

This report will be made
public on 08 October 2021

Hythe Town Council

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Report number F&GP/15/21

To Hythe Town Council
Date 5 October 2021
Status **Non Exempt**
Responsible officer Responsible Financial Officer

Subject **BUDGET 2022.23 REPORT F&GP/15/21**

SUMMARY: This report concludes the budget setting process for 2022.23.

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/15/21.
2. To adopt the Budget for 2022/23 including growth items set out within the report based on individual increases where required, an overall spend of £450,164 and a precept demand of £369,662.
3. To recommend, including agreed amendments if any, the budget to the full council meeting on 4 November 2021.

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 (**Appendix 4**) for Councillors to consider, discuss for approval.

In calculating the budget for 2022.23 priority has been given to ensuring that the financial information provided is relevant to the Town Council's regular income and expenditure.

NEW GROWTH ITEMS (Appendix 1)

Two items have been proposed for the 2022.23 budget:

First item recommended by the CCTV Working Group, for the reinstallation of the CCTV cameras intended to be in situ by 31st March 2022, with a £5,000 budget located to code 5001 – CCTV Costs. This figure includes regular and quarterly maintenance, servicing of the cameras and the system.

Second item recommended by the Queen's Platinum Jubilee Working Group, for the 2022.23 budget is a budget of £5,000. The budget will increase code 5226 – National Commemorations.

INCOME

The Town Council's income levels from Town Council assets were greatly affected by the Covid-19 pandemic for the beginning of the 2021.22. Although, during the opening of stores and facilities, we have been able to generate a growth of income from our venues and have improved income exceptionally in comparison to last year. There has also been popularity towards seasonal tennis and bowls activities.

There is no change to the anticipated income and so has not been increased for 2022.23, apart from a minor adjustment to Eaton Lands Allotment income to reflect truer figures.

An increase to the Hire Rates (Appendix 6) may see an increase in income for the Town Council's assets should the committee be minded to consider an across the board inflation rate.

EXPENDITURE

Known spend is based on five months to 31 August 2021, where the expense is known to be complete the budget to date has been amended accordingly. The cost centres have not been increased by inflation but have been assessed on their individual requirements.

Not included in the 2022.23 budget proposal calculations are proposed expenditure items;

Councillor N Slade: an increase of £2,000* from £1,000 to £3,000 to the Town Council Initiatives for a Youth Council.

Councillor J Hawkins: an increase to Community Engagement of £1,500* from £1,000 to £2,500.

Councillor P Graham: an increase to Community Engagement of £1,500 from £1,000 to £2,500 and an increase of £1,000* to Counselling for staff/councillors, from £1,000 to £2,000

Personnel Committee: an increase to salaries of approximately £11,018* to cover an additional member of staff for Community Development/Communications and Media Assistant.

*to include the above additional figures see the below paragraph on the precept.

Removed from the budget:

Contingency £10,000. Should the need arise funds from unallocated reserves may be used.

PROJECTS

No projects have been submitted for 2022.23.

GRANTS (Appendix 2)

The Grant monies budget code 5228 for 2022.23 totals £19,000. As the Venetian Fete and Hythe Festival alternate each year. Hythe Venetian Fete did not happen in 2021.22 so the organisers have decided to move it to 2022.23 and alternate the events from then on.

PRECEPT (Appendix 3)

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

Therefore, based on the provisional figures for 2022.23 calculations, the precept request of £369,662 compares against 2021.22 precept figure of £359,002 (an increase of £10,660). Hythe Town Councils' anticipated figure calculated against Band D properties for 2022.23 will be £61.05, against 2021.22's figure £59.29. An increase of £1.76 per annum £0.15p per month, £0.03p per week.

*Should the additional items not included in the 2022.23 budget proposal calculations be added the precept request would go up by £15,500 to £385,162 and the cost to the tax-payer would increase. Hythe Town Councils' anticipated figure calculated against Band D properties for 2022.23 would be £63.61, against 2021.22's figure £59.29. An increase of £4.32 per annum £0.36p per month, £0.08p per week. (see PRECEPT appendix 5)

SUMMARY

The attached budget calculations are based on actual and historical/anticipated costs for 2022.23. The Committee is asked to scrutinise and review the figures and should the committee be minded, recommend the budget plus agreed adjustments to the next full council meeting to be ratified.

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

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