



TODMORDEN TOWN COUNCIL

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## Report To Full Council

|                      |                                                         |
|----------------------|---------------------------------------------------------|
| <b>Report Author</b> | Naomi Crewe, Town Clerk & Responsible Financial Officer |
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| <b>Date</b>          | 18 <sup>th</sup> January 2023                           |
| <b>Subject</b>       | Proposed 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        |
|   | <b>Total adverse movement to 2023-24 budget</b> |   | <b>£84,151</b> |

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 present to Members a final budget to consider for the revenue budget for 2023-24 and projections for 2024-25 and 2025-26.

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

|                                              | <b>Draft Budget Summary</b> |
|----------------------------------------------|-----------------------------|
| <b>Income</b>                                | -£360,893                   |
| <b>Expenditure</b>                           | £354,783                    |
| <b>Net increase in budget</b>                | £69,694                     |
| <b>Use of EMR</b>                            | -£61,111                    |
| <b>% Increase in Precept required</b>        | 26%                         |
| <b>Weekly increase in Band D</b>             | 36p                         |
| <b>Annual increase for a band D Property</b> | £18.81                      |

## Considerations

7. 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%      |

8. 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.

9. 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          |
| <b>Total</b>                 | <b>£110,720</b> |

10. 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.

11. 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 £10,000 (to help lever in matched funds)

12. This increase will mean that the Phased EMR to cover the shortfall from not getting the additional grant funding from Calderdale of the parish grant would be able to extend over 4 years instead of 3. Creating less of an impact of the rate payer and allowing £6111 to be added to the EMR.

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

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

### **Financial Considerations**

14. 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.

15. 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.

16. The Climate Officer role ended in October 2022 . Members have chosen not to replace this role. 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.

17. No allowance has been made for any additional budget provision for Todmorden in Bloom should Calderdale MBC introduce charges for installing lamppost displays .

18. An allowance has been made for the offer of a contribution towards Election Costs following the decision of Calderdale MBC to remove grant support.

19. A reduction in the Budget for Mayors day has be included which would mean the formal Mayor Making could take place during the annual meeting when the legal requirements for the Council are done.

20. The 23/24 budget and the three year forecast has been revised taking into consideration the Local Government Service Agreement.

### **Recommendation**

21. That Members consider the updated information and confirm the 26% precept increase for the 2023-24 budget having taken into consideration the tax base rate figure. And therefore a precept of £353,060.43 be requested from CMBC.

### **Reasons For Recommendation**

22. The budget was considered in detail at the December Full Council and the Council provisionally approved this increase based on the 22/23 tax base figure, the 23/24 figure has now been released and the Town Clerk has been able to make budget adjustments based on this.

### **Policy Implications:**

22. None directly arising from this report

### **Details Of Consultation:**

23. Resources Committee

24. CMBC

## **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. This will cover the 'My Tree Promise' project and the grants available to Climate based projects.

## **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**