

SWAFFHAM TOWN COUNCIL

BUDGET REPORT **2022-23**

Prepared by Richard Bishop
TOWN CLERK/RFO

for the
Full Council Finance
BUDGET meeting on
26th January 2022

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SWAFFHAM TOWN COUNCIL – DRAFT BUDGET NOTES 2022-23

INTRODUCTION

The budget set this year is for 2022-23 financial year. The current Town Council are now budgeting for the year starting in April 2022, just one month away from the end of the third year of this Council's four-year term, the election in May 2019 is now further away than the election in May 2023, next year. It has been a sharp learning curve for Councillors and Staff, no-one predicted we would have to contend with a global pandemic for so long and would spend so much time talking about a 'new normal', whatever it may turn out to be. We have learnt new skills, such as holding meetings on a virtual platform called 'zoom' and then promptly the temporary Covid-19 legislation removes the ability to legally hold such meetings, whilst we still struggle on with the pandemic – strange, but true...

We meet face-to-face but socially distanced under strict Covid guidance and we work day-to-day partly from home and partly within the office. We need to invest in hybrid technology to make full use of our new skills, our new way of working and then the government needs to legalise the 'hybrid' world, so that we can really make a difference to the way we work, we see the potential and are frustrated by this halfway house. The Council will make some difficult decisions this year at their budget meeting, they always do, trying to balance up the services, projects, and facilities that the town needs against the cost to the Council Taxpayer.

The Department of Communities and Local Government last year gave us a sixth consecutive year of stability, by excluding Parish & Town Councils from the control measures applied for principal authorities when increasing their Precept. i.e. The referenda policy, whereby a percentage increase is set by government and local councils can only go above this by winning a referendum of their local electorate.

The Budget is in a similar format to last year; as the Cost Centres are aligned to the various Committees that were set up following a review of the Committee Structure. The expenditure is separated from the income in each cost centre.

The budget as in previous years is colour coded. The information is contained within the familiar accounting cost centres of **Un-earmarked Capital Reserves, Earmarked Capital Reserves, Town Hall, Administration & Miscellaneous, Outside Equipment & Vehicles, Market, Events & Tourism, Allotments, Public Toilets, Cemetery & Churchyard, Open Spaces, Amenity & Agency, and finally the Precept**. There are some new Cost Centres this year **Barn Theatre, Barn Flat and Barn Swimming Pool**, as we have purchased the Barn from the Sacred Heart School. We continue to do our best to try and make the budget easier to understand and user friendly.

The annual budget is recommended in draft form for the financial year 2022-23 starting from the 1st April 2022. This draft is put together by the Responsible Finance Officer. The finer detail is now of course for the town councillors to debate and decide, as they have the final say.

The money raised by the £156.51 was £425,950 which the Town Council then use for their expenditure. This sum of money is called the Council Precept. For 2022-23 next year the budget is looking at making a minimum increase of £9,461 which will give the Town Council £435,411, which due to an increase in the Council Tax Base this year it will mean at Band D the Council Tax will be £156.51 (an increase of 0%) taking into account the new Council Tax base of 2,781.70. The Council may also choose to make a modest increase of 3% adding a further £13,000 to the Precept, to bring their Revenue Reserves closer to the recommended level. This is lower than the current inflation rate of 5.2%. Either way, as the budget process unfolds and Councillors deliberate for the final time – the Precept will be set by the end of January. Swaffham Town Council always strive to provide value for money for the services they provide.

Richard Bishop
Town Clerk & RFO

FINANCE FULL COUNCIL

All financial matters can either be dealt with at Full Council Finance meetings or at routine Full council meetings, all Cost Centres are closely monitored by all Town Councillors and the Town Clerk in his role as Responsible Finance Officer.

The Budget Report is in Committee format and should align in the same order as the accounts.

CAPITAL BUDGET 2022-23

100) UN-EARMARKED CAPITAL RESERVES

This Cost Centre is split from the earmarked Capital Projects Cost Centre. This consists of Match Funding, Un-allocated Capital, Section 106 money, and the Sale of Assets, which is where the expected income from the long-awaited sale of Days Field allotments is due in the 2022-23 financial year.

The movement within these budgets is likely to take place as part of the budget process, as the un-allocated budget from the previous year can suddenly become earmarked for expenditure in the year we are budgeting for. We have to demonstrate to our Internal Auditor how and where the movement has been, for transparency.

The Match Funding Budget is slightly reduced from the current year, as some match funding has been earmarked for the Parish Partnership Scheme for a Highway improvements in 2022-23. It was set up in order for the Council to use to match potential grant applications, a good example is the Parish Partnership Scheme at Norfolk County Council.

<p>Un-earmarked Capital Income</p> <p>There is a large, expected income budgeted for in 2022-23 for the proposed sale of Days Field, as an offer has been accepted subject to planning approval being obtained.</p> <p>£1,470,000 sale of asset (Days Field)</p> <p>N.B. Whilst the receipt will be recorded in this Cost Centre, there are many references to how this capital receipt will be used in other budget headings.</p>	<p>R1</p> <p>To approve Un-earmarked Capital Reserve budget for 2021-22 of £1,470,000</p>
<p>Un – earmarked Capital expenditure</p> <p>The following budget could be fully expended within 2022-23 if required: -</p> <p>£2,900 Match Funding budget</p>	<p>R2</p> <p>To approve the minimum Un-earmarked Capital Reserve budget for 2022-23 of £2,900 and to give consideration to increasing this budget to c/fwd at year end 31st March 2023 following receipt of capital for the sale of Days Field.</p>

101) EARMARKED CAPITAL RESERVES

The other half of the split Cost Centre for Capital Projects is the Earmarked Capital Reserves. Where does it receive its money from? It will usually be from the Account 100 Un-earmarked Capital Reserves, unless there is a new source such as a grant or new Section 106 money introduced etc. It can also be covered from the Precept, if the capital reserves are fully exhausted or the Council choose to do so.

