



BUDGET REPORT

TOWN COUNCIL MEETING

REPORT 60/23

11 DECEMBER 2023

The purpose of this Report is to provide Members with an updated budget forecast in respect of the current financial year and a draft budget in respect of the 2024-25 financial year. Cost inflation (including salary costs) has been provided for generally at 5% at this stage of the budget process, but individual inflationary measures will be identified in more detail in the coming months leading up to the budget setting meeting in February 2024.

No.

1) BALANCES

The Councils General Reserve balance was £66,846 at 1st April 2023 and this was the projected balance as at the end of the 2023-24 financial year, that is the budget for the current year was neutral after including for contributions of £14,000 from the Salisbury Gardens account and Car Park income.

2) PAY AWARD 1ST APRIL 2024

Provision has been made for a pay award of 5% with effect from 1 April 2024. At this stage, the 2024-25 budget does not make provision for any incremental increases to staff salaries, which will be considered by the HR Committee at its December meeting.

3) BUDGET VARIANCES

The following changes to the Draft Budget have been made since the Budget Paper as presented to the informal budget meeting on 13th November:-

- Inclusion of budget for currently unfilled post of Assistant Town Clerk.
- Additional £10,000 for electrical works at Ventnor Park (50% of anticipated costs).
- Inclusion of a contingency sum of £4,000.
- Inclusion of contribution to election fund of £3,000.
- Inclusion of budgets for Community Garden and Town Crier of £1,000 and £500, respectively.
- Inclusion of expenditure and income budgets in respect of Car Parks.
- Creation of income budget of £3,000 for interest earned on temporary cash surpluses.
- Continuation of £9,000 contribution from the Salisbury Gardens account.
- Impact on budget of material variances identified in the current year, as detailed in the December Finance Report.

4) COUNCIL TAX CALCULATION 2024-25

The taxbase for 2024-25 will not be finalised until January 2024 and the forecast Council Tax in Appendix A is based on the current year taxbase of 2,525.20.

Annual taxbase changes are unlikely to have any material impact on the level of Council Tax.

The budget as detailed in Appendix A would require a 16.6% increase in Council Tax if Reserves were to remain at the opening level of the current year as at 31 March 2025.

5) RECOMMENDATION

Members are requested to consider the revised budget for the current year and the draft budget for the 2024-25 financial year.