

## 2021/22 REVISED BUDGET DISCUSSION DOCUMENT

1. When the original budget proposals for 2021/22 approved by the various Committees was aggregated, it was calculated that the precept would have to increase by 11.82% from £125.32 to £140.13 for a Band D property. In summary, when this budget was tabled at the recently held Finance Committee meeting of 25 November 2020 it was not recommended to Council. Instead it was resolved that this budget be referred back to the individual Committees for their review and amendment.
2. Meetings of all the Committees have now been arranged to review their original budget proposals for 2021/22. As a starting point, the Senior Management Team (SMT) have prepared a revised budget for 2021/22 to assist the Committees reconsider their original spending priorities and plans. It is attached as an Annexure to this document. The revised budget for 2021/22 will enable the Council to undertake its statutory and contractual obligations. It will also enable the Council to generate non-precept income where possible.
3. To promote transparency and aid the Committees, the revised 2021/22 budget has been prepared on a Council-wide basis so that all Committee members can see what changes have been proposed to not only their specific budget but also to other Committee budgets.
4. The revised budget proposes an increase in the precept of 2.16% in relation to the 2020/21 precept. Assuming inflation of 2% per annum, the real increase in the precept is minimal.
5. Because it is illegal to budget for a deficit, the revised budget has focussed on deferring expenditure to latter years where this is possible. From an income perspective, the revised budget has assumed that non-precept income will be harder to earn particularly if the COVID 19 pandemic extends to the first half of the 2021/22. By adopting this approach, the possibility of the Council spending money it has not yet earned is eliminated.
6. When reviewing and proposing changes to the revised budget, every increase in expenditure of £8,500 proposed will increase the 2021/22 precept by about one percent. Every reduction of expenditure of £8,500 will reduce the 2021/22 precept by one percent. Committees can use this rudimentary measure to better understand and assess the impact of their decisions on the overall budget and the likely precept.
7. It is assumed that once the non-precept income generating capacity is restored, Committee expenditure levels will revert back to pre-COVID 19 levels. It is therefore proposed that during the 2021/22 financial year, a revised budget be prepared on a quarterly basis. Should the revised quarterly budgets indicate that the Council has been more successful in generating non-precept income than budgeted, the original spending plans of the Committees can be partially or fully reinstated. The SMT are confident that the accounting process can produce financial information on a timely basis to facilitate this process.

**ANNEXURE: REVISED BUDGET: SUMMARY**

<b>THETFORD TOWN COUNCIL</b>					
<b>SUMMARY</b>					
<b>FOR THE YEAR ENDING 31 MARCH 2022</b>					
	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2021-22</b>	<b>2021-22</b>
<b>NAME</b>	<b>ACTUAL</b>	<b>REVISED BUDGET</b>	<b>ORIGINAL BUDGET</b>	<b>REVISED BUDGET</b>	<b>PROPOSED CHANGE</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>INCOME</b>					
Personnel (administration)	78,995	63,457	68,000	68,000	-
Venues, Events, Marketing	118,498	37,293	128,000	51,500	76,500
Mayoral & Civic		-	-	-	-
Amenities, Land & Property	82,325	85,890	47,750	47,750	-
Cemetery	50,614	37,873	47,785	47,435	350
Allotments	12,201	8,698	8,046	8,046	-
Other Income	70,058	20,589	21,350	21,350	-
Project grants	-	-	120,000	-	120,000
Rates precept	767,015	810,124	904,470	826,326	78,144
<b>TOTAL</b>	<b>1,179,705</b>	<b>1,063,924</b>	<b>1,345,401</b>	<b>1,070,407</b>	<b>274,994</b>
<b>EXPENDITURE</b>					
Personnel (administration)	656,927	748,027	782,543	773,667	8,876
Venues, Events, Marketing	60,631	11,694	44,750	29,140	15,610
Mayoral & Civic	8,531	5,550	21,363	14,397	6,966
Amenities, Land & Property	160,358	211,833	156,965	125,740	31,225
Cemetery	34,169	27,077	30,484	29,484	1,000
Allotments	6,959	7,106	8,046	7,046	1,000
Other	4,165				-
Contributions to Reserves	192,467	92,467	301,250	90,933	210,317
<b>TOTAL</b>	<b>1,124,207</b>	<b>1,103,754</b>	<b>1,345,401</b>	<b>1,070,407</b>	<b>274,994</b>
<b>NET</b>	<b>55,498</b>	<b>- 39,830</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Band D precept</b>		<b>125.32</b>	<b>140.13</b>	<b>128.03</b>	
<b>Annual increase</b>			<b>11.82</b>	<b>2.16</b>	

