

Briefing Note

1. Introduction

- 1.1. The Town Council's net budget for 2023-24 was £1,205,770 and a precept of £1,205,770 (Council Tax income) was levied. The precept resulted in a Council Tax figure at Band D of £173.36 per annum.
- 1.2. Budget estimates for committees are based on consideration of the actual expenditure for 2023-24.
- 1.3. The Town Council undertook a committee restructure in 2023, creating the new Community Development Committee replacing the Heritage, Culture and Community Committee.
- 1.4. Each committee's draft budget is presented below (from section 3 onwards), with a summary containing proposals for the budget and precept.
- 1.5. The comments draw out items that were of significance in drafting the budget, but members will need to consider this alongside the full draft budget to form their own view and to ensure that they are conversant with the detail.

1.6. Street Marshalls

- 1.6.1. North Devon District Council have requested that the Town Council contribute towards the Street Marshall scheme for the town centre.
- 1.6.2. This was previously funded through a Safer Streets grant received by the District Council and has proved to be very popular and the data has shown that it had a positive impact on the town centre and helped to reduce anti-social behaviour.
- 1.6.3. An Option to consider this is included in the Recommendation at Item 9.

2. 2023-2024 Expenditure Against Budget – Anticipated Outturn

- 2.1. Inflation over the last year has had a significant impact, as with all other businesses and residents, and this has required careful decisions on spending to manage the budget.
- 2.2. Currently the Town Council is forecasting to overspend of up to £30,000 in 2023-24 based on the current budget forecast. A provision for this was made at the time the current budget was agreed in January 2023.
- 2.3. The Town Council made the decision to allocate an earmarked reserve of up to £67,000, using an underspend from 2022-23, when the budget was approved, to minimise the impact on the precept.

3. Finance and General Purposes Committee

- 3.1. The following are highlighted as significant changes for the committee:
- 3.2. Expected income from room rentals is forecast to be £5,000 above budget.
- 3.3. The community grants are now managed through the Community Development Committee.
- 3.4. **Salaries.** The predicted salaries budget allows for an anticipated nationally agreed pay award and proposed staffing changes to be made in 2024-25, including:

FINANCE & GENERAL PURPOSES COMMITTEE

BARNSTAPLE TOWN COUNCIL BUDGET AND PRECEPT 2024/25

- 3.4.1. A Deputy Town Clerk to support increased management capacity to relieve the Town Clerk of operational responsibilities and commitments and to enable greater delegation of decision-making responsibilities.
- 3.4.2. A Finance Assistant to enable increased staff resources dedicated to financial governance.
- 3.4.3. A Community Developer post for the Heritage and Community Team to increase the capacity of the team to develop activity programmes for residents.

3.5. The impact of these changes is an increase in the Salaries budget from £675,000 to £890,000.

3.6. **St John's Hall** still requires further works, this is carried over from the last financial year, including complete interior redecoration, improving toilet facilities and a new kitchen. Over time it is expected that this will increase the opportunity for use by the community and to generate more income. An allocation of and Earmarked Reserve has been included to cover this.

3.7. The Town Council is the sole trustee of the Rock Park Trust and allocates a grant of £50,000 each year for the upkeep of the park.

3.8. The overall effect of these and other minor changes is a budget change from £1,019,808 in 2023-24 to £1,150,831 in 2024-25.

4. Planning & Transportation Committee

4.1. A revenue budget of £2,500 has been added to cover the cost of support to the committee and preparation for the Neighbourhood Plan.

5. Environment Committee

5.1. A review of the expenditure and bringing a contract in house in 2023-24 has enabled a £15,170 reduction of the Environment Committee revenue budget.

5.2. Overall effect of the changes to the budget from £49,600 in 2023-24 to £34,430 in 2024-25.

6. Community Development Committee (previously the Heritage Committee).

6.1. The activities, engagement and development budgets are proposed to be retained at the same levels as 2023-24.

6.2. A new budget of £2,500 for Community Activities & Engagement.

6.3. **Community Grants:** now managed through this committee, to increase the overall grants budget for community organisations by £10,000, including:

- 6.3.1. Grant Payments Retained at £30,000 per year.
- 6.3.2. Strategic Community Fund Increase to £40,000 per year.

