



# BUDGET REPORT

TOWN COUNCIL MEETING

REPORT 2/24

20 FEBRUARY 2024

The purpose of this report is to summarise the Town Council's anticipated expenditure and income for the financial year 2024/25 and provide the basis for the formal adoption of a Budget for that year and the setting of the related Precept.

## NO. DETAIL

### 1) BALANCES

The Council's General Reserve balance was £66,846 at 1<sup>st</sup> 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 net Car Park income.

### 2) INFLATION

Provision has been made in the 2024-25 budget for general inflation at 5% on current year costs. The pay award for the current financial year was agreed as £1,925 pro rata to a 37-hour working week.

### 3) BUDGET VARIANCES

**The following have been included in the 2024-25 budget figures:-**

- Additional budget line of £10,000 for one-off electrical works at Ventnor Park (50% of anticipated costs).
- 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 below:-**

- Insurance – Increase of £3,000 arising from the end of the previous three-year fixed fee agreement period. The increase reflects the rise in general insurance costs since the start of the pandemic in 2020.
- IT & BT – Greater than anticipated cost of £1,300.
- Beach Safety – £6,500 overspend on budget. Budget was reduced from £17,500 in 2022-23 to £7,500 for the current financial year. Budget reduction not effected in current year.
- Wellbeing Café – overspend forecast of £5,100 principally arising from staffing cost to cover ill health absence.
- Paddling Pool - £1,800.
- Ventnor Library - £14,000; insufficient budget and 2022-23 accrual not made for final two quarter's payment to IW Council (£10,600).
- Boniface Fields – £3,000; insufficient budget after allowing for business rate payments.
- Audit Fees - £375 increase in fees.

The following changes/adjustments have been made in this year's forecast expenditure since the previous budget paper:-

Increases:-

- New line re 2022-23 salary award £12,000

**This National Pay award applies to contracts of employment of certain staff and was not implemented in the 2022-23 financial year.**

- Audit fee £300
- Photocopier £200

Reductions:-

- Legal & professional fees £1,000
- Ventnor Putting Green Kiosk £1,000
- Beach Cleaning £2,500
- Sustainability & Biodiversity £2,500
- Business development £2,000
- Time & Tide Bell £1,400

There has also been a reduction in the Business Development budget of £10,500 in the 2024-5 Budget to reflect the reduction of weekly hours as agreed by the HR Committee.

---

**4) COUNCIL TAX & GENERAL RESERVES**

The taxbase for 2024-25 has been set at 2559 Band D Equivalent Properties.

The budget as currently detailed in Appendix A would require an 11.2% increase in Council Tax if General Reserves were to remain at the opening level of the current year as at 31 March 2025, that is the sum of £66,846.

The generally accepted recommendation with regard to the appropriate minimum level of a Smaller Authority's General Reserve is that this should be maintained at between three (3) and twelve (12) months Net Revenue Expenditure (NRE). For Ventnor Town Council this would mean a targeted minimum general reserves of approximately £122,000 given current expenditure levels.

A budget strategy to achieve General Reserves of £122,000 over a five-year period is detailed at Appendix B. This provides for maintaining current levels of expenditure and income over a five-year period, less the one-off cost of £10,000 in 2024-25 in respect of work at Ventnor Park but including £5,000 a year for new projects from 2025-26 to 2028-29. Should the 2024-25 year-end reserves be targeted at £62,334 as per Appendix B, the necessary increase in Council Tax would be 10.2% in 2024-25 or an increase in a Band D Council Tax from £ 170.57 to £187.93 a year.

