

REPORT TO F, B&S COMMITTEE ON 5 JANUARY 2021
REVISED BUDGET FIGURES 2021-22 (v2)

1 Needless to say Covid 19 has had a profound effect on budget setting this year and is likely to have a further knock-on effect for the following year's budget, 2022-23.

2 Due to the projected 50% reduction in hall hire fees and the reduction in Tax Base as a result of potential higher unemployment, next year's budget will run at a deficit, so CTC should consider taking the shortfall out of the reserves.

3 The reason CTC puts surplus funds, when we have them, into the reserves at Year End is to build up the reserves to cover unforeseen events such as these.

3 Even if the Band D rate is held at £120.90, the Precept will be reduced as the tax base has been reduced by six; (ie fewer households will be paying Council Tax, even if more houses are being lived in) - which is actually better than we had feared.

4 The new Tax Base of 5451 will produce a Precept of £659,026 as opposed to £659,751, presuming the Band D rate stays the same at £120.90 – a reduction of £725 overall.

5 However, having reviewed the latest figures, additional costs have been included to budget more realistically. Considerations are the potential transfer of play areas and linear parks at Queen's Hills requiring more staff, recruitment costs, more realistic budgeting for rates, & refuse collections. Grounds and Property maintenance are always difficult to predict. The original £2,000 budgeted for investment income was removed. Setting up a new cost centre for Lodge Farm Hall was mooted, but considered more appropriate for the following financial year 2022-23.

6 Changes made:

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| 4001/101 Salaries | increase to £300,000 |
| 4007/101 Courses / Conferences | increase to £750 |
| 4008/101 Training | increase to £1750 |
| 4009/101 Travel: | increase to £5000 |
| 4025/101 Insurance | increase to £12,000 |
| 4027/101 Computer & IT | increase to £12,000 |
| 4030/101 Recruitment Advertising | increase to £5,000 |
| 4002/102 Youth Work | increase to £6,750 |
| 4033/102 Newsletter | increase to £12,750 |
| 4042/101 Subscriptions | increase to £500 |

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| 4011/201 B Hall Rates | increase to £9,750 |
| 4050/201 B Hall Security | increase to £3,700 |
| 4011/202 CC Rates | increase £20,000 |
| 4050/101 CC Security | increase to £3,700 |
| 4011/205 QH Rates | increase to £6,750 |
| 4018/205 QH Refuse Disposal | increase to £825 |
| 4021/205 QH Phone & Fax (New Code) | increase to £575 |
| 4050/205 QH Security | increase to £1,000 |
| 4011/221 Cemetery Rates | increase to £875 |
| 4018/221 Cemetery Refuse Disposal | increase to £1,500 |
| 4039/221 Cemetery grounds maintenance | increase to £5,000 |
| 4050/221 Cemetery Security | increase to £3,700 |
| 4050/291 Outside Spaces Security | increase to £100 |

7 These changes would produce a deficit of £56,159. In the current climate it is highly unlikely that CTC would want to raise the Band D rate to plug the gap,

8 Given that there is a projected surplus at the Year End 2020-21 of approx. £87,956 it is suggested that £56,200 – ie approx 2/3 (technically from the Reserves) is used to plug the deficit for 2021-22, and a smaller proportion – perhaps 1/6 or £15,000 used the following year 2022-23, depending on how the finances are at the end of March 2021.

9 This could then be publicised as CTC using its carefully husbanded surplus to lessen the impact on tax-payers in very difficult circumstances.

10 This would be against a potential inflation rate of 2%

Hilary Elias. 22 December 2020