

## **Finance, Governance and Policy Committee**

### **2023-24 Budget Recommendation to Full Council**

#### **Introduction**

Under the Council's scheme of delegation, Finance Committee is required to make a recommendation to Full Council regarding the Council's 2023-24 spending plans and precept. This will be considered by Full Council on 30 November 2022 in order to make a final resolution within the necessary timescale.

#### **Supporting Information**

In order to make an informed decision, members have been provided with the following information, which is in line with ChALC guidance:

Appendix 1: Draft budget showing changes from 2022-23 and assumptions used

Appendix 2: Level of general and earmarked reserves available to the Council

Appendix 3: Predicted expenditure and income plans against 2022-23 (current) budget

#### **Tax Base and Implications**

Cheshire East Council has informed the Town Council that its taxbase has increased from 2022-23 as follows:

2022-23 Taxbase: 8,409

2023-24 Taxbase: 8,857

CEC have advised that this means that the Council's net spending plans can increase to £732,380 with no increase to the 2022-23 Council Tax Band D rate of £82.69.

#### **Recommended that:**

- i            i) Finance Committee consider the supporting information and recommend the following to Full Council:
- ii           • 2023-24 net expenditure level
- iii          • Use of general reserves, whilst adhering to the Council's Reserves Policy
- iv          • Precept level and Council Tax (Band D)

## **Appendix 2**

### **Reserves Summary as at 1 April 2022 (Rationalisation approved Full Council 21.9.22)**

<b>Reserve</b>	<b>Total</b>
	<b>£</b>
<b>General Reserves</b>	<b>632,796</b>
<b>Earmarked Reserves</b>	
<b>Town Hall / Asset Maintenance Reserve</b>	<b>141,838</b>
Asset Strategy:	
Small Common Car Park	203,716
Fit for Purpose Accommodation Project	99,500
Short term projects	30,001
Public Toilet Refurbishment	50,000
Community Levy	5,863
<b>Asset Strategy Reserve</b>	<b>389,080</b>
Vehicle Replacement:	
New Van	<b>1,611</b>
<b>Vehicle Replacement Reserve</b>	<b>1,611</b>
Community Project:	
Skate Park	<b>50,000</b>
<b>Community Project Reserve</b>	<b>50,000</b>
<b>Total Earmarked Reserves</b>	<b>582,529</b>
<b>Total Council Reserves as at 1 April 2022</b>	<b>1,215,325</b>

### **STC General Reserves Policy:**

<i>Draft Budget Net Spend (12 Months) MAX</i>	<i>732,380</i>
<i>Draft Budget Net Spend (3 Months) MIN</i>	<i>183,095</i>

		2022-23 Budget	Inflation Total	Adjustment	2023-24 Budget Total	Inflation Rate	NOTES AND ASSUMPTIONS (CL - RFO)
<b>101 Administration</b>							
4100	Mayor's Allowance	2,000	-	-	2,000	-	
4101	Civic & Ceremonial	2,500	-		2,500	-	
4110	ICT Support	7,500	375		7,875	5	
4111	Subscriptions	4,000	200		4,200	5	
4112	Audit Fees	5,180	259		5,439	5	
4114	Accountancy Services	8,200	410		8,610	5	
4120	Insurance	10,000	-	5,000	15,000		
4123	Telephones	2,500	75		2,575	3	BT and Flextel monthly costs
4130	Stationery	1,000	100		1,100	10	
4131	Photocopying	1,000	-	500	1,500		
4135	Postages	400	-	200	200		
4136	Election Costs/Referendum Costs	8,000	-	8,000	-		Suggested at informal briefing 2.11.22 due to election year (Election Fund?)
4141	Office Equipment/Furniture	3,000	-	1,000	4,000		
4142	Office Maintenance	500	-		500	-	
4145	Financial Software	1,100	55		1,155	5	
4150	Travelling Expenses	500	25		525	5	
4151	Training	4,000	-		4,000	-	
4152	HR & H&S Support	5,000	-		5,000		Worknest - contract up for renewal
4154	Aged Debt Write off	-	-	3,000	3,000		For Council Consideration / Reserves
4197	Bank Charges	2,500	-		2,500		
4199	Other Expenses	100	-		100		
4630	Legal Fees	1,500	-		1,500		
4670	New Purchases Projects	20,000	-	20,000	-		For Earmarked Reserves?
6140	Waste Disposal	1,500	-		1,500	5	Bins £550, Pest £550, Hygiene £100 Confidential £250
6290	Advertising	1,000	50		1,050	5	
NOTIONAL RENT (TOWN HALL)		-		50,000	50,000		Recommended to reflect the costs of housing the Council and all its activities
Administration :- Expenditure		92,980	1,549	31,300	125,829		
Net Expenditure		92,980	1,549	31,300	125,829		
<b>102 Staff Costs</b>							
4000	Salaries	145,400	21,810	48,005	215,215	15	Per Staffing Review
4001	Employer's NI	15,700	2,355	4,505	22,560	15	
4002	Pension Contributions	32,900	4,935	10,809	48,644	15	
4003	Staff Restructure (contingency)	70,000	10,500	70,000	10,500	15	Allocate inflation
Staff Costs :- Expenditure		264,000	39,600	6,681	296,919	-	Pay award agreed @ 7% 2022 10% (est) 2023 per SO (2% incl in 2022-23 base)
Net Expenditure		264,000	39,600	6,681	296,919		
<b>105 Publicity</b>							
4300	Newsletter Printing	2,500	-		2,500	-	
4310	Website Development	1,000	50		1,050	5	NDP site, STC Site, security fee,
4320	Town Guide		-		-		