When we assess how we fund the expenditure this year, first of all we project forward in this current year, if the earmarked funds are not going to be spent this financial year, we can carry them forward into the budget for next year 2022-23. If it is a new expense, then we need to transfer the amount from the un-earmarked fund to an earmarked balance in this Cost Centre. We then need to see if new funds are expected from elsewhere and list them as earmarked receipts as well as expenditure, we also need to look at if we have spent money or have committed money this year, that hasn't yet been covered by any other capital budget, so again we need to cover this by transferring un-allocated funds from Account 100.

PUBLIC WORKS LOANS: Nine years ago, the Town Council took a decision to borrow funds from the **Public Works Loan Board**. Three loans have been taken out in recent years totalling £155,000. This includes a £20,000 loan being serviced by Swaffham Heritage. In total as at 31st March 2022 the loan has been reduced to £69,952. The budget has been prepared on the basis that £325,000 is borrowed to repay the internal borrowing used to purchase the Sacred Heart Barn and repaid in just two years. The main source of capital will come from the sale of Days Field and expected income later this year, in the 3rd quarter of the financial year 2022-23 and at that point it is recommended to repay all existing loans.

101) EARMARKED CAPITAL RESERVES

The Income in this Cost Centre can only come from Section 106 planning gain monies, reimbursement of the Museum Loan, Sale of any Assets or any Grants Received.

Capital Projects Income							
<p>The Section 106 Planning obligations money is collected by Breckland Council Section 106 officer. The money is designated to various areas by a legally binding contract. A scheme has to be prepared and then the funds will be released to the Town Council. It is Breckland's responsibility to ensure that the money is used for the purpose stated in the legal agreement. In the 2022-23 budget are three sums negotiated for streetlights, based on a replacement cost at the end of their natural life – therefore a capital receipt.</p> <p>The Museum Loan is being repaid with a calculation for interest agreed with Swaffham Museum Ltd.</p> <p>There are various possibilities that can be explored to secure Grants from external sources; these should be explored to maximise opportunities to increase income to the Town. The one amount secured and expected in June 2022 is £72,500 from FCC (formerly WREN) for Orford Road Play Area equipment.</p> <p>The Public Works Loan receipt of £325,000 is accounted for in the current year in order to replenish internal borrowing before the year end of 31st March 2022.</p>	<p>R3 To receive Section 106 money as it becomes available. To also negotiate with developers to get facilities for the town in 2022-23 the expected income is the £230,000 for street lighting negotiated with (Abel Homes, Swans Nest £85,000, Persimmon Homes £55,000 and Barratt's £100,000).</p> <p>R4 Swaffham Museum Ltd will repay £1,393 in the year 2022-23.</p> <p>R5 To prepare Grant applications for various projects as opportunities arise throughout the year 2022-23 including £72,500 for Orford Road play area.</p>						
<table><tr><td>£230,000</td><td>Section 106 Receipts</td></tr><tr><td>£1,393</td><td>Museum Loan</td></tr><tr><td>£72,500</td><td>Grant Receipts</td></tr></table>	£230,000	Section 106 Receipts	£1,393	Museum Loan	£72,500	Grant Receipts	
£230,000	Section 106 Receipts						
£1,393	Museum Loan						
£72,500	Grant Receipts						

The projected spend in the Earmarked Capital Reserves Expenditure is a marked difference to recent years, as the Council starts to plan for using the capital for Days Field. As with any capital receipt, there are many choices for the Council to make and it is envisaged that to maximise the receipt, the capital can be used to generate further external grant funding for various projects as listed in the summary below: -

- a. Public Works Loan – existing loans could be settled on receipt of the Days Field money.
- b. The Barn Theatre project – has desirable improvements listed by the QS, which would upgrade the facility. This particular part of this project could attract grant funding and the Council should explore all possibilities in this regard. The Budgeted figure could be used as a guide for the project, but the Town Council may prefer not to earmark this whole amount from the capital sum received, as it might imply that the Council are prepared to fund this project independent of any grant receipts. (Report awaited from the Barn Steering Group by March 2022).
- c. The Barn Swimming Pool project – is also listed amongst this Cost Centre with QS costs, that would put the facility into good order to enable public use. Again though, the Budgeted figure could be used as a guide for the project, with the Town Council preferring not to earmark the whole amount from the capital sum received, as with the Barn Theatre Project external funding for grants needs to be explored and therefore an alternative

approach could be to budget for a contribution, rather than the whole amount. (Report awaited from the Swaffham Swimming Pool Charity by March 2022).

The Public Works Loan is projected to be increased in the current year for two years and the borrowing is to allow the Sacred Heart Barn purchase to be reimbursed, as this was funded from internal borrowing. The loan repayments are still offset by the income received from Swaffham Museum for their section of the Loan. There is a case to be made for netting off the contribution from Swaffham Museum from the annual payment, thus showing the true net cost.

Earmarked Capital Reserves Expenditure	
<p>The Rec Project balance receives a boost each year from the proceeds of the Annual Car Rally i.e. £1,646 from 2021 event added to £7,590 = £9,280 for 2022-23. It also holds a retention of 2.5% for the skatepark project of £1,850, still unclaimed.</p> <p>The following budgets could be expended within 2022-23, but see alternative options (a – d under R6 in the right hand box) :-</p>	<p>R6 To approve Earmarked Capital Reserve budget for 2022-23 of £1,165,722</p> <p>OR alternatively 4 keys decisions could be taken separately as follows: -</p> <ul style="list-style-type: none">a. Public Works Loan Settlement of existing loans £65,043b. Capital – QS Priority D Barn (desirable) £622,520c. Capital – QS Priority Barn Swimming Pool £220,304d. As a result of a, b and c decisions – amended Earmarked Capital Reserve Budget for 2022-23.
<p>£72,500 Orford Road project (New) £9,280 Rec Projects Fund £65,043 Public Works Loan - settlement £176,613 Public Works loan – repayments £462 Public Toilets refurbishment £622,520 Capital – QS Priority D Barn (desirable) £220,304 Capital – QS Priority barn D Swimming Pool</p>	

REVENUE BUDGET 2021-22

102. EARMARKED REVENUE RESERVES

The Earmarked Revenue Reserves this year includes some Section 106 money, that doesn't have to be earmarked as Capital Reserves. Some of the Section 106 money coming in from developers for play areas and open spaces, as the street lighting is under the criteria of a Capital Receipt. It has to be determined how much is Capital and how much is Revenue, as an audit trail will need to be established for each receipt, to show how it has been used.