6.4. **The Plough @ St Anne's Chapel** Barnstaple Town Council has an agreement with The Plough Arts Centre (Torrington) for the delivery of cultural services at St Anne's Chapel. The budget is proposed to be retained at the same level as 2023-24.

6.5. Overall effect of the changes to these budget line from £121,662 in 2023-24 to £134,185 in 2024-25

7. Staff Committee

7.1. An increase of £3,000 to the Staff Training budget to meet health & safety and employment requirements.

**FINANCE & GENERAL PURPOSES COMMITTEE
BARNSTAPLE TOWN COUNCIL BUDGET AND PRECEPT 2024/25**

7.2. Overall effect of the changes to the budget from £14,700 in 2023-24 to £17,700 in 2024-25.

8. Summary

8.1. The draft budget is summarised in the table below:

Committee	2023-24 Actual		2024-25 Proposed	
	Budget	Reserve	Budget	Reserve
Finance	1,107,808	209,000	1,175,831	214,000
Buildings (a)	0	120,000		
Heritage (a)	28,662	27,500		
Community (b)			134,185	69,000
Planning	0	15,000	2,500	15,000
Environment	54,600	39,800	34,430	0
Staff	14,700	15,000	17,700	0
Total	1,205,770	426,300	1,364,646	298,000

(a) Previous committees removed from Council Structure in April 2023.

(b) New committee replaces Heritage.

8.2. Town Council Reserves have been reviewed to ensure that a sufficient General Reserve is maintained:

- 8.2.1. Earmarked Reserves have been reduced and those allocated are targeted to budgets where commitments for current and future spending are required. Examples of this are Election Expenses, Strategic Grants and Buildings Review
- 8.2.2. A new Reserves Policy will be produced to provide clarity on appropriate levels of General and Earmarked Reserves and the purposes for which they can be allocated.
- 8.2.3. Assuming the budget outcome for 2023-24 is as forecast the General Reserve will be in the region of £660,000, 48% of the budget turnover for 2024-25.
- 8.2.4. To be able to ensure the general reserve is sufficient to meet the emergency needs of the Council it is suggested that it should be maintained at about 33-50% of the budgeted expenditure in the year (excluding contingency).

8.3. The result is a revenue budget increase from £1,205,770 to £1,364,646. The precepted amount would also be £1,364,646.

8.4. In terms of Council Tax, the precept figure of **£1,364,646** would result in a band D figure of **£193.98** an increase of 40 pence per week.

**FINANCE & GENERAL PURPOSES COMMITTEE
BARNSTAPLE TOWN COUNCIL BUDGET AND PRECEPT 2024/25**

8.5. The table below shows the drafted budget in the context of council tax bands and the impact of the proposed change:

<i>Council Tax Band</i>	<i>A</i>	<i>B</i>	<i>C</i>	<i>D</i>	<i>E</i>	<i>F</i>	<i>G</i>	<i>H</i>
<i>Precept 2023-24</i>	116.15	135.22	154.29	173.36	211.50	249.64	289.51	346.72
<i>Proposed Precept 2024-25</i>	129.97	151.31	172.65	193.98	236.66	279.34	323.95	387.97
<i>£ per week increase</i>	0.27	0.31	0.35	0.40	0.48	0.57	0.66	0.79

8.6. Some residents on lower incomes, may be entitled to help towards paying their council tax. This is called Council Tax Reduction (CTR).

8.7. The higher the number of residents receiving Council Tax Reduction (CTR) impacts the tax base and can reduce the amount of funds available for the precept.

8.8. The figures in the table are calculated using the tax base for 2024-25 of 7034.83 (the equivalent number of Band D properties eligible to pay Council Tax) an increase of 79.53 from 2023-24.

8.9. The tax base figure is provided by North Devon District Council (as Council Tax billing authority).

9. RECOMENDATIONS

9.1. Committee is asked to receive and consider the proposed committee budgets, and to recommend the presented budget and precept to the Town Council.

9.2. To consider a future contribution from Town Council reserves towards the Street Marshall scheme once a satisfactory agreement and management proposal between the Town and District Councils has been approved.

**Rob Ward, Town Clerk & Responsible Finance Officer
12th January 2024**