2020.21 budget.

NEW GROWTH ITEMS (Appendix 1)

Two items have been proposed for the 2021.22 budget. Accessible play equipment for the Eaton Lands site proposed by Councillor O'Connor which it is suggested should be funded from the Town Councils' own reserves and a revenue growth item to Town Council initiatives of £1,000 proposed by Councillors Graham and Hawkins to facilitate Community engagement throughout future years.

INCOME

The Town Council's income levels from Town Council assets were greatly affected by the Covid-19 pandemic. Although again there has been a good well supported season for tennis and bowls.

After the repayments to the Public Works Loans Board and the repayment of recharges to Davis Oaklands Charitable Trust at the end of the financial year 2019/2020, funds held in reserve accounts have been reduced.

The 2020.21 precept of £361,155 has now been received in full.

RECOMMENDATIONS

Hire Rates

It is recommended that there is no major increase to hire rates 2021/22 apart from those listed below.

Tennis & Bowls

- **Junior Tennis from £2.00 to £2.50 per game**

Refundable Deposits

- **Hire of Oaklands – Charity event per day by £100 from nil to £100.**

EXPENDITURE

Known spend is based on six months to 30 Sept 2020, where the expense is known to be complete the budget to date has been amended accordingly.

Inflation for 2021.22 is assumed to be 3%. With no increase where possible.

PROJECTS (Appendix 2)

Due to the Pandemic it is recommended that two major projects for 2020.21 be deferred to the 2021.22 budget. The purchase of HTC Metal Souvenir bottles and the Hythe Skate Park Shelter. Work and consultations will commence in this current financial year in preparation for the final reports returning to F&GP for May 2021. Please note the budget items have already been agreed and will not require a second authorisation from Council to progress. Anticipating installation of the Skate park shelter for the early part of summer 2021.

GRANTS (Appendix 3)

The Grant monies budget code 5228 for 2020.21 totalled £25,000 with the Venetian fete and Hythe Festival alternating each year. The revised figure for 2021.22 will be £19,000.

CIL

The Community Infrastructure Levy currently stands at £42,083.78 with an estimate that it could generate an additional £125,000 for Hythe in the next three years.

CHARITIES

The proposal to merge the three small charities Eaton Lands, Horn Street and Burmarsh Rd was resolved at Charity Trust meeting 23/02/2020 min no.12 Eaton Lands holds a current lease with HTC until 2021 but Horn street and Burmarsh are currently working towards closure following guidance from the Charities commission. The Charities commission automatically delete dormant charities after 5 years of inactivity.

PRECEPT

The precept figures cannot be confirmed until early December when the tax base has been notified, therefore calculations based on last years' figure as a provisional figure have been included in this report.

SUMMARY

The attached budget calculations are based on actual and historical/anticipated costs for 2021.22. The Committee is asked to scrutinise and review the figures and should the committee be minded, propose the budget to Full Council on 5 November 2020.

RISK MANAGEMENT

A summary of the perceived risk follows;

Perceived Risk	Seriousness	Likelihood	Preventative Action
The Council does not set a robust budget.	High	Low	Town Clerk and Responsible Financial Officer to draw up and monitor performance against the budget

CONTACT OFFICER

If you have any queries about this report please contact The Responsible Financial Officer of the Council

Tel: 01303 266152 or email RFO@hythe-tc.gov.uk prior to the meeting.