BUCKLEY TOWN COUNCIL BUDGET
EVALUATION – FULL COUNCIL REPORT

Set out below is an evaluation to accompany the draft budget for the financial year 2022/2023 for the Town Council. This paper serves as a background to support the budget presentation.

You will be aware that there have been significant changes to the way in which Council Tax is considered and further significant cuts in the Council Tax settlement figure are being made, which changes the taxbase and therefore impacts Parish and Town Councils. By way of explanation, the taxbase is the single most important settlement figure as this dictates the 'real' Council Tax increase on average Band D Council Taxpayers for the parish. This is the figure that calculates the actual Council Tax for the parishioner. Whilst a budget may show an increase in percentage terms standing alone from Council Tax terms, this will be very different once Flintshire County Council has applied the taxbase and that is the most important figure and absolutely **not** the increase in precept but the increase on the Council Tax burden for the parishioner. This is the important differential.

Town Councils can raise revenue to help meet their spending requirements by issuing a Precept. This is the total amount to be raised through the Council Tax from all the dwellings within the relevant Parish area. The precept is converted into an amount per Council Tax Band that is added onto the Council Tax Bill issued by Flinthsire County Council.

The taxbase for Buckley Town Council for 2022/2023 is 6,692 and this is a reduction from the 2021/2022 figure of 6,723.22 or in percentage terms a reduction of 0.46%. A 'taxbase' is the number of Band 'D' equivalent amount of dwellings in the applicable local authority area.

As stated, the Town Council taxbase is 6,692 and to calculate the Council Tax average Band D, you always divide the precept requirement by the taxbase and you will then obtain the average Band D Council Tax, which is the most often quoted variable.

The 2021/2022 Average Band D Council Tax for Buckley Town Council is currently £48.10 on a precept of £323,390.00. The equation being Precept (£323,390.00) divided by Taxbase of 6,723.22.

The overall budget performance for the financial year has a differential +/- of 1.25% to 1.50% ratio, which is comfortably within acceptable audit tolerance. I have made amendments to the budget to reflect the real outcomes and performance of the town council for 2022/2023 and to reflect some of the projects that have recently been suggested.

There are never any carry overs of balances that have not been used or where savings have been achieved in local government budgeting. They are allocated to the overall capital reserve balance.

With interest rates at an all time low albeit that there has recently been a slight increase in interest rates by the Bank of England Monetary Committee, the town council's capability of receiving a good interest rate return is minimal. Having said this, there are indications that interest rates may well increase further in the short-term.

The **average** CPI (Consumer Price Index) for 2021 is 3.2% and this is the base used for the budget where deemed necessary at 3% albeit that the consumer price inflation has increased to 5.4% in the 12 months to December 2021.

The budget contains an allocation for a capital project for CCTV installation at both the skatepark and public conveniences for which a quote has been received and an allocation for the purchase of Platinum Jubilee commemorative coins. An allocation has been made towards election costs as there will be Local Government Elections in May 2022.

It is never best practice to reduce the precept requirement should this be considered and would strongly advise members not to decrease the Precept, as this creates major issues in the future when the Town Council may need to increase the Precept again for whatever reason. It is really not good practice to follow such a strategy, as to reach a previous level of Precept in the future, could result in a substantial hike to achieve that level, whereas a steady increase is not quite so dramatic.

Due to the Covid-19 pandemic some savings have been made or projects have not been undertaken. The reserves are healthy and there is a slightly higher figure than was intially anticipated. There are earmaked reserves of £41,412 but there are fluid reserves of £295,778.00.

The actuals are based on the budgetary performance to 30 September 2021, which is the latest information available to me due to the current ill health of the Town Clerk. I am acutely aware that expenditure has, of course, been incurred since that date but I do not have the full analysis available at this time. This does not widely impact on the core budget itself.

DEADLINES

I have negotiated a one-off extension for the precept submission request to Flintshire County Council of **1 February 2022** given the unforeseen circumstances and this cannot be extended at all.