	Expenditure	3,500	50	-	3,550		
1320	Advertising Income						
	Income	-			-		
	Net Expenditure over Income	3,500	50	-	3,550		
<b>110 Grants/Discretionary Payments</b>							
4500	Transport Festival (SLA)	12,000	-	6,000	18,000	-	3 year agreement capped at £18K PA Council Approval 18.5.22
4503	Hanging Baskets (SLA)	8,500	-	4,000	12,500	-	Council Approval 18.5.22
4508	Christmas Lights (SLA)	26,500	2,650		29,150	10	
4515	Concert Series (SLA)	3,500	-		3,500	-	£3,500 Granted at FCM on 05AUG21
4530	Community Grants	30,000	-	- 2,500	27,500	-	
	Small Grants		-	2,500	2,500	-	
4550	Foden's Sponsorship	7,500	-		7,500	-	On going agreement for this sponsorship package
4551	Town Crier Honorarium	750	-		750	-	
4560	Churchyard Maintenance (SLA)	1,580	79		1,659	5	
4573	Woodland & Wildlife (SLA)	2,000	100		2,100	5	Granted £2,000 for 22/23 on 05AUG21
4599	Other Donations	300	-		300	-	
4601	Sandbach Partnership	10,000	-	- 10,000	-		Partnership under review - some costs distributed to events etc
	Remembrance Parade: RBL Sandbach						
4611	Branch	2,000	-	1,500	3,500		Council Approval 21.9.22
4640	CCTV Contribution (CEC Contract)	5,750	288		6,038	5	3 year costs agreed
4660	Allotments	1,000	-		1,000	-	
4666	Clean Team (SLA)	-	-		-	-	
	Grants/Discretionary Payments :-						
	Expenditure	111,380	3,117	1,500	115,997		
	Net Expenditure over Income	111,380	3,117	1,500	115,997		
<b>140 Community Events</b>							
4820	Community Events	20,500	1,025	2,500	24,025	5	£5,000 Market Town Festival. £2,500 Family Fun Day, £8,000 Party in Park, updated for new events approved Additional event - Festival of Lights Council Approval 21.9.22
	Community Events- Expenditure	20,500	1,025	2,500	24,025		
	Ticket Income						
	Community Events- Income	-					
	Net Expenditure over Income	20,500	1,025	2,500	24,025		
<b>180 Sandbach Town Hall</b>							
4670	New project/purchases	3,000	-		3,000		
6020	Town Hall Salaries	65,200	9,780	14,091	89,071	15	
6021	Employers NIC	4,500	675	- 646	4,529	15	
6022	Pension Contributions	9,300	1,395	6,360	17,055	15	
6070	Training	1,500	75		1,575	5	Training required 2022 licence
6080	Maintenance:	8,000	400		8,400	5	
6090	H&S	500	-		500		
6091	Covid-19	1,000	-	- 1,000	-		
6100	Light and Heat	19,000	3,800		22,800	20	Significant increase in 2022-23 - underspent
6110	Rates and Water	12,000	600		12,600	5	Water based on wastewater split. WR £1,000, NNDR £6,400 plus 5% increase
6120	General Repairs & Maintenance	5,000	-	5,000	10,000	-	
6124	Condition survey	2,380	-	- 2,380	-	-	Condition Survey Under Review - convert to maintenance budget / earmarked reserve
6140	Waste Disposal	2,000	100		2,100	5	Bins £800, Hygiene £260 Pest control £600
6150	Security	500	25		525	5	

