

**Subject: Budget 2022/23**

**Speaker: Town Mayor**

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### **Reason for Report**

Review expected expenditure for the year ending 31<sup>st</sup> March 2022 and consider and agree the budget and precept proposal for 2022/23.

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### **Proposed Budget 2022/23**

#### **Policy and Finance**

##### **Income:**

- Precept – Tax base figure has been confirmed as 12041 giving a precept of Band D Tax of £21.87 and will provide a precept of £263337 – 3.8% increase
- Grants Received – remaining at zero as no grant funding guaranteed
- Interest Received – estimated at £650 for the Business Bond as interest rates have decreased

**Proposed Income:**

**£263,987**

##### **Expenditure**

- Staff Administration – to reduce to £31,011 - costing based on existing number of staff and hours worked.
- Staff training – decrease to £1,000 as fire safety training and first aid now valid for another 3 years.
- Staff expenses – decrease to £250.
- Rates – to remain at £8250.
- Premises costs – decrease to £12,000 – potential unknown costs should still be covered.
- Premises rent – to remain at £21,000 - rent review for No. 11 due in 2022.
- Telephone/Broadband – to remain at £2,400.
- Stationery and Postage – to remain at £1,200.
- Photocopier – to reduce to £2,700.
- Insurance – to remain at £2,200.
- Advert/Publicity/Newsletter – to reduce to £500
- IT Costs – to increase to £3,600 – this is due to the increase cost for email hosting and possible cost of full IT support.
- Office Equipment/Clothing – to increase to £3,000 – Contingency of £2000 due to the premises CCTV is coming to the end of its lifespan.
- Payroll administration costs – decrease to £500.
- Internal Audit – to remain at £500.
- External Audit – to remain at £800.
- Vehicle Tax/Insurance – to increase to £900.
- Vehicle Expenses – to remain at £700.

##### **Grants**

- Grants – to reduce to £2,000.

## Special Constable Scheme

- Special Constable Scheme – to remove this budget as it is not being used.

## Civic and Democratic

- General Expenses – to remain at £250
- Election Expenses – to increase to £15,000 as election costs have increased on previous years.
- Members Training – to reduce to £500
- Members Travel/Subsistence – to reduce to £100
- Town Mayors Allowance – to remain at £150
- Subscriptions - to increase to £3,250 to cover the increase in costs incurred.
- Room Hire – to remain at £250
- Regalia – to remain at £250

**Proposed Policy and Finance Budget for 2022/23** **£114,261.00**

**Decrease** **£11,019.00**

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## Environment & Open Spaces

### Open Spaces Income:

- Planter and Hanging Basket Income - reduction to £0 as income from Knightswick Centre match funding is not guaranteed.

**Proposed Open Spaces Income:** **£0.00**

### Open Spaces Expenditure:

- Staff Administration – to reduce to £31,011 - costing based on existing number of staff and hours worked.
- Seafront Gardens – to reduce to £7,000 – this covers the existing maintenance contract and still allows a small contingency for unexpected costs.
- Tidal Pool / Beach – to reduce to £7,000 – this covers the existing maintenance contract and still allows a small contingency for unexpected costs.
- Tidal Pool Joints – to reduce to £3,200 – this would cover the cost of 8 joints.
- Wildflower Meadow – to reduce to £2,000 – this covers the existing maintenance contract and still allows a small contingency for unexpected costs including potential vandalism.
- Tewkes Creek Maintenance – to remain at £300.
- Blue Plaque Scheme – to increase to £600 – this allows for the cost of two plaques with delivery.
- Band Stand – to remain at £5,000.
- Covid-19 Memorial Garden – create a budget of £2,500 – this will allow for 2x planting and a small contingency for unexpected costs including potential vandalism. This budget can be accessed next year once planting is more established.
- Hanging Baskets / Planter Maintenance – to reduce to £9,000.
- Street Furniture – to reduce to £3,000
- CI Wildlife & Conservation Group – remain at £500 for the annual donation to the group for assistance with the maintenance of the Don Downes Nature Reserve.