Earmarked Reserves Income	
<u>NOTES</u> <u>R7 Grants</u> The Grant money to receive in 2022-23 is under the High Street HAZ Cultural Consortium, as the balance of the £35,000 initial grant awarded by English Heritage. £21,000 Grants	R7 To approve the projected income for Earmarked Reserves for 2022-23 of £21,000.

Earmarked Revenue Reserves Expenditure	
<u>NOTES</u> <u>R(8(a) Section 106 Planning Gain</u> The amount received in 2021-22 is the £179,335 from Abel Homes for Stages 1,2 & 3 of Swans Nest Play Areas & Open Spaces – this was a carried forward balance and is available to spend as required in 2022-23. <u>R8(b) Community Support Grants</u> The Earmarked Support Grants are those that may straddle more than one financial year. The one in-progress in the current year and into 2022-23 is the £10,000 for the Carter 22 Museum Project. The carry forward balance will be determined at 31.03.22 – projected at £5,000. <u>R8(c) Cultural Consortium Projects</u> The Grant due to be received of £21,000 is available to be expended as required in 2022-23.	R8 The balances in this cost centre total £205,335 for 2022-23.
<u>Expenditure</u> £179,335 Section 106 Planning Gain £5,000 Community Support Grants £21,000 Cultural Consortium Projects	

The important issues of **Cash-flow, Borrowing and Reserves** continue to be prominent in every budget year after year. The budget process is designed to improve the Council's understanding of their finances. Reserves have been earmarked which will allow most of the current projects to move forwards. The only income stream the Council can rely on is what is agreed as the **Precept**. Local government will continue to evolve, and we have the challenges presented to us of a growing Town. The Market, Allotments and Property rental income could still be regarded as a bonus rather than predicting or projecting long term stability, therefore we do need to continue to maximise our income from all of our asset. It is the third year of this Council who were duly elected in May 2019. The **general reserves** have been central to the Council's budgeting, it is essential the Council continue to look after the **general revenue reserves balance**. Guidelines state that a sum equal to at least half your Precept plus your earmarked reserves should be the minimum balances that you hold. The budget as drafted in therefore low in terms of general revenue reserves as things stand, but things could change as the key decisions are taken.

110. PRECEPT

Every year the most important figure the Council need to agree is the Precept as this is the one that affects the Council Tax from the 1st April 2022. Each year over successive Councils the town has seen many recommendations taken forward, with key decisions taken in terms of strategy, level of staffing and contracting.

The **Precept** for 2021 is recommended as a minimum for an increase this year of £9,461 giving a Precept of £435,411. This amounts to a 0% increase in the Town Council Section of Council Tax at Band D rate, for the third year running, the increase is accommodated at 0% because the Council Tax Base has been increased.

It is further recommended to consider a modest increase this year of 3%, as the budget process this year has had the challenge of a second year of additional Covid expenditure and reduced income to contend with and they have funded the capital purchase of the Sacred Heart Barn Theatre, Swimming Pool and Flat, with cost implication detailed in three new cost centres. The result is that Revenue Reserves are now projected at the 2022-23 as lower than the recommended level of 6-months running costs, a 3% increase would yield a further £13,000 and would go some way to addressing this concern. The current inflation rate is 5.2%, so it would still be substantially below the inflation rate.

The overriding aim, as always, is to try to provide value for money for the services we deliver to the Council Taxpayer. Swaffham Town Council's budget each year throws up many challenges, and year on year we say that the workload for Staff and Councillors never decreases. It is a changing environment and there are so many more challenges to come that the Town Council will have to deal with in the future.

The Precept is recommended to you for 2022-23.

Precept	
<p>The Precept for 2022-23 is carefully calculated after agreeing all the projected income and expenditure in all the other cost centres.</p>	
<p>R9 Precept This year the Council Tax Base has increased from 2,720.70 to 2,781.90 which once more means that the tax burden is spread amongst more people. It is recommended to put the Precept up by £9,461 to £435,411 the amount generated by the increase in the Council Tax Base, therefore the amount paid by Council Taxpayers at Band D remains at £156.56</p>	
<p>£435,411 Precept</p>	
<p>OR</p>	
<p>£448,411 Precept</p>	
	<p>R9 To increase the Precept by £9,461 for 2022-23 to £435,411, which overall is an increase of 0% in the Council Tax due to the increase in the Council Tax Base and would give a Band D charge of £156.56.</p> <p>OR alternatively</p> <p>To increase the Precept by £13,000 for 2022-23 to £448,411 which overall is an increase of £3% in the Council Tax and would give a Band D charge of £161.13</p>

203. EVENTS & TOURISM

This Cost Centre is retained in 2022-23. Events were decimated in 2020 due to Covid-19, there were so many cancellations notably VE & VJ Day events. The grants received were carried forward and re-allocated to other events. The first event back on the agenda in 2021 was the Annual Car Rally & Funday on the Rec, then Remembrance Day parade in November and a spectacular Christmas Market Weekend in December including the light switch-on.

The purpose of this Cost Centre is to help the Council to keep track of the cost of events that they organise or work in partnership with others to deliver.