**ANNEXURE: REVISED BUDGET: INCOME**

THETFORD TOWN COUNCIL						
BUDGETED INCOME						
FOR THE YEAR ENDING 31 MARCH 2022						
INCOME					EXPLANATION OF BUDGETR CHANGES	
All Committees		2019-20	2020-21	2021-22	2021-22	
N/C	NAME	ACTUAL	REVISED BUDGET	ORIGINAL BUDGET	REVISED BUDGET	
		£	£	£	£	
	<b>PERSONNEL</b>					
4100	Recharges (Labour)	9,000	4,988	6,000	6,000	No changes budgeted
4102	Property rent received	69,995	58,469	62,000	62,000	No changes budgeted
	<b>VEM</b>					
4200	Bar Takings	39,621	4,800	34,000	10,000	Much lower activity anticipated
4202	Carnegie Hire	33,143	10,108	36,000	12,000	Much lower activity anticipated
4204	Guildhall Hire	11,745	485	18,000	6,000	Much lower activity anticipated
4206	Guildhall Catering	12,376	1,500	12,500	6,000	Much lower activity anticipated
4210	Events Income	5,959	850	7,500	-	Unlikely that income generating activities will arise.
4215	Box office	636				
4220	Fees/Donations Received	108				
4224	Sponsorship	21				
4240	Market Square	14,889	19,550	20,000	17,500	Slightly lower market fees expected due to lower economic activity in the town centre
	<b>CIVIC</b>					
4300	Mayoral Income			-	-	Any income earned is re-allocated to the Mayoral Fund
	<b>ALP</b>					
4410	Grants Received	44,240	42,255	39,000	39,000	
4414	Rural Payments	29,634				
4418	Donations	765				
4420	Hire Income Open Spaces	853	1,635	750	750	
4424	Priory	6,833	8,000	8,000	8,000	
	Other income		34,000			
	<b>CEMETERY</b>					
4500	Internments	25,360	19,390	27,500	27,500	Income driven by capacity. Cemetery generally operates at nearly full annual allocations.
4510	Exclusive Right of Burial	14,591	14,478	14,300	14,300	
4520	Memorials	9,543	4,005	5,285	5,285	
4530	Hire of Chapel	1,120	-	700	350	Limited use in a lockdown
	<b>ALLOTMENTS</b>					
4600	Allotment Fees (no VAT)	12,201	8,698	8,046	8,046	Decline in income due to VAT treatment
4601	Allotment Fees (pay Vat)					
	<b>OTHER</b>					
4900	Precept	767,015	810,124	904,470	78,144	
4910	Sundry Income	31,943	250	250	250	
4920	Bank Interest received	996	150	100	100	
4930	Investment Income	37,119	20,189	21,000	21,000	
<b>TOTAL INCOME</b>		<b>1,179,705</b>	<b>1,063,924</b>	<b>1,225,401</b>	<b>322,225</b>	

