

REPORT TO FULL COUNCIL

2022/23 BUDGET AND PRECEPT



Report Reference	C-21-29
Meeting Date	10 th January 2022
Agenda Item	10
Prepared by	Town Clerk

1.0 BACKGROUND

1.1 BUDGET PROCESS AND OVERVIEW

Each budget holding committee prepared a draft budget between September and November 2021 which was then submitted to the Finance Committee. The Finance Committee reviewed the amalgamated budgets and agreed a recommended budget; since the Finance Committee meeting the Town Clerk has thoroughly reviewed and updated the projected income and expenditure for the current financial year to ensure it represents as accurate as possible forecast. The budget has further been updated to reflect decisions taken at the Personnel Committee on staff hours.

The budget as agreed by the Finance Committee set a precept of £442,635. The revised requirement following the updated projects and revisions to staffing expenditure requires a precept of £437,944.

2.0 RESERVES

In 2020 the Finance Committee approved a Reserves Policy to formalise the council's approach to its reserves. The Finance Committee approved recommended reserves in accordance with this policy.

In accordance with the 'proper practices' to which the council must maintain its accounts, the recommended general reserves for the council's net revenue expenditure is £112k, £2,000 was therefore removed from this reserve to reduce the precept requirement.

In setting the 2020/21 budget, the council utilised the balance of the EM Market Hall Reserve (£44,934) to reduce the precept; the Finance Committee agreed that the EM Market Hall reserve be replenished gradually over the next few years to enable the council to deliver on its commitment to lower the precept for the 2021/22 and 2022/23 financial years with £10,000 being committed to the reserve this year.

The Capital Receipts Reserve has been used during the year for works to the chapel and public toilet commercial space works. The current year CIL receipts will be committed to an earmarked reserve and the EM Play Areas reserve increased by £1,000. Any surplus/overspend against budgets for the Market Hall and Allotments will be drawn from/committed to the respective EM reserves. An EM Rental Reserve has been created to which a portion of commercial rents will be committed annually.

Reserve	Reserve 2021/22	Proposed Reserve 2022/23
General Reserve	115,000	113,000
EM Market Hall Reserve	17,248	33,188
EM Allotments Reserve	5,086	3,799
EM Elections Reserve	14,000	14,000
EM Play Areas Reserve	2,000	3,000
Capital Receipts Reserve	242,607	163,078
CIL Receipts Reserve	1,639	6,769
EM Rent Reserve		1,000
TOTAL	397,580	337,834

3.0 PRECEPT CALCULATION

On the budget and reserves as presented, the precept is calculated as follows:

Projected Bank Balance 31/03/2022	348,421	(a)
2022/23 Reserves	337,834	(b)
Surplus / Deficit	10,587	(c) (a-b)
Budget Income 2022/23	201,915	(d)
Budget Expenditure 2022/23	650,446	(e)
Net Budget Expenditure 2022/23	448,531	(f) (e-d)
Precept Required	437,944	(f-c)

This represents a reduction of £17,477 (3.8%) and results in the annual council tax for a Band D household being £75.08, a reduction of £3.53 (4.5%).

4.0 DECISION REQUIRED

It is recommended that Council approves the 2022/23 council budget and reserves as presented, sets the 2022/23 precept at £437,944.