

## STRONGER COMMUNITIES COMMITTEE

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**Date:** Monday 14th November 2022

**Title:** Financial Report: Revised Budget 2022/23 and Proposed Budget 2023/24

**Contact Officer:** Town Clerk/RFO – Sharon Groth

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### **Background**

Financial Regulation 3.2 requires *each committee through the actions of the Policy, Governance & Finance Committee, to review its three-year forecast of revenue and capital receipts and payments. Having regard to the forecast, it shall thereafter formulate and submit proposals for the following financial year to the Council not later than the end of November each year including any proposal for revising the forecast.*

The purpose of this report is to present to Members the revised budget for 2022/23 and the first draft revenue budget for 2023/24 – in the attached document.

However, the Town Clerk, at this stage she has only been able to pull together some limited information regarding the revenue budget and is therefore not able to provide a full written report explaining each budget line as she has done in previous years.

Later in the budget cycle, the Town Clerk will probably do a full presentation to make sure Members are fully abreast of the financial situation of the Council when she has had the opportunity to scrutinise the spending to date and account for new aspirations. She has therefore just covered a few key points below for information and a reminder.

### **Recharge from Works Department and Central Support**

In order to get a true cost of its services, the Council recharges the total cost of its Works Department (Cost Centre 601) and Central Support (Cost Centre 602) across it. For the Works Department this is done based on the weekly time sheets, and for the Central Support is based on the apportionment of responsibilities of the Officers.

As Members are aware the Council has brought its grounds maintenance in house with effect from 1st October 2022 – and the accounts are in the process of being re-profiled in order to ensure the service is accounted for correctly. There may be some change to the format of the accounts in due course.

It should be noted when reviewing the accounts that the recharge from the Works Department and Central Support are yet to be made in this financial year and as the Town Clerk is using system generated reports it has not been possible to exclude these accounts from this summary. Only when the budget for both these departments have been agreed by the Policy, Governance & Finance Committee will the Town Clerk be in the position to calculate the revised recharges and the estimates for 2023/24.

Members should also remember that with regard to patterns of income and expenditure, there will always be some variations over the course of the year and for that reason the Council works to annual budgets rather than monthly or quarterly.

### **Format of the Council's Base Revenue Budget**

With regard to the Stronger Communities budget, the Committee's services are divided into 2 base revenue cost centres, responsibilities as follows:

<u>Cost Centre</u>	<u>Area</u>	<u>Description</u>
402	Community Infrastructure	This cost centre relates to the infrastructure found in the town like bus shelters, bins, benches, cycle racks, defibrillators, church clock, floral displays – and the maintenance of them.
408	Community Activities	This relates to community events like the advent fayre, remembrance Sunday parade, anniversaries, as well as supporting the Youth Council.

### **Budget Parameters – Draft Estimates 2022-23**

The format of this report is quite straightforward; the first two columns relate to the original budget from 2021/2 against the actual figures for last year. The middle section of three columns relate to the current years original budget, actual expenditure year to date, the projected budget to 31st March 2023. The remaining section of the report relates to the draft budget for 2023/24.

Draft budgets are prepared on current activities and patterns of income and expenditure. The Council is still experiencing some impact from the aftermath of COVID, which is reflected in the revised budgets. At this stage most of the budget lines have been kept as previously agreed unless there are known variations.

The Committee's revenue budget growth items for 2023/24, and its capital/special revenue projects programme for 2023/24 and beyond will be dealt with via a separate agenda item.

## **Cost Centre 402 – Community Infrastructure**

4014 – Electricity – this is for an unmetered supply to the War Memorial and St Marys, and something the Council has very little control over in terms of making savings. Given the currently situation regarding utilities the revised budget and the estimate has been significantly increased.

4215 – In bloom – inc Schools Challenge – whilst only a small amount of budget has been spent so far in the current financial year, the Communications & Community Engagement has requested that the funding be retained in order to fund a long-term project.

4990 – Contrn to CCTV Sch – this budget line relates to the annual contribution the Council makes to the Town Centre CCTV scheme. Members will recall that last year the Council withheld its contribution until data was provided on the scheme which was long overdue an upgrade. The Town Clerk will provide a confidential update at the meeting, so that the Committee can decide if to continue with the annual contribution in 2023/24 financial year.

## **Cost Centre 408 – Community Activities**

4111 – Water Safety/Education – The purpose of this budget line was to support education programmes as well as the Council’s own water safety campaign. However, other organisations also put in place their own funding and the Council was able to collaborate with other authorities in the media campaigns. It was agreed that some of the budget line could be used for better safety signage at the lake and the Park Ranger is currently working on that. The full £10k has been retained in the current year, but any unspent budget will be rolled over into the next financial year if necessary. Therefore, a nominal £2,000 budget has been set for 2023/24.

## **Revenue Budget Summary**

The Base Revenue Budget for this Committee is summarised on page one of the attached schedules.

At this stage it is pointless summarising the end result due to the above as we are not comparing like for like, as well as several unknowns. The reports give the detail and Members will be able to ask questions either ahead or at the meeting.

## **Environmental impact**

Having declared a Climate Change Emergency at its Council meeting on 26 June 2019 – with this in mind Councillors should have due regard to the environmental impact of any decisions they make with regard to its facilities and services it operates.

As mentioned above the Council has now successfully brought its grounds maintenance contract in house. By doing this the Council will be able to take into consideration greener measures in order to work towards its objective for carbon neutrality by 2028. This, along

with the budget allocated to Climate Emergency should help to facilitate projects yet to be identified in the Council.

### **Risk**

In decision making Councillors should give consideration to any risks to the Council and any action it can take to limit or negate its liability.

All the Council's Committees receive financial reports in order to carry out its checks and balances. The Town Clerk has approached the budget with prudence so as accurate budget as possible can be set at this early stage, although there may be some opportunities to make savings if required to balance the budget.

### **Financial implications**

This report forms part of the Council's mechanisms for budgetary control, as it enables income and expenditure incurred to be reviewed and to be compared with the Council's budgets.

### **Recommendations**

Members are invited to note the report and consider the revised base revenue budget for 2022/23 and the estimated base revenue budgets for 2023/24, as detailed in the draft estimates.