<p>Events & Tourism Income</p> <p><u>NOTES</u></p> <p><u>R10(a) Xmas Market Income</u> – a useful surplus could be used to provide a budget for the Queens Platinum Jubilee and a balance towards the Christmas Event in 2022, instead of the Council needing to provide a guarantee.</p> <p><u>R10(b) Sheep Fair Income</u> – the Sheep Fair didn't happen the last two years due to Covid, it is planned to happen this year and possibly one week later than normal, to coincide with the Queens Jubilee event. It is envisaged that sponsorship can be increased over time to make this a self-funding event; it will take time to establish.</p> <p><u>R10(c) Car Rally Income</u> – this event makes a surplus that in past years has been used for facilities at the Recreation Ground – retained in the capital budget under 'Rec Projects Fund'.</p> <p><u>R10(d) Fundraising events</u> – clarity is required, event by event what the cause is, to enable the surplus funds raised to be allocated properly.</p> <p>£15,000 Xmas Market Income £100 Sheep Fair Income £1,500 Car Rally Income</p>	<p>R10 To approve Events projected income of £16,600 for 2022-23</p>
<p>Events and Tourism Expenditure</p> <p><u>NOTES</u></p> <p><u>R11(a) Xmas Market (Weekend)</u> This is the Light Switch-On Event hopefully will establish itself again in 2022.</p> <p><u>R11(b) Sheep Fair</u> 2021 will be the fourth Sheep fair, again another Market associated event which was launched in May 2018, missing out in 2020 and 2021.</p> <p><u>R11(c) Queens Platinum Jubilee</u> a working group has been set up but with no budget. A decision for the Councillors is to confirm, reduce or increase the £2,000 budget, coming from the surplus of the Christmas Market Weekend.</p> <p><u>R11(d) Town Flags</u> This is a general expense, as the flags were first introduced in 2018 to enhance events, this could be an expense covered by fundraising, if the Council see this as a regular expense year on year.</p> <p>£10,000 Xmas Market expenses £400 Sheep Fair expenses £2,000 Queens Platinum Jubilee £500 Town Flags – repair/replacements</p>	<p>R11 To approve Events projected expenditure of £12,900 for 2022-23</p>

307. AMENITIES & AGENCY (+ CIVIC)

The Amenities, & Agency (+ Civic) income is explained below.

Amenities, Agency & Civic Income	
<p>NOTES</p> <p>R12 Shop Rent (Letting out Commercial Space) The shop lease was transferred to Hayley Bright in May 2017 for a period of five years from 5th May 2017 to 4th May 2022. The rent has been frozen for the past three years, and subject to various Covid-19 concessions in the financial year ending in March 2021. The budget for 2022-23 is for a fourth consecutive year holding the rent without increase. The lease renewal needs to be considered from 5th May 2022, for a period of five years</p> <p>R13 Electricity & Car Charging Points The Town Centre electric income comes from either Market traders or from Events, the Car charging points is dependent on usage.</p> <p>£5,862 TIC building letting out commercial space £900 Hire/Connect fees – T/Centre electric £40 Car Charging Points – fees usage</p>	<p>R12 To freeze the rent for the Former TIC premises to £5,862 + Vat for the year 2022-23 and renew the lease with the current leaseholder for a further period of five years.</p> <p>R13 To approve the projected income for 2022-23 of £6,802.</p>

The Amenities, & Agency (+ Civic) expenditure is very similar to last year in terms of the headings, with minimal changes other than inflationary increases of 1%, except where explained below.

Amenities, Agency & Civic Expenditure	
<p>NOTES</p> <p>R14(a) Street Lighting The street lighting maintenance has gone down over the past two years due to the upgrading of the lighting to LED's. It is budgeted for an increase this year as energy costs is due to rise substantially in April 2022.</p> <p>R14(b) Twinning A contingency budget has been retained, as the Twinning visit was postponed to 2022. This budget is to cover the cost of a Civic visit for the Mayor + one other Council representative to Hemmoor in 2022.</p> <p>R14(c) Christmas Lights The budget for Christmas lights includes scope to increase or replace/replenish the lighting each year and the putting up/taking down of the lights.</p> <p>R14(d) Mayoral expenses, Allowance, Reception and Civic Service All these expenses have been frozen and not increased with inflation this year.</p> <p>£265 General Maintenance £3,195 TIC service level agreement £55 War Memorial Electric £1,000 Town Centre Electric £840 Town Centre Wi-Fi £21,500 Street lighting £250 Twinning £1,300 Community grants (formerly S. 137 grants) £1,250 Mayors Allowance £1,125 Mayors Reception £500 Mayors Civic Service £100 Civic Regalia £6,000 Christmas Lights</p>	<p>R14 To approve the expenditure for the Amenities, agency & Civic cost centre for 2022-23 of £37,380</p>

MARKET COMMITTEE

The Market Committee has settled back into its regular meeting cycle and has had a relatively straight forward year, following the previous year of Covid disruption and the distraction of Events and Tourism, now under the Full Council or Working Group remit.

201. MARKET

Swaffham Market is now into its 807th year, is gradually rebuilding after the problems cause by the Covid-19 pandemic and its lockdowns. In these difficult times there have even been signs of growth, with new stall enquiries and new traders welcomed to Swaffham Market in the past year or so. This continues to buck the national trend in Markets decline, and for that we must be thankful for the care and attention given to the Market. Swaffham is certainly not ready to write the obituary for its traditional Market, even if the year ahead remains a little unpredictable. World events have shown us in recent years, that things can change so rapidly.

The number of stalls has remained fairly stable this year, despite everything and the casual trade has proportionally increased, taking out the time lost to Covid-19, always a sign that things are going in the right direction.

Market Income

NOTES

R15(a) Market Casual Fees It is recommended to increase the minimum charge to £16 from for a 10-foot frontage and keep the additional charge to £1 per foot after the first 10 feet. This amounts to a £1 increase for each Casual Trader for 2022-23.

R15(b) Licensed Trader Fees It is recommended not to increase the Licensed Trader fees in 2022-23, there has been no increase for the past two years to allow traders to stabilise, but a small increase of 2.5% is below the inflation rate of 5.2% and will help the Council meet the increases in expenditure.

R15(c) (New) Market Stall Hire The projected income is offset against any maintenance cost for the stalls. This fee is additional to Trader Fees, Casual or Licensed, a small increase of 2.5% recommended for 2022-23.

Income 2022-23

£3,800 Market Casual
£27,900 Market & Auction Licence
£700 Market Stalls Hire
-£2,400 Early payment discount

R15

To agree projected income for the Market of £30,000 for 2022-23.

The aim remains to consolidate the Saturday Market and any other initiatives that may evolve from this Committee. Similar to last year's assessment, any additional income would be seen as a bonus, any further reduction in income would be disappointing. The budget must be monitored and managed accordingly, so that if the income does not materialise, then expenditure is withheld to keep the budget on track. If we can do this and having the luxury of a near normal year, our main challenge could be to guard against complacency.