PRECEPT OPTIONS

a) Maintain the precept at £323,390.00 (2021/2022 level) with a 0% increase. The town council would need to pull £91,818 from capital reserves to balance the budget. This will leave an estimated capital reserve balance of £203,960. The precept calculation would be £323,390 divided by 6,692 = £48.32. As a result, average Band D Council Tax increases to £48.32 from £48.10 (2021/2022 level) or by 0.46%/22p.

b) Increase the precept by 0.50% yields £325,007.00. The town council would need to pull £90,200 from capital reserves to balance the budget. This will leave an estimated capital reserve balance of £205,578. The precept calculation would be £325,007 divided by 6,692 = £48.57. As a result, average Band D Council Tax increases to £48.57 from £48.10 (2021/2022 level) or by 0.98%/47p.

c) Increase the precept by 1.00% yields £326,624.00. The town council would need to pull £88,583 from capital reserves to balance the budget. This will leave an estimated capital reserve balance of £207,195. The precept calculation would be £326,624 divided by 6,692 = £48.81. As a result, average Band D Council Tax increases to £48.81 from £48.10 (2021/2022 level) or by 1.48%/71p.

d) Increase the precept by 1.50% yields £328,241.00. The town council would need to pull £86,786 from capital reserves to balance the budget. This will leave an estimated capital reserve balance of £208,992. The precept calculation would be £328,241 divided by 6,692 = £49.05. As a result, average Band D Council Tax increases to £49.05 from £48.10 (2021/2022 level) or by 1.98%/95p.

e) Increase the precept by 2.00% yields £329,858.00. The town council would need to pull £85,349 from capital reserves to balance the budget. This will leave an estimated capital reserve balance of £210,429. The precept calculation would be £329,858 divided by 6,692 = £49.29. As a result, average Band D Council Tax increases to £49.29 from £48.10 (2021/2022 level) or by 2.47%/£1.19.

f) Increase the precept by 2.50% yields £331,475.00. The town council would need to pull £83,731 from capital reserves to balance the budget. This will leave an estimated capital reserve balance of £212,047. The precept calculation would be £331,475 divided by 6,692 = £49.53. As a result, average Band D Council Tax increases to £49.53 from £48.10 (2021/2022 level) or by 2.97%/£1.43.

g) Increase the precept by 3.00% yields £333,092.00. The town council would need to pull £82,114 from capital reserves to balance the budget. This will leave an estimated capital reserve balance of £213,664. The precept calculation would be £333,092 divided by 6,692 = £49.77. As a result, average Band D Council Tax increases to £49.77 from £48.10 (2021/2022 level) or by 3.47%/£1.67.

h) Increase the precept by 3.50% yields £334,709.00. The town council would need to pull £80,497 from capital reserves to balance the budget. This will leave an estimated capital reserve balance of £215,281. The precept calculation would be £334,709 divided by 6,692 = £50.02. As a result, average Band D Council Tax increases to £50.02 from £48.10 (2021/2022 level) or by 3.99%/£1.92.

I) Increase the precept by 4.00% yields £336,326.00. The town council would need to pull £78,880 from capital reserves to balance the budget. This will leave an estimated capital reserve balance of £216,898. The precept calculation would be £336,326 divided by 6,692 = £50.26. As a result, average Band D Council Tax increases to £50.26 from £48.10 (2021/2022 level) or by 4.49%/£2.16.

j) Increase the precept by 4.50% yields £337,943.00. The town council would need to pull £77,263 from capital reserves to balance the budget. This will leave an estimated capital reserve balance of £218,515. The precept calculation would be £337,943 divided by 6,692 = £50.50. As a result, average Band D Council Tax increases to £50.50 from £48.10 (2021/2022 level) or by 4.99%/£2.40.

k) Increase the precept by 5.00% yields £339,560.00. The town council would need to pull £75,645 from capital reserves to balance the budget. This will leave an estimated capital reserve balance of £220,133. The precept calculation would be £339,560 divided by 6,692 = £50.74. As a result, average Band D Council Tax increases to £50.74 from £48.10 (2021/2022 level) or by 5.49%/£2.64.

The town council needs to be pragmatic and prudent in its financial management and outlook. Accordingly, I have made cost efficiency savings in the budget and adjustments where feasible.

The above illustrated spread shows the effect of increasing the precept from 0% up to 5% but it should be remembered that there is **no** Council Tax cap or bar on the town council if members should decide to increase the precept above 5%.

OFFICER RECOMMENDATION

The budget is underpinned on the **average** CPI rate, which is currently 3.2% at the time of putting together this budget. I would therefore advise the town council to resolve to increase the precept by at least the very minimum of 3%. This yields £333,092.00 rounded up. This means that the town council would need to pull £82,114 from capital reserves to balance the budget. This will leave an estimated capital reserve balance of £213,664. The precept calculation would therefore be £333,092 divided by 6,692 = £49.77. As a result, average Band D Council Tax increases to £49.77 from £48.10 (2021/2022 level) or by 3.47%/£1.67.