---

**5) RECOMMENDATION**

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

---





VENTNOR TOWN COUNCIL - FORECAST OUTTURN 2023-24 & BUDGET 2024-25

Elements	Payments				Receipts			
	Budget		Budget 2024-25		Budget		Budget 2024-25	
	2023-24	Forecast			2023-24	Forecast		
Staff salaries	93,698	78,700	99,700				-	-
2022-23 salary		12,000	-					
<b>Salaries Sub total</b>	<b>93,698</b>	<b>90,700</b>	<b>99,700</b>					
<b>Overheads</b>								
Office stationery	1,500	1,500	1,600					-
Office equipment	1,750	1,750	1,900					-
Photocopier costs	2,000	2,200	2,100					-
Affiliation Fees	800	800	900					-
Insurance	8,000	11,100	11,600					-
Telecomms & IT	5,000	7,000	7,300					-
Audit Fee	1,350	1,700	1,600					-
Bank Charges/Interest receipt	700	800	800		1,000	3,000		
Legal & Professional Fees	1,000	-	1,100					-
Member Training	100	100	100					-
Cleaning	750	750	900					-
Maintenance	5,000	5,000	5,300					-
Van	1,500	1,500	1,600					-
Office + Room Rent	10,750	10,750	11,300					-
Miscellaneous	3,000	3,000	-					-
<b>Overheads Sub total</b>	<b>43,200</b>	<b>47,950</b>	<b>48,100</b>				1,000	3,000
<b>Infrastructure</b>								
Metrological Honorarium	600	600	600					
CCTV Eastern Esplanade	-	-	2,200					
Spring Hill Gardens	1,500	1,500	1,600					
Putting Green Kiosk Costs	2,000	1,000	2,100	3,500	3,500	3,700		
Floral Ventnor	2,000	2,000	2,100					
Public Toilets	69,427	69,500	72,600					
Paddling Pool	2,500	4,300	2,600					
Outfit	750	750	800					
Sea breeze Park	750	750	800					
Grounds Maintenance	30,996	31,000	32,500					
Ventnor Library	20,000	33,000	23,000					
Ventnor Central	5,000	5,000	5,300					
Beach Cleaning	6,000	2,500	6,300	1,730	1,730	1,800		
<b>Infrastructure Sub total</b>	<b>141,523</b>	<b>151,900</b>	<b>152,500</b>	<b>5,230</b>	<b>5,230</b>	<b>5,500</b>		
<b>Services</b>								
Beach Safety	7,500	14,000	14,700					-
No 31 Bus	11,440	11,440	12,000	4,000	4,000	4,200		
Warmer Ventnor Project	2,500	2,500	2,600					-
Sustainability & Biodiversity	2,500	-	2,600					-
Business Development	31,000	29,000	22,000					-
Community Development	35,000	37,000	39,000					-
Youth Service	27,500	27,500	28,800	5,000	5,000	5,300		
Wellbeng Café	28,000	34,000	29,400					-
Advice service	2,000	-	-					
Lifeguard Training			600					
Time and Tide Bell project	1,400	-	-					
Boniface Fields	6,000	9,000	9,400	4,500	4,500	4,700		
Ventnor Park	35,000	35,000	36,700	3,000	3,000	3,200		
Community Orchard			1,000					
Car Parks	-	26,200	27,500		34,200	36,000		
Contribution Sal Gdns						9,000		
<b>Services sub total</b>	<b>189,840</b>	<b>225,640</b>	<b>226,300</b>	<b>16,500</b>	<b>50,700</b>	<b>62,400</b>		
<b>Capital Projects</b>								
Ventnor Park Electricals			10,000					
<b>Total</b>	<b>468,261</b>	<b>516,190</b>	<b>536,600</b>	<b>21,730</b>	<b>56,930</b>	<b>70,900</b>		

2023-24

2024-25

RESERVES B/F 1ST APRIL 2023	66,846.00
EXPENDITURE 2023-24	516,190.00
PRECEPT	430,731.00
INCOME 2023 -24	56,930.00
CONTRIBUTIONS	14,000.00
RESERVES C/F 31ST MARCH 2024	52,317.00

TAXBASE	2,559.0		
RESERVES B/F		52,317	
EXPENDITURE		536,600	
INCOME		70,900	
PRECEPT TO MAINTAIN RESERVES		480,229	
<b>B/F</b>	52,317	% INCREASE	11.5
<b>EXP</b>	536,600		
<b>INC</b>	70,900		
<b>PRECEPT</b>	475,717		
<b>C/F</b>	62,334		

CURRENT BAND D COUNCIL TAX 170.57  
 BAND D COUNCIL TAX ARISING FROM INCREASE 185.90

INCREASE PER THOUSAN 0.40  
 INCREASE IN BAND D PER WEEK 15.33  
 PER WEEK 0.29  
 % INCREASE BAND D 9.0

**VENTNOR TOWN COUNCIL  
FIVE YEAR FINANCIAL FORECAST**

**APPENDIX B**

	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>2028-29</b>
B/FORWARD	53,417	62,334	77,251	92,168	107,085
EXPENDITURE	552,200	546,200	546,200	546,200	546,200
INCOME	70,900	70,900	70,900	70,900	70,900
PRECEPT	490,217	490,217	490,217	490,217	490,217
C/FORWARD	62,334	77,251	92,168	107,085	122,002