Market Expenditure

NOTES

R16(a) Market Promotion/advertising This budget has been retained in 2022-23 at £1,000, as we need to advertise/promote our Market once more. There is a case to be made to increase the promotional budget year on year, but starting from 2023-24, it should be a consideration.

R16(b) Market Stall repairs – this is a small budget to maintain the new Market stalls. The stalls need a maintenance budget to replace the canopies which wear out or get ripped and occasionally we need to replace the framework or the weights.

£3,493 Rates

£385 Membership NAMBA

£185 Telephone

£1,000 Promotion/advertising

£525 New Market Stalls – Repair & Replace

R16

To approve projected expenditure for the Market, for 2022-23 of £5,588.

BARN THEATRE, FLAT & POOL (Steering Group)

Just like waiting around forever for London buses, no new Cost Centres in recent years, now three come along in the same year, all under the Barn Steering Group – although coupled with this are some very big decisions at Full Council level. Let's see where this narrative leads us...

202. BARN THEATRE

The objectives are set out in the Steering Group terms of reference, as the Council want to offload the day-to-day management of the Barn Theatre to a Charitable Trust, either an existing Charity or a newly set up Charity, that can take on the management responsibilities from the Town Council on a full repairing lease at a Peppercorn Rent. The Steering Group have been tasked by the Council to produce their proposals by March 2022, otherwise the Council may have to look at other alternatives.

In the meantime, the income and expenditure need to be looked at in the short to medium term, certainly over this next financial year and during that year, a firm timetable needs to be established for the remainder of the life of this Council.

<p>Barn Theatre Income</p> <p><u>NOTES</u> <u>R17(a) Lease/rental</u> – this would be the Peppercorn Rent received from a new or existing Charitable Trust</p> <p><u>R17(b) Grant(s)</u> – a notional sum of £50,000 is mentioned, subject to a successful grant application – the Council have taken a decision to look after their asset by carrying out essential works to prevent further dilapidation – before they commit funds in this regard, whilst they are out to tender they should explore grant funding opportunities to ensure that no stone is left unturned for external funding. It is recommended to include a grant a conditional to the work being carried out, Councillors may disagree and take the receipt of a grant out of the draft budget.</p> <p>£1 Lease/rental – to the new or an existing Trust £50,000 Grant – for structural work (notional figure, subject to successful grant application)</p>	<p>R17 To approve income budget for the Barn Theatre of £50,001.</p> <p>OR</p> <p>To approve the reduced income budget for the Barn Theatre of £1.</p>
<p>Barn Theatre Expenditure</p> <p><u>NOTES</u> <u>R18(a) Rates</u> This is the un-known amount that will be backdated to the day the Barn came into the Council's ownership. There is a possibility of applying for a reduction as the building is currently unoccupied, but there will be a cost to be met, whether out of an allocated budget or out of General Revenue Reserves – councillors decide.</p> <p><u>R18(b) Routine expenditure</u> There are a number of headings where costs have been applied: Water Rates, cleaning & waste, Electric, insurance, Maintenance etc – modest budgets are set aside – the alternative is to remove them all and manage through General Revenue Reserves – councillors decide.</p> <p><u>R18(c) QS Priorities A, M, B, & C</u> – These figures are included from the Quantity Surveyor from the Barn Feasibility & Business Planning Report. They are listed in the budget, then immediately removed in the line below, as no decisions have been made as to where the line in drawn for the works to immediately go out to tender. The resolution states to prevent dilapidation, clarification is required within these budget headings as to what will be included in the tender documents for immediate action and</p>	

what will not, so a variety of alternatives to consider here – councillors decide.

£10,000 Rates

£800 Water Rates

£100 Cleaning

£250 Waste Collection (skips)

£100 Toilet Cleaning consumables

£800 Alarm/CCTV

£500 Electric & Gas

£400 Telephone/Broadband

£250 Repairs & Replacements

£520 Insurance

£250 Advert/Publicity & Promotions

£500 General Maintenance

£100,195 QS Priority A High Priority

£12,700 QS Priority M Maintenance items

£50,620 QS Priority B Medium Priority

£7,700 QS C Lower Priority

R18

To approve a zero Budget and manage the expenditure through these headings, as a record of money spent out of General Revenue Reserves.

OR

To approve an expenditure budget for the Barn Theatre in 2022-23 of £4,530

OR

To approve an expenditure budget of the £4,530 + the identified priorities from the QS report of priorities A, M, B and C

301. BARN FLAT

The Barn Flat is seen as something that could stand alone as a separate project, or that could be attached as a potential income earner to the Theatre and/or Swimming Pool.

<p>Barn Flat Income</p> <p><u>NOTES</u> <u>R19(a) Barn Flat Rent</u> – an arbitrary figure of £500 per month for 10 months has been included in the budget for 2022-23.</p> <p><u>R19(b) Grants</u> – whilst the urgency of getting the Flat into a condition to let out for rent, the Council should not rule out the possibility of obtaining grants – but none have been allocated as part of the 2022-23.</p> <p>£500 Flat Rent</p>	<p>R19 To approve Events projected income of £5,000 for 2022-23</p>
<p>Barn Flat Expenditure</p> <p><u>NOTES</u> <u>R20(a) Routine expenditure</u> These are headings which have a shelf life up until the Flat is occupied, then other than general maintenance and new equipment, all then pass to the new Tenant – again this could be managed out of General Reserves but expenditure when incurred allocated to this Cost Centre – councillors decide.</p> <p><u>R20(b) QS High Priority A</u> This is the Quantity Surveyors costs identified in the feasibility and business planning report. It is envisaged that this work should immediately be offered for tender and carried out ASAP. The Flat will not realise a surplus until the fourth year.</p> <p>£710 Rates £150 Water Rates £150 Waste Collection £150 Electricity & Gas £250 General Maintenance £250 New Equipment £19,000 QS High Priority A</p>	<p>R20 To approve expenditure budget for 2022-23 for the Barn Flat of £20,660</p> <p>OR</p> <p>To approve expenditure budget for 2022-23 for the Barn Flat of £19,000 for Priority A works and manage routine expenditure out of the General Revenue Reserves, allocating money spent to this Cost Centre.</p>

308. BARN SWIMMING POOL

This Cost Centre is set up to record the day-to-day revenue expenditure as it is incurred up until this facility is taken on by a Charitable Trust to manage on a long lease at a peppercorn rent.

