



TODMORDEN TOWN COUNCIL

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Report To Resources Committee

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Date	23 rd November 2022
Subject	Final Draft Budget Consideration 2023-24 to 2025-26

Purpose of Report

1. To inform Members that there are significant changes to the 2023/24 budget and future years arising out of: -

➤	Loss of Grant support from Calderdale MBC	-	£44,151
➤	Centre Vale Park Projects Revenue Commitment	-	£25,000
➤	Full Election Year increase in provision	-	£15,000
	Total adverse movement to 2023-24 budget		£84,151

2. To inform Members that the Climate Officer contract came to an end in October 2022.

3. To remind Members that an Earmarked Reserve of £44,151 was established to help manage the potential reduction in grant support from Calderdale MBC but this will only cover the next 3 financial years and then the increase required will be larger.

4. To inform Member of CMBCs one year contribution £5,483 towards election costs for 2023-2024 which will be paid to the Town Council in February 2023.

5. To remind members that the current precept of £275,296 result in the annual precept charges by property band as follows:-

Council Tax Band Charges For Todmorden Town Council Precept 2022/23							
A	B	C	D	E	F	G	H
£38.27	£44.65	£51.03	£57.41	£70.17	£82.93	£95.68	£114.82

6. To present to Members a final draft of the budget to consider for the revenue budget for 2023-24 and projections for 2024-25 and 2025-26 to include request put forward from the Committee to Full Council.

7. To inform Members that the above options translate into the following summary for 2023-24

	Draft Budget Summary
Income	-£283,129
Expenditure	£352,823
Net increase in budget	£69,694
Use of EMR	-£22,217
Increase after use of EMR	£47,477
% Increase in Precept required	26%
Weekly increase in Band D	29p

8. Local Government Services Pay Agreement has been reached and includes;-

- With effect from 1 April 2022, an increase of £1,925 on all NJC pay points 1 and above.
- With effect from 1 April 2023, an increase of one day to all employees' annual leave entitlement.

Considerations

9. The following assumptions have been made in respect of annual increases.

	2023/24	2024/25
Staff annual salary award	4%	5%
Employer pension increase	2%	2%
ENI cont rate	15.05%	15.05%
Income Tax threshold	£12,570	£12,570
Third party contractors	3%	3%
Grants	2%	2%
Inflation	5%	5%
Controllable	0%	0%
Energy	100%	50%
PCSO	8%	5%

10. The budget is made of a number of known operational costs that without which, the core function of the town council cannot be delivered e.g. staffing and operational costs.

11. There are however very significant areas of discretionary cost, that in simple terms, could be reduced or removed altogether should Members wish to deliver a no precept increase budget.

Town Centre /Security/PCSO's	£40,340
Donations and Grants	£20,400
TH Hire Refund Grants	£8,160
Education non L/A	£2,000
Events grants	£11,220
Tourism (TIC)	£15,380
Entertainment Arts & Recs	£11,220
Climate Grants	£2,000
Total	£110,720

12. Whilst these represent 33% of Precept received, these provisions go to the core of the Town Council's ethos as an enabling and facilitating council seeking to strongly support its community.

13. Included in the budget are other items regarding provision into Earmarked Reserves.

- Festive lights replacement £8,300 (to build up funds to replace in year 8 – in year 3 of this)
- Community Development £5,000 (to help lever in matched funds)
- Elections £15,000 for 2023/24 then reduced to £3,500 (to provide for 4 yearly election costs and limited casual vacancies).

