

DRAFT BUDGET

Revised 2023/24 ~ Estimates 2024/25
Presentation to the Council meeting
of 11 December 2023

WITNEY TOWN COUNCIL





WTC proportion of Council Tax 2023/24

The Council Tax bill is made up of charges from

Oxfordshire County Council	£1,734.03
West Oxfordshire District Council	£ 119.38
Thames Valley Police	£ 256.28
Witney Town Council	£ 166.83

Total Band D equivalent for 2023/24 is £2,276.52

WTC proportion is £ 166.83

**That is 7.3% of the Council Tax,
raising a precept of £1,861,708.**



What's included in the budget?

- Day to day running costs of all the Council's services and management of its facilities/buildings.
- Revenue Growth Items & Capital/Special Revenue Projects – as discussed throughout the year and put forward by Committees – *but need to continue to be realistic regarding what's achievable and what's affordable.*
- Some officer recommendations included in base budget – H&S related, landlord/tenant obligations – where the Council has no choice!
- Rolling programme – setting aside funding into Earmarked Reserves to fund larger projects.

2024/25 Policies and Decisions Influencing the Budget

- National policy – Local Government Salaries, changes to Real Living wage & minimum wage.
- International & national context impacting on energy prices, inflation and interest rates.
- Open Spaces Strategy inc. second year of in-house grounds maintenance.
- Climate emergency declaration & progress in achieving objective being carbon neutral by 2028.
- Aspirations to continue to make a difference providing for our community.
- H&S Legislation.
- Limitations – capacity/capability.

Bottom Line – Revised Budget 2023/24

- Original budget allowed for £94,128 to be drawn from General Reserves to support spending. Revised budget shows that this will not be required. In fact a gross surplus on revenue of £106,087 is now projected – before any earmarked reserves are transferred in for specific projects – so the surplus will be more. **Why?**
 - Some staffing vacancies in office and outside team.
 - Wage increases following local government salary agreement lower than in other sectors and less than budgeted for.
 - Revenue benefit (reduced costs) of bringing the grounds maintenance work “in-house.”
 - Energy costs – whilst higher than previous year, lower than budgeted for.
 - Higher interest received on bank accounts and investment returns on CCLA Local Authority Deposit Funds property fund investment.
 - Higher income than budgeted for in relation to cemeteries, public halls and recreational facilities.



General and Earmarked Reserves

- General Fund was £549,164@ 31/03/23. With a gross surplus on the revenue account this will rise to at least £655,251 @ 31/04/24 – likely higher when inwards earmarked reserve movements are input.

→ must keep minimum 3 months Net Expenditure = approx. £527,232 (based on 2024/25 draft budget).

Rolling Capital Fund
and Earmarked
Reserves – for specific
projects- as at 1 April
2023.

N.B. these will
updated taking into
account current year
reserve movements.

ROLLING CAPITAL FUND	£423,396
ALLOTMENTS	£191,996
MEMORIAL MAINTENANCE	£20,974
SPORTS (WWSG CONTGKY)	£147,508
RENEWALS FUND	£186,426
TOWN HALL MAINTENANCE	£60,855
AMENITY LANDS	£60,469
BLDG REPAIR GEN	£12,997
ELECTION FUND	£9,291
BUTTERCROSS	£75,000
CEMETERY ACCESS ROAD	£120,853
PUBLIC HALLS	£32,292
MADLEY PARK	£18,780
SPLASHPARK	£172,500
TOWERHILL CEMETERY CHAPEL	£21,500
C/Ex LIFT & DAMP WORKS	£41,831
YOUTH COUNCIL	£473
PLAY EQUIPMENT/RENEWALS	£33,679
CLIMATE/BIODIVERSITY	£68,050
LEYS PAVILION	£57,900
BURWELL CHANGING ROOMS	£47,030
INFRASTRUCTURE	£59,944
ELECTRIC VEHICLES	£29,200
OSS CONTINGENCY	£195,865
BURWELL HALL HEATING/CURTAINS	£45,000
LEYS TRAFFIC CALMING	£5,000
SKATE PARK	£90,000
CCTV LEYS & BURWELL REC	£10,000
ST MARY'S CHURCH WALL	£35,000

2024/25

Revenue Growth/Special Revenue Projects

- Adoption of Cedar Drive, Unterhaching and Waterford Lane Play areas – revised revenue to £3,300 (excl. recharges); Raleigh Crescent already provided for (recurring).
- Closed churchyards – additional £5,000 (non-recurring).
- Bus shelters – additional £1,000 (recurring).
- Christmas lights – additional £11,000 (recurring) (including £10,000 contingency).
- Street furniture – additional £4,000 (recurring).
- Increased budget for community events – additional £1,000 (recurring).
- D-Day – 80th Anniversary commemorations - £1,500 (non-recurring).
- 50th Anniversary of the creation of Witney Town Council - £5,000 (non-recurring).
- Membership of “Experience Oxfordshire” - £1,200 (recurring subject to review).
- Increased stationery costs additional £500 (recurring).
- Renewals fund –to replace vehicles, plant and equipment – additional £54,027.