<p>Barn Swimming Pool Income</p> <p><u>NOTES</u> <u>R21(a) Lease Rental</u> – this is just the peppercorn rent associated with the management agreement from the managing charitable trust (existing or newly set up).</p> <p><u>R21(e) Grants</u> – Grant funding is essential for the Capital works associated with restoration of the Swimming Pool, but the Council could explore smaller environmental grants in the short-term, associated to recycling site material or sustainable method of clearing the site, in preparation for the larger project.</p> <p>£1 Lease Rental (interim)</p>	<p>R21 To approve Barn Swimming Pool income of £1 for 2022-23</p>
<p>Barn Swimming Pool Expenditure</p> <p><u>NOTES</u> <u>R22(a) Routine Expenditure</u> The expenditure listed could be managed out of General Reserves but allocated to this cost centre as the expenditure is occurred – councillors decide.</p> <p><u>R22(b) Rates, Water Rates & Electricity supply</u> These are not seen as expenses to be incurred, as the Pool is clearly out of use, there is no separate water or electricity supply, so the re-connections are seen as only necessary when all of the capital funding is in place and a sustainable business plan is approved by the Council.</p> <p>£750 Waste Collection £250 Alarm/CCTV £500 General Maintenance</p>	<p>R22 To approve Barn Swimming Pool projected expenditure of £1,500 for 2022-23.</p> <p>OR</p> <p>To approve Barn Swimming Pool expenditure of zero and manage any expenses out of General Revenue Reserves and allocate any incurred expenditure to this cost centre.</p>

ASSETS & OPEN SPACES COMMITTEE

A new name for this Committee amalgamating the Estates and Recreation Committees, that found there was some duplication on various subjects, so it made sense to bring together the discussions under one Committee. The remit is everything in our Land & Property Asset Register, but budget wise it is the following Cost Centres: -

103. TOWN HALL

There are adjustments up and down, across the cost centre and inflationary increases where necessary, based on the projected expenditure to the year end.

Town Hall Income

NOTES

R23 Hiring Fees There is no income budgeted for the Council Chamber, as all usage has been either meetings that are Council related or granted free to the Museum and the Police for SNAP meetings. There is a need to address the growing demand for hybrid meetings and once it is agreed to either move location of our meetings or to stay put, a decision to develop the Council Chamber as a conference venue with hybrid technology, could create a regular income stream.

Income 2022-23

£0 Office & Chamber Rent

R23

No hiring fees for office & Council Chamber expected for 2022-23 for the Town Hall.

Town Hall expenditure

NOTES

R24(a) CCTV There is currently no CCTV system within the Town Hall, this needs to be replaced in 2022-23, so it is left in the Alarm/CCTV budget.

R24(b) Covid-19 – new normal... The 'new normal' assessment needs to get the balance right between home and office working, face-to-face and virtual meetings, as clearly savings can be made if less office or meeting space can be achieved.

R24(c) Repairs/Replacements In the current budget there was extensive repairs to a damp problem on the exterior wall in the courtyard, which is still on-going. This budget is greatly reduced this year as the expense will not be repeated.

R24(d) General Maintenance It is 5 years since the exterior decoration was carried out at the Town Hall, £12,500 is budgeted for this to be carried out and the figure is reversed out in the column underneath – so the big question to Councillors is do you want exterior decoration in the 2022-23 budget or not? It is currently not included.

Expenditure 2022-23

£11,002 Rates
£1,100 Water Rates
£330 Cleaning
£555 Waste Collection
£210 Toilet Cleaning Consumables
£1,330 Alarm/CCTV
£7,400 Electricity & Gas
£2,400 Telephone
£3,000 Repairs/Replacements
£14,000 (or £1,500) General Maintenance

R24

To approve expenditure for the Town Hall for 2022-23 of £28,827

OR

To approve an amended budget for the Town Hall of £41,327 to include exterior decoration.

304. PUBLIC TOILETS

Last year we refurbished the public toilets, reduced the number of toilets to just two cubicles, improved the layout and streamlined the maintenance of the toilets and we could look to reduce the revenue costs further still. At some point in the future, we could use the space within the former public toilet area to add to our retail or office space and create an income stream to offset the maintenance costs of the toilets, these are considerations coming out of the asset review.

The Council staff continue to manage the toilets, with a constant effort being made to improve in the cleanliness and a consistent quick response time for dealing with complaints. We still inevitably get vandalism, we have reports from time to time of drugs misuse and other anti-social problems, but the toilets remain a constant necessity in the eyes of the public, the overall standard of the retained toilets has been greatly improved and will take less staff time to keep clean. There may be a need for further measures, such as CCTV to be considered to improve the overall security.

Public Toilets

NOTES

R25(a) non-domestic rates. The government were in the process of abolishing non-domestic rates on public toilets from 1st April 2020, so this was seen as a saving in the 2020-21 budget but then Covid happened, and the legislation was delayed. As you can see from the refund received in 2021-22 the law change has been applied retrospectively and the Council now have an exempt facility, so no non-domestic rates are budgeted in 2022-23.

R25(b) Refurbished toilets. The public toilets are now fully refurbished, and the running costs are greatly reduced from the larger facility, this is reflected in the budget for 2022-23.

£840 Water rates
£265 General maintenance
£500 Repairs/Replacements
£400 Waste collection/clearance (sanitary towels etc)
£735 Consumables
£375 Electricity

R25

To approve an overall expenditure of £3,115 for 2022-23.

303. ALLOTMENTS

There is approximately a 20% turnover of allotment holders each year, either giving up or needing to be evicted for non-cultivation of their allotment, the number of vacant allotments fluctuates between 0% and 5% of available plots, this takes up administrative time to manage. It also has a negative impact on the income, as there are sometimes gaps in between tenancies. At this time of the year allotment holders decide whether they will carry on cultivating their allotment or not. In general, the vast majority of the allotments are in a good state of repair. As a result of the lockdown and Covid-19 there was a waiting list earlier in the summer, with all being accommodated by the autumn.

