

# BUDGET REPORT 2022/2023

## COUNCIL MEETING – 24<sup>TH</sup> JANUARY 2023

### INTRODUCTION

This year saw a significant reduction in the threat posed by the Covid pandemic with Council life returning very much back to normal, however we are now facing the issues surrounding the cost of living crisis – once again a call on our community resilience budget.

The financial year started on 1<sup>st</sup> April 2022 with a projected deficit in the Council budget of £63,046 , with a larger than expected increase in the National Pay Award and oncosts, insurance premiums and energy costs the budget required scaling back as much as possible and the projected deficit at 31<sup>st</sup> March 2023 currently stands at £51,658. The Council have also been fortunate in the consistent income from the Covid clinics.

The recommendation contained within 'The Practitioners Guide' with regard to funds held in general reserve means the Council should hold a minimum of 3 months salaries & on costs, insurance premiums, utilities etc. amounting to somewhere in the region of £40,000

### BUDGET MOVEMENTS at 31<sup>ST</sup> MARCH 2023

In determining the Parish Precept for the next financial year the Council should consider its priorities moving forward, projects etc. and where the funding for those might be found.

There are three areas where there has been a significant underspend on the budget allocation for 2022/23 and the Finance & General Purposes Committee **RECOMMEND** carrying forward the following:

- |   |                                      |
|---|--------------------------------------|
| • 4601/101 Neighbourhood Plan           | 4,766                                |
| • Cost Centre 107 – Discover Beaminster | 1,463 (remaining balance of funding) |
| • 4069/201 – Internal decoration        | 2,964                                |
| • 4070/201 – external decoration        | 1,500                                |
| • 4109/201 – main hall enhancements     | 2,000                                |

The Finance & General Purposes Committee also recommended the underspend on the budget of £35,000 for toilet/store in the Playing Field be transferred to Earmarked reserves together with the Lottery grant received in the sum of £10,000.

A sum for Memorial Lane resurfacing had also been recommended in the sum of £10,000.

### FINANCIAL POSITION AT 20<sup>TH</sup> JANUARY 2023

The position with regard to **Ear Marked Reserves** as follows:

Leisure & Amenities Fund	8,406
Public Hall Fund	31,155
Cemetery Fund	1,000
Allotment Fund	1,000
Mrs Blair's Fund	1,000
Staff Fund	2,550
CIL	6,267
Community Fund	<u>9,500</u>
	<b>60,878</b>

The position with regard to Town Council's bank accounts as follows:

	Balance	Adjustment	Reason for adjustment	Available balance
Current Account	16,996.49			16,996.49
Business Manager	150,250.08	10,000	Ring fenced toilet in MPF	140,250.08
NSIB (Earmarked reserves)	60,878.41			60,878.41
CB3	7,778.77			7,778.77
				<b>225,903.75</b>

## BUDGET FRAMEWORK 2023/2024

The budget framework as presented to the Finance & General Purposes Committee projected a deficit of £282,289

Should council approve the carry forward of the budget underspends as detailed together with the transfers to EMR will put the Council in good stead for, in my opinion the two major projects for 2023/24 with a total of £63,406 in the Leisure & Amenities EMR and £37,619 in the Public Hall EMR.

Carrying forward the underspend in Neighbourhood Plan will provide a budget allocation of £7,766 in addition to the grants available.

Taking into account the recent considerations around staffing issues, Christmas lights etc. and with other discussions to be had in the future with regard to the Council's activities I suggest further savings could be achieved.

The original recommendation put to the Finance & General Purposes Committee being with money spent wisely I would consider an increase of 8% in the parish precept to be not unreasonable. Subsequently the 8% increase has been included in the budget as circulated indicating a deficit on the Council's budget for the financial year from 1<sup>st</sup> April 2023 of £51,533.

To assist with the final decision these figures indicate the additional revenue and effect on Band D based on the following % increases.

## PRECEPT CONSIDERATIONS

The Council Tax base for 2023/2024 for Beaminster is £1,365.30 an increase of 2.3%

% increase	Additional revenue £	2023/24 levy £	Effect on Band D £
5%	10,997	230,939	+ 4.42
8%	17,595	237,537	+ 9.26
10%	21,994	241,935	+ 12.48

Precept levy for 2022/2023 was set at 10%, the recommendation from Finance & General Purposes Committee for 2023/2024 is a levy of 8%. Should members consider a 10% increase it would yield an additional £4,399 but with the effect of an additional increase of £3.22 on Band D.