2024/25 Significant Capital Projects

- Leys Masterplan £250,000 committed over 23/24 and 24/25.
- Wheeled sports park/skatepark £150,000 (part-funded by secured grant)
- West Witney Sports and Social Club building improvements £750,000 (part funded remainder by loan &/or grant)**
- Burwell Changing Rooms £72,030 (already funded)**
- Play area improvements £75,000 (revenue funding bid in this budget)
- Corn Exchange – building lighting improvements £5,000 (already funded)**
- Langdale Hall replacement glazing £20,000 (EM reserve + tenant contribution)**
- IT improvements £25,000 (revenue funding bid in this budget)
- Play area/recreational infrastructure inc. bins/benches £4,000 (revenue funding bid in this budget)
- Items listed in Grounds Maintenance review (PGF open report 20.11.23) - £71,542 (EM reserve)
- Any uncompleted projects from 2023/24
- Rationale behind loans – spreads cost of capital expenditure over a longer (40 year) period so that financial cost does not fall completely on current taxpayers. Would be funded from current and future property rent yields.
- **Note: **indicates initial estimate. For further details Members are referred to the papers presented at the PGF meeting of 20.11.23**

Bottom Line – Estimate for 2024/25

- Net revenue expenditure for 2024/25 projected at £2,108,927.
- Capital Expenditure – current budget shows net revenue contribution of £190,485 – remainder will be funded from RCF/EMRs/grants/loans.
- Savings made where possible. Expenditure revised downwards during cycle regarding salary increase for 2024/25 – at last PGF Ctte projected 4% (previous 6.7%). Elsewhere inflationary pressures are easing.
- Realistic but prudent budgeting of income.
- Small increase in tax base generates £9,082 (0.5%)
- To balance budget not using General Fund need to raise Precept by 13.30% (increased tax base generates CT increase of 12.73%).
- This would result in Band D Council tax £188.07 (£166.83 current year) = increase of 41 pence per week

Options to balance the budget

Assuming no further material changes to either income or expenditure, there is a sum of **£2,108,927** required to balance the budget. The RFO has circulated with the papers for the Council meeting which include four options:

1. Meet requirement entirely through precept, no drawing from general reserves:

>>> Council tax £188.07 (increase of 12.73%).

2. There was no increase in 2023/24. If an increase of 4.95% had been applied, with another 5% for 2024/25:

>>> Council tax £183.84 (increase of 10.20%).

3. Drawing £80,000 from general reserves, part of the 2023/24 surplus:

>>> Council tax £180.93 (increase of 8.45%).

4. Increase by RPI as at October 2023:

>>> Council tax £177.00 (increase of 6.10%).

There are a myriad of other options - the above are affordable suggestions.

Note that the Council Tax was last increased in April 2022 (for 2022/23). Based on the relevant RPI index in October 2021 (probably the last available before the 2022/23 budget) and the October 2023 index, the difference would generate a Council Tax of £202.03 (+21.1%). Source: ONS Long run RPI series 1947-2023. Any of the above options would therefore imply a real-terms decrease in Council Tax over that period.

Remaining budget work...


Following this evening's meeting your officers will be reviewing all the budget work. This will include checking salary projections, reviewing grounds maintenance costs (inc. allocation between services) and factoring in reserve movements.

It is possible that matters outside of the Council's control may again impact further on budget e.g. energy prices.

Some figures may change but your officers' intention is that the "bottom line" is held – i.e. from herein any increases in specific budgets will be met by decreases elsewhere, where these are reasonable and do not impact on services.



Any QUESTIONS at this stage?



To be able to
declare the
PRECEPT on
8/01/2024

Clear instruction to the Responsible Financial Officer of what additional information is required – this evening is the last opportunity for Members to request additional items added to the budget.

What % increase on precept? A clear steer on this would be helpful.

Are Members content with the proposals which have come forward from the committees during the budget cycle including the Capital/Special Rev Projects?

Anything else – anything I've missed and Members wish to be changed, included or omitted?

Declaring the PRECEPT

Once the Council agrees the budget it has to formally authorise the Town Clerk to sign and serve a precept on West Oxfordshire District Council, in accordance with the appropriate provisions of the Local Government Act 1972 (as amended), requiring the District Council to pay the Town Council the specified sum in respect of Council Tax for the town during the financial year 2024/25

WODC have requested the Precept declaration by 5/01/2024 BUT legally the Town Council has to serve the precept by the end of February 2024.