Kevin Glyn-Davies BA (Hons), MA
Locum Town Clerk/Responsible Finance Officer
January 2022

BUCKLEY TOWN COUNCIL DRAFT BUDGET 2022/23 BASED ON A 3.00% INCREASE OF PRECEPT

INCOME

	APPROVED BUDGET 2021/22		ACTUAL TO 31/12/21		PROJECTED ACTUALS TO 31st MARCH 2022 REMOVING OPENING DEBTORS/CREDITORS FROM ACCOUNTS		VARIANCE ANALYSIS OVER/UNDER ACTUAL		DRAFT BUDGET 2022/23		% OF TOTAL INCOME	% INCREASE/ DECREASE IN BUDGET 2022/23 TO 2021/22 EST. ACTUALS	% INCREASE/ DECREASE IN BUDGET 2022/23 TO BUDGET 2021/22	STATUTORY POWERS	ROW NO.
	£	£	£	£	£	£	£	£	£	£	%	%	%		
Bank Interest		381				381				381	0.09	0	-		1
Income:															
Rooms	7,788				7,288		- 500		7,300		1.69	0.16			2
Miscellaneous	7,630	15,418		-	5,339	12,627	- 2,291	- 2,791	7,000	14,300	1.63	31.11	- 7.25		3
															4
Transfer from General/Specific Reserves		59,443				74,313		14,870		82,114		Not Applicable	38.14		5
VAT Refund		14,500				12,000		- 2,500		15,500	3.60	29.17	6.90		6
Precept		323,390				323,390				333,092		3.00	3.00		7
Precept expressed as a cost per Band D Property										49.77					7a
TOTAL INCOME		413,132		-		422,711		9,579		430,756	100.00	4.27	4.27		

EXPENDITURE

	APPROVED BUDGET 2021/22		ACTUAL TO 31/12/21		PROJECTED ACTUALS TO 31st MARCH 2022 REMOVING OPENING DEBTORS/CREDITORS FROM ACCOUNTS		VARIANCE ANALYSIS OVER/UNDER ACTUAL		DRAFT BUDGET 2022/23		% OF TOTAL INCOME	% INCREASE/ DECREASE IN BUDGET 2022/23 TO 2021/22 EST. ACTUALS	% INCREASE/ DECREASE IN BUDGET 2022/23 TO BUDGET 2021/22	STATUTORY POWERS	ROW NO.
	£	£	£	£	£	£	£	£	£	£	%	%	%		
HIGHWAYS AND LEISURE COMMITTEE															
Public Conveniences:															
Rent, Rates, Water and Electricity	1,491				2,597		1,106		2,700		0.63	3.97	81.09	PHA 1936, S.87	8
Cleaning Materials and Maintenance	2,089				18,742		16,653		10,000		2.32	- 46.64	378.70	PHA 1936, S.87	0
Contract Cleaning	11,050				10,250		- 800		11,050		2.57	7.80	-	PHA 1936, S.87	10
Loan Charges & Ground Rent	50	14,680		-		31,589	- 50	16,909		23,750		-	-	PHA 1936, S.87	11
Bus Shelters:															12
Erection of New Shelters	3,500				1,250		- 2,250		2,000		0.46	60.00	- 42.86		13
Repairs & Maintenance		3,500	-	-		1,250	-	- 2,250	-	2,000	0.46	60.00	- 42.86	LG(MP)A 1953, S.4	14
Boundary Signs:															15
Repairs, Replacement & Resiting		-				-								LGA 1972, S. 144	16
Footway Lighting		5,000				6,245		1,245		5,500	1.28	- 11.93	10.00	PCA 1957, S.3; HA 1980, S.301	17
Highways Lighting - Reimbursements to FCC to maintain full lighting														PCA 1957 s3.	18
Match-Funding (Renovation of Play Areas)		5,000				10,000		5,000		10,000	2.32	-	100.00	HA 1980, S.274A	19
Maintenance of Commons (Contribution)		3,600				3,600				3,600	0.84	-	-	HA 1980, S.274A	20
Litter Bins/Salt Bins		2,000				2,000				2,000	0.46	-	-	LA 1983,ss. 5&6	21
Lamp Post Brackets for Promotional Banners														LGA 1972, S.145	22
Traffic Warden Service														LGA 1972, S.137(4)	23
Comm. Vehicle Rent (scrapped in 2020). Mobile Stage in 2021/22		14,500				14,500						-	-	HA 1980, S.274A	24
Playleadership Scheme/Packed Lunches		6,928				11,828		4,900		12,136	2.82	2.60	75.17	LG(MP)A 1976, S.19	25
Capital Project – Commemorative Jubilee Coins										2,100	0.49	-	-	LG(MP)A 1976, S.19	
Stiles/Seats															26
Skateboarding Facility														LG(MP)A 1976, S.19	27
Event Day/Platinum Jubilee		17,000				8,900		- 8,100		15,000	3.48	68.54	- 11.76	LGA 1972, S. 145	28
Arts - Support of (incl.Council Concerts, Band Concerts and Eisteddfodau)		600				600				600	0.14	-	-	LGA 1972, S. 145	29
Heritage Trails/Etna Park															30
Coronation Gardens		6,071				7,430		1,359		7,000	1.63	- 5.79	15.30	OSA 1906 ss9 & 10	30a
TOTAL FOR HIGHWAYS AND LEISURE COMMITTEE		78,879		-		97,942		19,063		83,686	19.43	- 14.56	6.09		