6220	Cleaning	13,500	1,013		14,513	8	Recharge through notional rent
6230	Equipment renewals:	3,000	-		3,000	-	
6280	Telephone	5,000	250		5,250	5	BT £750 Prism £4,044
6300	Performing Rights Licence	1,000	-		1,000	-	
6310	Premises Licence	2,500	-		2,500	-	Wedding licence
6340	Marketing	2,000	-		2,000	-	
6350	Irrecoverable VAT	6,250	-		6,250	-	SO (external accountant) to provide
7000	Public Works Loan Board	29,605	-		29,605	-	Set repayment plan - recharge through notional rent
Sandbach Town Hall :- Expenditure		196,735	18,113	21,425	236,273		
4831	Town Hall events costs	5,000	-	- 1,000	4,000		
4838	Cinema Cost	5,500	275		5,775	5	
4840	Refreshment purchases	4,000	200		4,200	5	
6010	Town Hall Bar Purchases	20,000	1,000		21,000	5	
Sandbach Town Hall :- Direct Expenditure		34,500	1,475	- 1,000	34,975		
4801	Ticket Income	8,000	-		8,000		
4806	Refreshment sales	8,000	-		8,000		
4807	Cinema Income	5,500	-		5,500		
4808	Catering Income		-		-		
4809	Town Hall other income		-		-		
6000	Town Hall hire fees - Commercial	60,000	-	- 10,000	50,000		Split fee target between commercial and community (KP/JB)
	Town Hall hire fees - Community						
6002	Town Hall Bar Income	50,000	2,500		52,500	5	Changed from £35K in final 2022-23 budget
NOTIONAL RENT INCOME		-		50,000	50,000		Recommended to reflect the indicative cost of housing all Council activities
Sandbach Town Hall :- Income		131,500	2,500	40,000	174,000		
Net Expenditure over Income		99,735	17,088	- 19,575	97,248		
<b>182 Car Parks</b>							
4619	Car Park refurbishment	10,000	-	- 10,000	-	-	Funded from Earmarked Reserves
6080	Maintenance	500	-		500		
Car Parks :- Expenditure		10,500	-	- 10,000	500		
Net Expenditure over Income		10,500	-	- 10,000	500		
<b>184 Town Hall Shop Units</b>							
6351	Town Hall units expenditure	1,500	-		1,500	-	Lease review due
Town Hall Shop Units- Expenditure		1,500			1,500		
Sandbach Town Hall Shop Units :- Income		15,850	793		16,643	5	Rent review due
Net Expenditure over Income		- 14,350	- 793	- -	15,143		
<b>195 Ranger</b>							
6024	Salary	-	1,658	11,051	12,709	15	Per staffing review
6025	NI	0	44	294	338	15	
6026	Pensions	-	375	2,497	2,872	15	
6230	Equipment renewals	6,500	-		6,500	-	Under Review
6200	Motor Expenses	1,000	-		1,000	-	Under Review
Ranger Expenditure		7,500	2,076	13,842	23,418		