The Family Action initiative 'Escape Project' continues to thrive at Tumbler Hill. Approximately one third of allotment holders are members of SCALGA the local Allotment Association.

<p>Allotment Income</p> <p><u>NOTES</u> <u>R26(a) Allotment Rent</u> It is recommended to increase allotments in 2022-23 by 2.5%, well below the 5.2% inflation rate, the rents have remained static for the past two years, to have a moderate increase this year will save the need for a much bigger increase at a later date.</p> <p><u>R26(b) Allotment deposits and Key deposits</u> It is recommended no change for this coming year, £40 and £10 respectively; these are now recorded as debtors.</p> <p>£8,982 Allotment Rent</p>	<p>R26 To approve a projected income of £8,982 and no increase allotment rents for 2022-23</p>
<p>Allotment expenditure</p> <p><u>NOTES</u> <u>R27(a) Water Rates</u> It was budgeted for a larger increase on the Water Rates last year, as a combination of Covid-19 and a dry summer, meant increased usage of water, so the Council needed to budget accordingly. It is recommended to sustain the budget for water rates at this level.</p> <p><u>R27(d) Other budget headings</u> The other routine budget headings are increased in line with inflation or maintained at the current level to keep pace with costs.</p> <p>£2,000 Water Rates £450 Waste collection £160 Repairs & Replacements £300 General Maintenance</p>	<p>R27 To approve the expenditure for Allotments for 2022-23 of £2,910</p>

305. CEMETERY & CHURCHYARD

The Town Council is the burial authority for the Cemetery and the responsible authority to look after the closed Churchyard around St. Peter and St. Paul Church. The day to day management of these areas very rarely features on a Council agenda, but it is one of the main statutory responsibilities looked after by the Town Council staff.

The Cemetery Chapel is available to hire and use. Both the Cemetery and the Chapel provide a service to the people of the Town, that is funded partially by the Council Taxpayer. Whilst the Chapel is hired very rarely (two or three times a year) the toilet is used by Groundstaff based at the Cemetery or working at the South end of the Town.

The responsibilities and the management required for the Cemetery & Churchyard often brings to the fore many issues about insurance, risk assessment and who is ultimately responsible for what. The health and safety of gravestones in both areas is a problem and remains a priority this year as the Council use their 'topple tester'.

Cemetery & Churchyard Income	
<u>NOTES</u> <u>R28(a) Burial Fees & Chapel Hire</u> The only income comes from burial fees and hire of the Chapel . The prices are calculated at a 2.5% inflationary increase as of 1 st April 2022, prices were substantially increased last year following a review.	R28 To agree the projected income to £22,270 for 2022-23.
£22,270 Cemetery fees excluding grave digging	

Cemetery & Churchyard Expenditure	
<u>NOTES</u> <u>R29(a) Cemetery – routine budgets</u> – have either been maintained at the previous years level or increased by inflation, with the exception of Electricity & Gas where costs have increased and have been budgeted accordingly. <u>R29(b) General Maintenance</u> There is an additional cost of £5,500 added to the Chapel General Maintenance budget for exterior and interior decoration. Then it is removed in the line below, so a decision for Councillors do you want this in the budget or not?	R29 To approve the expenditure for the Cemetery & Churchyard of £6,075 for 2022-23. OR To approve the amended expenditure budget for the Cemetery and Churchyard (including decoration of the Chapel) of £11,575
£1,990 Chapel and Cemetery Rates £1,590 Cemetery Waste Removal £395 Chapel Electricity & Gas £1,500 Cemetery & Churchyard Tree Maintenance £6,000 (OR £500) Chapel General Maintenance	

306. OPEN SPACES

The open spaces cost centre will inevitably expand over the next year or so, as more areas from outlying estates come on stream. The first three stages of the Swans Nest play areas and open spaces have been transferred to the Town Council; Redland Park is still in the pipeline. Merryweather Road, the Oaklands, Haspall's Road Recreation Ground and Orford Road Playing Field are also budgeted for in this Cost Centre, Campinglands and Northwell Pool too!

<p>Open Spaces Income</p> <p><u>NOTES</u> <u>R30(a) Rec Ground Fees</u> The only income comes from hire of the Rec for the annual visit of the Funfair The prices are calculated subject to no increase this year, as the fee is dependent on the length of time the Funfair opens to the public, this was already substantially increased from the expected fee last year.</p> <p>£775 Rec fees</p>	<p>R30 To agree the projected income of £775 for 2022-23.</p>
<p>Open Spaces Expenditure</p> <p><u>NOTES</u> <u>R31(a) New Budget Headings</u> There are two new budget headings, one for maintenance/consumable at the Rec Toilets, the other for Tree Planting Projects.</p> <p><u>R31(b) Grounds Maintenance</u> This budget includes cutting of the Rec, Swans Nest and Orford Road by contractors to supplement the work of the outside staff.</p> <p><u>R31(c) Maintenance Budgets</u> The winter maintenance programme will cut into the current year budgets allocated for Repairs/Replacements, Tree Maintenance, Repairs & Maintenance, Sports & Play Equipment repairs – there is scope for amalgamating or simplifying these budgets into just one or two headings.</p> <p><u>R31(d) Town Clock</u> – The Annual maintenance is always carried out in the second half of the financial year, so we await the assessment in the coming months. There is still a question mark over the 'digitalisation' issue, currently being investigated...</p> <p>£185 Water Rates (Rec) £620 Electricity (Rec) £536 Waste Collection/clearance £1,600 Repairs/replacements £540 Rec Toilet Maintenance £1,500 Tree maintenance £500 Tree Planting Projects £850 General maintenance £180 Hedge cutting £2,625 Grounds Maintenance £715 Repairs & Maintenance £810 Floral displays £1,300 Sport & Play Equipment Repairs £600 Street furniture - annual maintenance £525 Town Clock annual maintenance £450 Pest Control</p>	<p>R31 To approve the expenditure for Open Spaces for 2022-23 of £13,536.</p>

HR & GOVERNANCE COMMITTEE

The HR & Governance Committee look after all staffing issues directly with the Town Clerk.