BUCKLEY TOWN COUNCIL DRAFT BUDGET 2022/23 (cntd.)

	APPROVED BUDGET 2021/22		ACTUAL TO 31/12/21		PROJECTED ACTUALS TO 31st MARCH 2022 REMOVING OPENING DEBTORS/CREDITORS FROM ACCOUNTS		VARIANCE ANALYSIS OVER/UNDER ACTUAL		DRAFT BUDGET 2022/23		% OF TOTAL INCOME	% INCREASE/ DECREASE IN BUDGET 2022/23 TO 2021/22 EST. ACTUALS	% INCREASE/ DECREASE IN BUDGET 2022/23 TO BUDGET 2021/22	STATUTORY POWERS	ROW NO.
	£	£	£	£	£	£	£	£	£	£	%	%	%		
GENERAL PURPOSES COMMITTEE															
Communal Fireworks		11,590				11,590				11,938	2.77	3.00	3.00	LGA 1972, S. 145	31
Jubilee Bunting (incl. Erection and Dismantle)		2,895				2,615	-	280		2,650	0.62	1.34	-8.46	LGA 1972, S. 145	32
Disabled Access		80				80				80	0.02	-	-	DDA 1995, Part 111	33
Mobile CCTV Camera Lease and moving costs		3,794				2,215	-	1,579		2,500	0.58	12.87	-34.11	LGA 1972, S. 144	34
Defibrillator Installation														LG&RA 1997, S. 31	35
Town Clock Maintenance		100				100				100	0.02	-	-	PCA 1957, S.2	36
Honours Board		80				72	-	8		80	0.02	11.11	-	LGA 1972.s.133	37
Elections						3,180		3,180		6,000	1.39	88.68			38
Maintenance of Burial Grounds		2,200				2,200				2,200	0.51	-	-	LGA 1972, S. 214(6)	39
Christmas Lights (incl. Erection and Dismantle)		37,540				37,540				37,540	8.71	-	-	LGA 1972, S. 144	40
C.C.T.V.		14,948				14,948				14,948	3.47	-	-	LG&RA 1997, S. 31	41
CCTV Public Conveniences and Maintenance										2,500	0.58	-	-	LG&RA 1997, S. 31	
Hanging Baskets		2,402				2,495		93		2,500	0.58	0.20	4.08		42
Old Baths Building - Actual Expenditure 2020/21						4,911		4,911			-	Not Applicable	Not Applicable		
															42a
TOTAL FOR GENERAL PURPOSES COMMITTEE		75,629		-		81,946		6,317		83,036	19.28	1.33	9.79		
FINANCE COMMITTEE															
Salaries, N.I., Tax and Superannuation		112,827				104,127	-	8,700		116,212	26.98	11.61	3.00	LGA 1972.s.101	43
Mayor's Allowance		1,500				1,500				1,500	0.35	-	-	LGA 1972.s.101	44
Deputy Mayor's Allowance		500				500				500	0.12	-	-	LGA 1972.s.101	45
Civic Expenses		3,542				4,142		600		3,500	0.81	-15.50	-1.19	LGA 1972.s.101	46
Council Buildings & Car Park:															
Rates, Water, Heating and Lighting	19,043				19,043					19,614	4.55	3.00	3.00	LGA 1972.s.133	47
Contract Cleaning	8,480				3,088		- 5,392			8,734	4.55	182.84	3.00	LGA 1972.s.133	48a
Caretakers Wages, N.I. & Tax														LGA 1972.s.133	48
Cleaning Materials & Tools	870				477		- 393			600	0.14	25.79	-31.03	LGA 1972.s.133	49
Maintenance & Refurbishment	15,000				15,000					15,000	3.48	-	-	LGA 1972.s.133	50
Grounds Mtce. Equipment		43,393		-		37,608	-	5,785		-	-	-	-		50a
Town Centre Events and Support Organiser		27,564				22,800	-	4,764		28,090	6.52	23.20	1.91	Incl. LGA 1972, S.137(4)	51a
Town Centre Support		1,000				1,000				1,000	0.23	-	-	Incl. LGA 1972, S.137(4)	51
Bursary Scheme		3,000				3,000				3,000	0.70	-	-	LGA 2000 S2	52
Mental Health Counsellor		11,200				11,200				11,200	2.60	-	-	LGA 2000 S2	52a
Printing Stationery & Equipment		5,161				5,161				5,161	1.20	-	-	LGA 1972.s.101	53
I.T. Management, Maintenance and Equipment		3,096				13,000		9,904		3,096	0.72	-76.18	-	LGA 1972.s.101	54
Office Furniture & Equipment (Capital)		400				400				400	0.09	-	-	LGA 1972.s.101	55
Postages, Telephone & Petty Cash		3,125				3,742		617		3,854	0.89	2.99	23.33	LGA 1972.s.101	56
Insurance		3,881				3,955		74		4,200	0.98	6.19	8.22	LGA 1972.s.101	57
Financial Assistance to Organisations - General (Annual Round)	3,500				3,500					3,500	0.81	-	-	LGA1972, S.137(4) & LG(MP)A 1976, S. 19	58a
Financial Assistance to Organisations - General (Outside A/Round)	1,000	4,500			1,000	4,500				1,000	0.23	-	-	LGA1972, S.137(4) & LG(MP)A 1976, S. 19	58b
Bank Charges		180				217		37		224	0.05	3.23	24.44	LGA 1972.s.101	59
Citizens Advice Bureau		7,948				7,800	-	148		7,800	1.81	-	-	LGA 1972, S.142	60
Membership & Conference Subscriptions		1,115				1,115				1,115	0.26	-	-	LGA 1972.s.101	61
Members Allowances/Expenses		1,600				1,600				1,600	0.37	-	-	LGA 1972.s.101	62
Audit Fees		1,392				1,392				1,434	0.37	3.02	3.02	LGA 1972.s.154	63
Award Scheme														LGA 1972.s.101	64
Advertising/Recruitment/Professional Charges		1,200				1,200				1,200	0.28	-	-	LGA 1972.s.101	65
Recharge from FCC re free parking in 2019/20 & 2020/21		20,500				12,864	-	7,636		20,500	4.76	59.36	-	RTRA 1984 SS. 57	66
Rounding Adjustment															
TOTAL FOR FINANCE COMMITTEE		258,624		-		242,823	-	15,801		264,034	61.30	8.74	2.09		
TOTAL FOR ALL COMMITTEES		413,132		-		422,711		9,579		430,756					