14. Assuming the tax base is unaltered, the impact of Precept increase in 5% steps would be as follows:

Increase increments 5%			Assumes tax base of 4795.27 as in 2022/2023							
			Council Tax Band Charges For Todmorden Town Council Precept							
Precept	2023/24 Increase	% increase	A	B	C	D	E	F	G	H
£275,296	£0	0.00%	£38.27	£44.65	£51.03	£57.41	£70.17	£82.93	£95.68	£114.82
£289,061	£13,765	5.00%	£40.19	£46.88	£53.58	£60.28	£73.68	£87.07	£100.47	£120.56
£302,826	£27,530	10.00%	£42.10	£49.12	£56.13	£63.15	£77.18	£91.22	£105.25	£126.30
£316,590	£41,294	15.00%	£44.01	£51.35	£58.69	£66.02	£80.69	£95.36	£110.04	£132.04
£330,355	£48,177	20.00%	£45.93	£53.58	£61.24	£68.89	£84.20	£99.51	£114.82	£137.78
£344,120	£55,059	25.00%	£47.84	£55.82	£63.79	£71.76	£87.71	£103.66	£119.60	£143.53
£346,873	£57,812	26.00%	£48.22	£56.26	£64.30	£72.34	£88.41	£104.49	£120.56	£144.67
£357,885	£68,824	30.00%	£49.76	£58.05	£66.34	£74.63	£91.22	£107.80	£124.39	£149.27
£371,650	£82,589	35.00%	£51.67	£60.28	£68.89	£77.50	£94.73	£111.95	£129.17	£155.01
£385,414	£96,354	40.00%	£53.58	£62.51	£71.44	£80.37	£98.23	£116.10	£133.96	£160.75
			Council Tax Band annual increase For Todmorden Town Council Precept							
Increase			A	B	C	D	E	F	G	H
0%			£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
5%			£1.91	£2.23	£2.55	£2.87	£3.51	£4.15	£4.78	£5.74
10%			£3.83	£4.47	£5.10	£5.74	£7.02	£8.29	£9.57	£11.48
15%			£5.74	£6.70	£7.65	£8.61	£10.53	£12.44	£14.35	£17.22
20%			£7.65	£8.93	£10.21	£11.48	£14.03	£16.59	£19.14	£22.96
25%			£9.57	£11.16	£12.76	£14.35	£17.54	£20.73	£23.92	£28.71
26%			£9.95	£11.61	£13.27	£14.93	£18.24	£21.56	£24.88	£29.85
30%			£11.48	£13.40	£15.31	£17.22	£21.05	£24.88	£28.71	£34.45
35%			£13.40	£15.63	£17.86	£20.09	£24.56	£29.02	£33.49	£40.19
40%			£15.31	£17.86	£20.41	£22.96	£28.07	£33.17	£38.27	£45.93
			Council Tax Band weekly increase For Todmorden Town Council Precept							
Increase			A	B	C	D	E	F	G	H
0%			£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
5%			£0.04	£0.04	£0.05	£0.06	£0.07	£0.08	£0.09	£0.11
10%			£0.07	£0.09	£0.10	£0.11	£0.13	£0.16	£0.18	£0.22
15%			£0.11	£0.13	£0.15	£0.17	£0.20	£0.24	£0.28	£0.33
20%			£0.15	£0.17	£0.20	£0.22	£0.27	£0.32	£0.37	£0.44
26%			£0.15	£0.22	£0.26	£0.29	£0.35	£0.41	£0.48	£0.57
25%			£0.18	£0.21	£0.25	£0.28	£0.34	£0.40	£0.46	£0.55
30%			£0.22	£0.26	£0.29	£0.33	£0.40	£0.48	£0.55	£0.66
35%			£0.26	£0.30	£0.34	£0.39	£0.47	£0.56	£0.64	£0.77
40%			£0.29	£0.34	£0.39	£0.44	£0.54	£0.64	£0.74	£0.88

15. As of 2022/23 the percentage make up of properties by Council Tax Band was as follows:-

Todmorden % make up of Property by Band							
BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
51.47%	14.80%	11.40%	8.40%	7.67%	4.30%	1.78%	0.03%

Financial Considerations

16. The forecast options 1 to 3 for 2023/24 are based on what is known at the time, but going forward also includes an element of inflationary increases, as outlined in point 7.
17. The tax band for this projected budget is based on the 2022/23 figure as the 23/24 figure will not be available until around November.
18. The proposed options budget do include a cost for the Project Manager for the Town Deal projects as these would be covered by the funding received in relation to this project.
19. The Climate Officer role ended in October 2022 . Members have choices to make considering continuance of the work load. In ceasing this role the majority of the associated budget for expenditure has also been removed as there will be very limited Officer time available to work on this.
20. No allowance has been made for any additional budget provision for Todmorden in Bloom should Calderdale MBC introduce charges for installing lamppost displays .
21. An allowance has been made for the offer of a contribution towards Election Costs following the decision of Calderdale MBC to remove grant support.
22. A reduction in the Budget for Mayors day has been included which would mean the formal Mayor Making could take place during the annual meeting when the legal requirements for the Council are done.
23. If the Local Government Service Agreement is recommended to Full Council for approval for all staff there will be a shortfall of circa £1600 but with considering the historic data, it is more than likely that there will be an underspend within this years budget that will cover this shortfall.
24. The 23/24 budget and the three year forecast has been revised taking into consideration the Local Government Service Agreement.

Recommendation

25. That Members consider recommending to Full Council of accepting the Local Government Service Agreement for all staff back dated to the 1st April 2023. These increases have been included in the proposed budget for 2023/24 onwards.
26. That Members consider the budget presented and implications as set out before them and advise if they wish it to be taken forward for all committees to consider ahead of starting the formal budget setting process at the next full council meeting.

Reasons For Recommendation

27. That although the employment contracts do not automatically mean the Council have to accept the pay increases agreed, the staff salaries are based on the NJC pay scale points appropriate to their roles and as such would be considered good practice.
28. The Resources Committee is delegated to consider the annual budget ahead of making a recommendation to Full Council to determine the Precept for the ensuing financial year.

Policy Implications:

28. None directly arising from this report

Details Of Consultation:

29. None from this report.

Climate Change:

30. Budget provision of £7,000 in total has been made in this report relating to Climate Emergency activity subject to Members deciding to continue with this.

Impact Equality Assessment

31. None arising from this report.

Supporting Papers:

32. Appendix 1 - 3-year budget Summary breakdown
Appendix 2 - 3-year budget detail

Further Information, Please Contact: Naomi Crewe