104. ADMIN & MISC

The administration and miscellaneous cost centre contain all the general expenses such as insurance, salaries, staff and councillor training, audit, photocopiers, accounting software, IT support and health & safety.

<p>Administration & Miscellaneous Income</p> <p><u>Income 2022-23</u> £300 Bank Interest Earned</p>	<p>R32 To approve the projected income for Administration & Miscellaneous for 2022-23 of £300</p>
<p>Administration & Miscellaneous Expenditure</p> <p><u>NOTES</u></p> <p>R33(a) Salaries The staff salaries make up the highest percentage of admin costs; any staff changes are monitored by the HR & Governance Committee. All salary costs are recorded in this Cost Centre instead of apportioning a share to all Cost Centres. (Please see separate note on salaries on Page 24)</p> <p>R33(b) Insurance This is the first year of a five-year insurance contract with Zurich Insurance. The insurance costs for the Community Centre and Assembly Rooms are netted off, as these costs are met by Icen Partnership</p> <p>R33(c) Replace or Upgrade Equipment & Office Furniture The budgets this year address the upgrading to hybrid meeting standard, looking at a different way of operating. A total of £16,000 is allocated across the two budget headings, currently in the budget calculation for 2022-23, but a decision for the Councillors is whether this remains in the budget or is taken out – grants could also be explored for this project.</p> <p><u>Expenses 2022-23</u> £318,926 General admin salaries £2,000 Staff Training £800 Staff Travel Expenses £1,500 Covid Expenditure £1,500 Health & Safety £350 PPE & Hi Viz Clothing £400 Stationery Books £300 Postage Stamps £1,925 Membership/Subscriptions £5,475 General Insurance £275 Advertising/publicity/promotions £2,800 Photocopiers, Maintenance/lease £15,000 (OR £1,000) Office Equipment Replace or Renew £2,500 (OR £500) Office Furniture Renewals £5,000 Computer Maintenance/Software £520 Bank Charges £1,700 HR Advisory Service £2,750 Audit - Internal & External £175 Brightpay Payroll £965 RBS accounts/allotments £500 Councillor Training £500 Councillor Travel Expenses £435 Meetings Hospitality</p>	<p>R33 To approve the Admin & Misc. Expenditure for 2022-23 of £366,296</p> <p>OR</p> <p>To approve the Admin & Misc. Expenditure for 2022-23 of £350,296 the lower sum is without the hybrid upgrade in technology.</p>

TOWN COUNCIL STAFF & SALARIES

The first Budget meeting is in January, so we have some notional figures for consideration, the draft Salary Budget will not be explained to the HR & Governance Committee until 7th February.

The HR & Governance Committee will also consider other changes that are reflected in the explanations given below: -

- The HR & Governance Committee continue to resolve any on-going HR issues with the Town Clerk as head of staff. There are changes in progress with Sue Dent coming to the end of her fixed term contract in June 2021 as Projects, Events and Promotions Support Officer, shared with Watton Town Council, who continue to employ Sue part-time. There is another member of admin staff due to retire at the end of March and other succession planning considerations are in progress, over the next year to 18 months.
- Part of the changes will be filling a current vacancy for a Communications Officer, which will be filled by a full-time apprentice and short listing has been carried out by an agency, with interviews imminent and appointment taking place in the next few weeks.
- The National Joint Council agreement (NALC/SLCC) have not yet published their new rates from 1st April 2021. A 1.75%% increase has been budgeted for but will need to be adjusted up or down as appropriate. The Internal Auditor requires pay rates to be aligned with SCP salary scales. The National Joint Council Agreement for the previous year ended on 31st March 2021 helped us prepare the Salary Budget. Any other increases to members of staff including increment rises due as part of their contract of employment, will be allowed at the discretion of the HR & Governance Committee.
- The total gross figure for salaries is slightly less in 2022-23, than in the 2021-22 budget, as it has accounted for incremental increases for two members of staff, all other staff are at the top of their pay scales. Any new-staff will qualify for the Local Government Pension Scheme from day one under the Auto-enrolment scheme imposed by the government, previously they qualified after a probationary period. The employer's contribution for the Local Government Pension Scheme is also increased by a further 0.5% from 1st April 2022, for the 14th year in succession.
- The staff salaries in most Local Councils are the highest cost identified in the budget. The use of staff time is constantly monitored and reviewed to ensure value for money. Staff overtime is kept to an absolute minimum, as most staff prefer to take time off in lieu (TOIL) in lieu of any time worked at events, covering for staff on holiday or off sick. The staff continue to work alongside Councillors and Volunteers for the benefit of the Town. The Town Council take pride in being a good employer. There are currently just 10 employees of the Town Council which include the Town Clerk, Deputy Clerk and Works Manager, who constitute the Senior Management Team, five members of staff are full-time and five are part-time.

302. OUTSIDE EQUIPMENT & VEHICLES

This Cost Centre at the Budget puts all the costs associated with our outside equipment such as grass cutters, strimmer's etc and vehicles together in one place, so that we can keep track of costs.

Outside Equipment & Vehicles Expenditure

NOTES

R34(a) Repairs and Replacement The heading has been maintained this year, but at a reduced budget. It is a question of getting the balance right between investing in equipment for the outside staff and getting larger areas maintained by contractors.

R34(b) Truck Lease A decision was taken by the Council in 2018 to replace our oldest truck and decided to spread the cost with a lease agreement over a four-year period. This way the cost is manageable, and the truck can be replaced every four years if required to give us a reliable vehicle and spending less on maintenance. The lease runs through to September 2022. It is envisaged to continue with the lease under similar terms and replace the truck as originally intended.

£1,500 Repairs/Replacement
£270 General maintenance
£3,965 Truck & Ride-on Maintenance Ins & Tax
£960 Truck Fuel
£4,043 Truck Lease
£1,415 Fuel Outside Equipment

R34

To approve expenditure of
£12,153 for 2022-23.