Calculated Reserves:-					
General		344,975	295,778	*244,539*	295,778
Specific:					
	Bus Shelter Match Funding	1,250			
	Prov. Of IT Equipment for Members	10,000			
	Prov. For Refurb. Of Play Areas	5,000			
	Fin. Support to Hawkesbury CC	5,000	5,000	*5,000*	5,000
	Future Events Fund	8,978	8,978	*8,978*	8,978
	Old Baths Building	20,345	15,434	*12,000*	15,434
	Defibrillator provision				
	Repair of OLB floor - r/h office	12,000	12,000	*290,862*	12,000
	TOTAL RESERVES	407,548	337,190		337,190

BUCKLEY TOWN COUNCIL DRAFT BUDGET 2022/23 (cont'd.)

KEY TO STATUTORY POWERS:	
DDA 1995, Part 111	Disability Discrimination Act
HA 1980	Highways Act 1980
LA 1983	Litter Act 1983
LG & RA 1997	Local Government and Rating Act 1997
LG(MP)A 1953	Local Government (Miscellaneous Provisions) Act 1953
LG(MP)A 1976	Local Government (Miscellaneous Provisions) Act 1976
LGA 1972	Local Government Act 1972
LGA 2000 S2	Local Government Act 2000
OSA 1906	Open Spaces Act 1906
PCA 1957	Parish Council Act 1957
PHA 1936	Public Health Act 1936
RTRA 1984	Road Traffic Regulation Act 1984

LOCAL GOVERNMENT ACT 1972, SECTION 137(4), (THE FREE RESOURCE)

£

Currently allowed under s137 legislation = electorate(12,585) x £8.82	111,000

LATEST NUMBER OF ELECTORS

Bistre East Ward	3,343
Bistre West Ward	3,126
Mountain Ward	2,012
Pentrobin Ward	4,104
TOTAL	12,585

* May incl. other than Sec.137(4)