**ANNEXURE: REVISED BUDGET: EXPENDITURE**

<b>THETFORD TOWN COUNCIL</b>						
<b>BUDGETED EXPENDITURE</b>						
<b>FOR THE YEAR ENDING 31 MARCH 2022</b>						
<b>EXPENDITURE</b>					<b>EXPLANATION OF MAJOR VARIANCES</b>	
<b>All Committees</b>		<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2021-22</b>	
<b>N/C</b>	<b>NAME</b>	<b>ACTUAL</b>	<b>REVISED BUDGET</b>	<b>ORIGINAL BUDGET</b>	<b>REVISED BUDGET</b>	
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	
	<b>PERSONNEL</b>					
5100	Salaries	501,679	556,388	584,207	584,207	In respect of expenditure, there is a potential savings in the salary budget due to the recent ALP Officer vacancy and an unfilled position from December 2020. However, the personnel salary budget has been funding the overspend in the toilet cleaning budget which offsets these savings. A final decision has yet to be taken on toilet cleaning so it would not be prudent to quantify any potential savings yet.
5105	Pension Strain Costs	- 3,000	-	-	-	
5110	Training	2,492	2,037	4,500	4,500	
5115	Recruitment	- 22		-	-	
5120	Health & Safety (Trg&Con)	5,984	8,270	8,700	8,700	
5122	Kings House Facilites	15,929	12,983	10,000	10,000	
5124	Rates	31,389	41,997	44,936	44,936	
5125	Welfare	3,440	750	1,250	1,250	
5126	Water and sewerage	3,753	8,379	6,500	6,500	
5130	Electricity	10,299	16,675	17,000	17,000	
5132	Gas	268	7,576	8,000	8,000	
5134	Oil	3,700	3,300	3,500	3,500	
5136	Waste Disposal Costs	11,557	11,281	13,000	9,750	25% reduction on expected from cutting back on additional clearing costs.
5150	Admin Costs	15,732	8,645	9,500	9,500	
5152	Travel Expenses	244	1,452	150	150	
5154	Property Maintenance	250	150	1,500	1,500	
5156	Agents Fees	2,411	2,310	2,800	2,800	
5160	Equipment Support & Maint	9,323	11,361	13,500	13,500	
5162	Cleaning Materials	3,931	881	1,000	1,000	
5163	Rent paid	2,400	-	-	-	
5170	Audit fees	4,825	6,250	7,000	7,000	
5172	Legal & professional	12,264	18,294	15,000	15,000	
5180	Insurances	12,006	14,119	15,000	15,000	
5182	COVID 19 costs		7,873	10,000	10,000	
5190	Bank Charges	2,409	1,225	2,500	2,500	
5195	Bad debts written off	2,884	5,829	3,000	3,000	
5199	Share Management Fees	780			-	
5199	Overall cost savings provision				- 5,626	3% saving to be allocated to the various nominal codes above.

**ANNEXURE: REVISED BUDGET: EXPENDITURE (CONTINUED)**

	<b>VEM</b>					
5200	Bar Purchase	21,132	3,443	15,000	6,250	Lower budgeted sales will result in lower purchases
5205	Bar cosumables and equipment	-	271			
5210	Catering Purchases	9,736	947	5,500	2,640	Lower budgeted sales will result in lower purchases
5220	Building maintenance	11,697	1,100			
5240	TTC Events expenses	15,627	2,123	5,000	3,000	It is anticipated that there will be fewer events
5250	Newsletters and publications	60				
5252	Maintenance & Cleaning	-	100	10,500	8,500	Expected to be lower due to lower usage
5260	Box office website & digital medi	1,761	1,560			
5286	Market repairs and maint	619				
	Marketing and communications		1,400	7,500	7,500	No saving expected as there will be greater demands on communication in particular
	Entertainment licencing		750	1,250	1,250	
	<b>CIVIC</b>					
5300	Mayors Allowance	2,850	100	2,601	2,601	
5310	Mayoral Expenditure	1,814	2,400	4,766	2,300	In a lockdown very few events expected.
5320	Civic events	3,867	2,750	4,034	4,034	
5325	Civic regalia		450	912	912	
	Town Events			9,000	4,500	Scaled back events expected if lockdown continues
	Honourary awards		50	50	50	
	<b>ALP</b>					
5400	Street furniture	3,812	7,450	7,000	5,000	There is an element of variable expenditure
5410	Christmas Lights	15,783	18,300	18,300	18,300	Contracted expenditure
5415	Floral Displays	9,950	8,500	12,000	6,000	
	<i>Hanging baskets</i>			10,000	5,000	There is an element of variable expenditure
	<i>Borders and Barrels</i>			2,000	1,000	There is an element of variable expenditure
5420	Playparks	44,830	19,988	15,000	15,000	Annual ROSCA inspections will result in constant ongoing operational expenditure
5440	Open Spaces	5,590	-			
5450	Open Spaces Maintenance	33,505	41,176	50,900	40,900	
	<i>Veg. Manage. Contract</i>			18,000	18,000	Contractual obligation
	<i>Fencing</i>			1,000	1,000	
	<i>Higher Level Steward Works</i>			13,400	13,400	Contractual obligation
	<i>River Corridor</i>			10,000		There is an element of variable expenditure
	<i>Pest Control</i>			2,000	2,000	
	<i>Conservation</i>			2,500	2,500	
	<i>Emergency maintenance</i>			4,000	4,000	
5452	Small Grants	5,985	5,086	6,000	3,000	