**Proposed Open Spaces Budget for 2022/23** **£71,111**

**Decrease** **£10,317**

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## Allotments

### Allotment Income:

- Allotment income - to remain at £3,965 – this allows for the number of plots on each site being rented out on a yearly basis. (SG = 36 Half plots @ 32.50 and WS 7 Full plots @ 65.00 and 108 Half plots @ 32.50)

**Proposed Allotments Income: £3965.00**

### Allotments Expenditure:

- Allotment costs – to remain at £2,965
- Allotment land – to be created as £1,000

**Proposed Allotments Expenditure: £3965.00**

**Proposed Allotment Budget for 2022/23 £0.00**

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## Canvey Lake Expenditure

- Staff Administration – to reduce to £31,011 - costing based on existing number of staff and hours worked.
- Lake General Maintenance – to reduce to £15,000 – this is possible following the work carried out in 2021 for health and safety issues.
- Lake Enhancements – to remove budget and include in Lake General Maintenance.
- Lake Litter / Grass Maintenance – to reduce to £23,220 as this is only to cover the cover of the current contract.
- Play Area – to reduce to £1,000 which would cover unknown costs of vandalism or potential play equipment replacement.
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**Proposed Canvey Lake Budget for 2022/23 £70,231.00**

**Decrease £23,119.00**

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## Community Relations

### Expenditure

- Staff Administration – to reduce to £31,011 - costing based on existing number of staff and hours worked.
- Wildlife Event – to remove budget as agreed by Council that this event would be changed to a Country Show event instead for 2022.
- Christmas Event - to remain at £10,000.
- Festive Lighting – to reduce to £7,264 – this allows for the current contract only.
- General Events Programme – to reduce to £500.
- Armed Forces – to reduce to £1,000. – Agreed by Council that the Town for be decorated for AFD but no full event in 2022.
- Garden Trail – to remain at £500.
- Community Awards – to remain at £500.
- Community Engagement – to reduce to £1,000 – original budget reinstated.
- Promotion – to remove budget.

- Band Stand – to remain at £2,500 for events to be held at the Band Stand.
- Country Show Event (2022) – create a budget of £7,000 – agreed by Council to use budgets previously allocated to Wildlife Day and AFD.

**Proposed Community Relations Budget for 2022/23** **£61,275.00**

**Decrease** **£17,055.00**

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#### **Earmarked Reserves**

- Health & Wellbeing Plan – to create an EMR to allow for the Town Council to fulfil some projects highlighted within the newly adopted Health & Wellbeing plan - **£2,500**
- The Gunny Project – an EMR should be created if the Council intends to take this project on. At present we do not have enough information regarding the income from the batteries to know when it would be available from and to ensure it would cover any cost incurred with the project - **£6,000**

**Proposed Earmarked Reserves for 2022/23** **£8,500.00**

**Increase** **£8,500.00**

#### **Information**

The Tax base calculation from Castle Point Borough Council is confirmed as 12041 and there is no longer an LCTS Grant.

The individual cost centre budgets have all decreased due to the movement of funds within the existing budget. Earmarked Reserves have increased due to these all being removed in 2021/22, however, the proposed overall total budget has decreased from 2021/22 by £53,010 following the request from Council to produce a reduced budget.

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#### **Recommendation**

It is the recommendation from the Policy and Finance Committee to propose an increase to the precept by 3.8% to £263,337 which is £21.87 per annum of Band D equivalent and to set a budget of £329,343 for 2022/23.