Net Expenditure over Income		7,500	2,076	13,842	23,418		
<b>190 Outdoor Market</b>							
6021	Employers NIC	2,600	390	- 1,219	1,771	15	Under review
6022	Superannuation/ Pension	6,800	1,020	- 2,978	4,842	15	
6023	Market wages	44,900	6,735	- 15,313	36,322	15	
6070	Training	800	-		800	-	New staff
6080	Maintenance	2,000	-	- 1,000	1,000	-	Transfer from condition survey review
6090	Health and Safety	450	-		450	-	
6100	Light and Heat	625	31		656	5	2 yearly summaries checked.
6110	Rates and Water	8,250	413		8,663	5	WR £100, NNDR £7,200 plus 5% increase
6120	Repairs	500	-	- 500	-		
6124	Condition survey	5,390	-	- 5,390	-		
6140	Waste Disposal	5,000	-		5,000	-	Under Review
6200	Motor expenses	4,500	-	- 2,000	2,500	-	Under Review
6230	Equipment renewals	3,000	-	- 1,500	1,500	-	Under Review
6280	Telephone	175	9		184	5	
6290	Promotion/ Advertising	2,500	-	- 1,000	1,500		
6350	Irrecoverable VAT	1,000	-		1,000	-	SO to provide
6352	Christmas Market Expenditure	6,000	-	3,000	9,000	-	Realign budget
Sandbach Markets :- Expenditure		94,490	8,598	- 27,900	75,188		
1905	Outdoor Market Income	30,000	3,000	-	33,000	10	Rent Review - Assets & Services Cttee April 2022
1906	Christmas Market Income	5,000	-		5,000		
1911	Gazebo income	2,000	-		2,000		
Outdoor Markets- Income		37,000	3,000	-	40,000		
Net Expenditure over Income		57,490	5,598	- 27,900	35,188		
<b>191 Indoor Market</b>							
6021	Employers NIC	1,300	195	81	1,576	15	
6022	Pension Contributions	3,800	570	22	4,392	15	
6023	Market wages	16,000	2,400	911	19,311	15	
6070	Training	260	13		273	5	
6080	Maintenance:	800	-	1,200	2,000	-	
6090	Health and Safety	450	-		450	-	
6100	Light and Heat	7,500	375		7,875	5	Recharged
6110	Rates and Water	6,700	335		7,035	5	Water meter reading split 3 way historically, now based on wastewater split. WR £2,750, NNDR £3,400 plus 5% increase
6120	General repairs	1,600	-	- 1,600	-	-	
6124	Condition survey	1,400	-	- 1,400	-	-	Condition survey review - transfer to maintenance
6140	Waste Disposal	1,300	-		1,300	-	Under Review - Bins £610, Pest £250 Hygiene £150
6220	Cleaning	500	25		525	5	
6230	Equipment renewals	1,000	-		1,000	-	
6280	Telephone	100	5		105	5	
6291	Market Hall Advertising	2,500	-	1,500	4,000		
6350	Irrecoverable VAT	3,125	-		3,125		SO to provide
Sandbach Markets :- Expenditure		48,335	3,918	714	52,967		
1901	Indoor Market income	35,000	3,500	5,000	43,500	10	Rent Review - Assets & Services Cttee April 2022
New Code	Recharge Electricity		-				
Total income		35,000	3,500	5,000	43,500		
Net Expenditure over Income		13,335	418	- 4,286	9,467		



<b>200 Public Conveniences</b>						
6100	Light and Heat	750	38		788	5
6110	Rates and Water	600	30		630	5
6120	Repairs	1,000	-		1,000	-
6140	Waste Disposal	250	-		250	-
6400	Supplies (Public Conveniences)	1,000	-		1,000	-
6402	Vandalism Repairs	1,500	-	1,000	500	-
6406	Contract Cleaning	16,500	825		17,325	5
Public Conveniences :- Expenditure		21,600	893	- 1,000	21,493	
Net Expenditure over Income		21,600	893	- 1,000	21,493	
<b>400 Projects</b>						
<b>Income</b>						
1192	Community Levy	-	-		-	
INCOME		-	-	-	-	
4614	Office Accommodation Project	25,000		- 25,000	-	Funded from Earmarked Reserves
4616	Town Hall Office	-			-	
<b>400 Other (Use of reserves)</b>						ALL Under Review - Funded from earmarked reserves
4600	Projects		-			
4603	Parks and Play Areas		-			
4604	Tidy Town	-	-		-	
4618	Skate Park		-			
4620	Conservation		-			
4625	Benches/Street Furniture/Repairs	-	-		-	
4630	Legal Fees		-			
4645	Project Management Consultancy Fees		-			
4648	Neighbourhood Plan	-	-		-	
4651	Sandbach Park		-			
4667	Asset Maintenance Provision	10,000	-		10,000	SO to provide
4670	Approved Purchases		-			
6350	VAT on Town hall office project		-			
6500	Christmas Trees		-			
4627	CCTV: Waitrose/ B&M Installation/running costs	-	-		-	
4628	Public toilets refurb	-	-		-	
Projects :- Expenditure		35,000	-	- 25,000	10,000	
Net Expenditure over Income		35,000		- 25,000	10,000	
1190	Interest	- 400		200	- 200	
Contingency (if agreed)					-	Accommodation / Others
Overall Budget Spend		722,770	70,620	- 45,100	748,290	
1176	Precept at 2022-23 level	695,310			732,380	Per CEC taxbase email notification 21.10.22 for no rise in Council Tax (Band D)
	Use of reserves for zero incr in Band D	- 27,460			- 15,910	2022-23 to fund projects / 2023-24 to fund additional spend if agreed
	Change on net spend from 2022-23				25,520	Baseline increase from 2022-23 budget
	Percentage change on spend				4	If no use of reserves