**ANNEXURE: REVISED BUDGET: EXPENDITURE (CONTINUED)**

5455	Trees	14,650	10,000	13,500	13,500	
	<i>Tree surveying</i>			3,500	3,500	
	<i>Tree Cutting &amp; Maintenance</i>			10,000	10,000	
5465	Property Maintenance	9,393	17,450	17,450	8,725	There is an element of variable expenditure
5470	Toilets expenditure	3,342	37,454	3,500	3,500	
5480	Works Team Fuel	3,665	1,614	2,500	2,500	
5484	Vehicle Leasing	7,095	7,815	7,815	7,815	
5488	Works team tools	2,759	3,000	3,000	1,500	There is an element of variable expenditure
	Transfer to projects		34,000			
	<b>CEMETERY</b>					
5500	Chapel Maint	3,133	3,364	3,500	2,500	There is a possibility that some of these tasks can be deferred
5510	Cemetery maintenance	6,389	3,639	4,500	4,500	
5520	Ground water monitoring	2,942	4,500	5,884	5,884	Contracted and statutory cost
5530	Grass cutting	14,680	6,010	7,250	7,250	Contracted cost
5540	Grave digging	7,026	9,564	9,350	9,350	Consequence of planned income
	<b>ALLOTMENTS</b>					
5600	Maintenance (no VAT)	6,959	7,106	8,046	7,046	
	<i>Security Assessment</i>			330	330	
	<i>Boundary posts</i>			250	250	
	<i>Annual pest control</i>			1,800	1,800	
	<i>Isolation of water pipe taps</i>			270	270	
	<i>Tap repairs</i>			300	300	
	<i>Publications &amp; comms</i>			500	500	
	<i>Special plot clearing</i>			1,500	1,500	
	<i>Contribution to Reserves</i>			1,000		This is variable.
	<i>New security locks</i>			750	750	
	<i>Repairs to fencing</i>			1,150	1,150	
	<i>Signage</i>			196	196	
	<b>CONTRIBUTIONS TO RESERVES</b>					
	Contributions to Reserves	192,467	92,467	181,250	90,933	
	<i>Guildhall complex</i>	25,000	25,000	25,000		Projects budget is based on Reserves being topped up to fund projects.
	<i>Property repairs</i>	22,000	12,000	12,000		Should contributions be reduced, there will need to be a reduction in projects or the
	<i>Cemetery building repairs</i>	10,000	10,000	10,000		identification of alternative funding sources
	<i>Market place</i>	5,000	5,000	5,000		
	<i>Office equipment</i>	7,000	7,000	7,000		
	<i>St Peters</i>		10,000	10,000		
	<i>Civic Regalia</i>	250	250	250		
	<i>Int Civic Links</i>	250	250	250		

**ANNEXURE: REVISED BUDGET: EXPENDITURE (CONTINUED)**

	<i>Civic gifts</i>	250	250	250	
	<i>Election costs</i>	5,000	5,000	5,000	
	<i>Xmas Displays</i>	2,217	2,217		
	<i>Open space management</i>				
	<i>Allotments</i>	5,000	5,000	5,000	
	<i>COVID 19</i>	60,000			
	<i>VAT Contingency</i>	40,000			
	<i>King House office repairs</i>	1,500	1,500	1,500	
	<i>Asset Renewal</i>			91,000	
	<i>Play Park maintenance</i>	9,000	9,000	9,000	
	<i>Contributions ex Grants</i>			120,000	
	<i>St Peters</i>			55,000	
	<i>Guildhall complex</i>			65,000	
<b>TOTAL</b>		<b>1,312,509</b>	<b>1,196,221</b>	<b>1,731,097</b>	<b>1,070,407</b>