	500	255	300	0	180	180	180	Annual Maintenance £175 / Tree Audit £ 4.75	300	Annual tree maintenance £130 (reviewed annually) / £4.75 tree audit
4400 Tewkes Creek Maintenance										
4401 Blue Plaque Scheme	1245	0	498	0	565	565	565	Purchase of 2 plaques in progress	600	Single plaque cost £273.90 + delivery (17.00) = £290.90. Budget covers purchase of 2 plaques p.a.
4450 Allotment Costs	4181	4541	0	0	0	0	0	Moved cost centre	0	
4460 Band Stand	6200	4065	5000	1227	2147	2147	3374	Contract 306.67x7 = £2146.69	5000	Annual contract - £3680
4470 Covid-19 Memorial Garden	0	0	0	0	0	0	0	Use Wildlife Event for 2021 expenditure	2500	This allows for 2 x planting + £500 contingency
<b>Overhead Expenditure</b>	<b>79456</b>	<b>54934</b>	<b>65928</b>	<b>16022</b>	<b>32116.8</b>	<b>32116.8</b>	<b>48138.8</b>		<b>58611</b>	
<b>205 Environmental Projects</b>										
1012 Planter/Hanging Basket	0	0	0	0	0	0	0		0	We have not received match funding since Montague Evans took over the management of the Knightswick Centre.
<b>Total Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	
<b>205 Environmental Projects</b>										
4216 Hanging Baskets/Planter Maint	11319	8605	10000	3018	5020	5020	8038	Contract 7x 717.08 = £5019.56	9000	Annual contract - £8605 (therefore reduced)
4221 Street Furniture	5000	5176	5000	0	0	0	0		3000	
4228 CWCG Partnership	500	0	500	500	0	500	500		500	
<b>Overhead Expenditure</b>	<b>16819</b>	<b>13781</b>	<b>15500</b>	<b>3518</b>	<b>5020</b>	<b>5020</b>	<b>8538</b>		<b>12500</b>	
<b>Environment &amp; Open Spaces - Income</b>	<b>4030</b>	<b>4052</b>	<b>0</b>	<b>394</b>	<b>57</b>	<b>57</b>	<b>451</b>		<b>0</b>	
Expenditure	96275	68715	81428	19540	37136	37136	56676		71111	
<b>Movement to/(from) Gen Reserve</b>	<b>-92245</b>	<b>-64663</b>	<b>-81428</b>	<b>-19146</b>	<b>-37079</b>	<b>-37079</b>	<b>-56225</b>		<b>-71111</b>	
<b>206 Allotments</b>										
1005 Allotment Income	0	0	3965	4093	0	4093	4093		3965	
<b>Total Income</b>	<b>0</b>	<b>0</b>	<b>3965</b>	<b>4093</b>	<b>0</b>	<b>4093</b>	<b>4093</b>		<b>3965</b>	
4455 Allotment Costs	0	0	2965	1477	1488	1488	2965	water 139.05 x 7 = £973.35	2965	water usage estimated 139.05 monthly for both sites = £1168.02pa. Management fee £396.5
4465 Allotment Land	0	0	1000	100	900	900	1000	Estimated grass cutting and maintenance	1000	
<b>Overhead Expenditure</b>	<b>0</b>	<b>0</b>	<b>3965</b>	<b>1577</b>	<b>2388</b>	<b>2388</b>	<b>3965</b>		<b>3965</b>	
<b>Allotments - Income</b>	<b>0</b>	<b>0</b>	<b>3965</b>	<b>4093</b>	<b>0</b>	<b>4093</b>	<b>3965</b>		<b>3965</b>	
Expenditure	0	0	3965	1577	2388	2388	3965		3965	
<b>Movement to/(from) Gen Reserve</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2516</b>	<b>-2388</b>	<b>-2388</b>	<b>128</b>		<b>0</b>	
<b>Community</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>BUDGET</b>
<b>210 Community Projects</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual YTD</b>	<b>Expected up to 31/3</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>







### THREE YEAR FORECAST

2023/24	Income	Expenditure
Central Costs	271887	93722
Grants	0	2000
Civic & Democratic	0	25750
Environment & Open Spaces	0	73162
Community	0	63076
Allotments	3965	3965
Canvey Lake	0	71782
EMR	0	8500
Total Budget Income		275852
Expenditure		341957
Difference		-66105

INCOME:	
General Reserves 2022/23	£153,570
Precept 2023/24 (includes 3% increase) + other predicted income	£275,852
Total	£429,422

EXPENDITURE:	
Budget	£341,957

Leaving anticipated General Reserves of	£87,465
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(Approximately 4 months reserves)

2024/25	Income	Expenditure
Central Costs	279374	97621
Grants	0	2000
Civic & Democratic	0	19750
Environment & Open Spaces	0	75890
Community	0	65940
Allotments	3965	3965
Canvey Lake	0	75732
EMR	0	8500
Total Budget Income		283339
Expenditure		349398
Difference		-66059

INCOME:	
General Reserves 2023/24	£87,465
Precept 2023/24 (includes 3% increase) + other predicted income	£283,339
Total	£370,804

EXPENDITURE:	
Budget	£349,398

Leaving anticipated General Reserves of	£21,406
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(Below 1 month reserves)

2025/26	Income	Expenditure
Central Costs	287755	99513
Grants	0	2000
Civic & Democratic	0	19750
Environment & Open Spaces	0	77600
Community	0	67650
Allotments	3965	3965
Canvey Lake	0	77442
EMR	0	8500
Total Budget Income		291720
Expenditure		356420
Difference		-64700

INCOME:	
General Reserves 2025/26	£21,406
Precept 2023/24 (includes 3% increase) + other predicted income	£291,720
Total	£313,126

EXPENDITURE:	
Budget	£356,420

Leaving anticipated General Reserves of	-£43,294
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(Negative reserves)

#### Explanation:

These forecasts have been created with the following assumptions:

Following 2022/23 the precept is increased 3% each year in line with predicted inflation

Salaries have a 5% annual increase to allow for inflation/NI/Pension etc.

Premises costs have been increased 3% per year to allow for inflation

An increase has been applied in 2023/24 only for election costs

An estimated increase has been included for any contract that is due to cease during the forecast period with the exception of premise rent. Both Premises contracts cease in 2025