



Whitchurch Town Council Budget Proposal and Precept Request Financial Year 2023-24

DRAFT

Approved by Whitchurch Town Council on XX/XX/XXXX

Introduction

The budget is an estimate of income and expenditure for the financial year.

With openness and transparency at the core of all Whitchurch Town Council's financial decisions, we encourage the public to scrutinise our spending plans and subsequent precept request for the forthcoming financial year.

Background

In order to carry out duties, powers and delegated functions, it is a statutory duty of a Town & Parish Council to prepare a budget for each financial year.

"The preparation of an annual budget is one of the key statutory tasks undertaken by a Council, irrespective of its size."

Section A, Good Councillor's Guide to Financial and Transparency

Without a budget in place, a Council is in breach of its Financial Regulations. Budgets must be set in line with s101(6) Local Government Act 1972, s50 Local Government Finance Act 1992 and s78 Localism Act 2011.

Further background to the budget setting process is contained in the Good Councillor's Guide to Finance and Transparency:

The Budget:

- *Results in the Council setting the precept for the year*
- *Gives the Clerk and any other officers overall authority to make spending commitments in line with decisions of the Council*
- *Enables progress monitoring during the year by comparing actual spending against planned spending. It is important that Councillors understand how the budget is put together and how it should be used. The budget is an essential tool for controlling the Council's finances and demonstrates that the Council will have sufficient income to meet its objectives and carry out its activities.*

The Council must approve a budget before it sets a precept. The budget and precept both need to be approved at a Full Council meeting and recorded in minutes; the Council must then manage its activities within budget.

The key stages of the budgeting process are:

- *Review of current year budget and spending*
- *Determine the cost of spending plans*
- *Assess levels of anticipated income*
- *Provide for contingencies and the need for reserves*
- *Approve the budget*
- *Set the precept*

Some Councils may budget to minimise spending to keep the local precept as low as possible, which may sometimes result in the Council doing little for their local community. However, there is evidence that local taxpayers are willing to pay more if they can see the results in terms of better local services. Local electors will often be prepared to contribute more for tangible local benefits, rather than pay an amount where it appears that the Council is not active on behalf of the community and is merely administering itself.

How does the Council decide the budget?

A Parish Council must ensure all legislative requirements are met when deciding the budget, ensuring that policies are adhered to, and all predicted spend falls within the duties and/or powers of a Parish Council.

Predetermination and bias

The duty on public authorities to avoid bias in their decision making is essentially part of their duty to act fairly.

Predetermination (where a decision maker effectively decides on an issue in advance and closes his or her mind to any other possibility) is unlawful and Councillors must comply with s25 Localism Act 2011 when setting the budget.

Councillors must safeguard their democratically accountable functions, ensuring that any fair-minded and informed observer, having considered the facts, could not conclude that there was a possibility of bias or predetermination in their decision making.

Code of Conduct

All Councillors are required to act within a Code of Conduct that governs their decision making. The Code of Conduct ensures budgeting decisions are not made for the benefit of any Councillor and that all Councillors act with openness, integrity, objectivity, and accountability. Whitchurch Town Council's Code of Conduct includes:

Accountability

Councillors are accountable to the public for their decisions and must cooperate fully with whatever scrutiny is appropriate to their office, including local residents.

Objectivity

Councillors should remain objective, listen to the interests of all parties appropriately and impartially, and take all relevant information, including advice from the authority's officers, into consideration.

Openness

Councillors must be as open and transparent as possible about their decisions and action and the decisions and action of the authority. Councillors should be prepared to give reasons for those decisions and actions. Councillors must not prevent anyone from getting information that they are entitled to by law.

Honesty

Councillors must declare any private interests, both pecuniary and non-pecuniary that relate to their public duties and must take steps to resolve any conflicts arising in a way that protects the public interest, including registering and declaring interests.

Integrity

Councillors must not place themselves under any obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.

Selflessness

Councillors must act in the public interest and must never use or attempt to use their position improperly to confer an advantage or disadvantage on any person or act to gain financial or other material benefits from themselves, their family, friends, or close associates.

Consultation

It is good practice for a Council to consult the community to ascertain the needs and aspirations of residents.

Similarly, it is important that our electorate have an opportunity to have input into our plans as they are being formed.

***“The Council should consider consulting the local public for their views”
Section A, Good Councillor’s Guide to Financial and Transparency***

This document forms part of that process.

The following draft budget has been informed by performance in previous years and by discussions within the individual Committees of Whitchurch Town Council.

Should you wish to comment on any aspect of the proposed budget for 2023-24 financial year, please write or email to the following addresses:

**Mike McDonald, Proper Officer
Whitchurch Town Council**

**The Civic Centre, High Street, Whitchurch, Shropshire, SY13 1AX
Email – clerk@whitchurchtowncouncil.gov.uk**

Whitchurch Town Council

Proposed Budget 2023-24

Income

Item	Actual 2021-22	Budget 2022-23	Year to Date Actual 2022-23	Proposed Budget 2023-24	%age of Total Budget
Community Infrastructure Levy	£8,730	£0	£42,185	£0	0%
Parks & Public Realm (benches/hanging baskets)	£1,520	£1,500	£700	£1,000	1%
Public Conveniences	£425	£500	£0	£0	0%
Heritage Craft Units	£4,595	£5,000	£2,700	£5,000	5.2%
Events	£8,727	£8,450	-£6,999	£8,200	8.5%
Friday Market	£7,043	£9,000	£3,840	£9,000	9.7%
Cemetery	£16,448	£27,500	£15,965	£27,500	28.9%
Civic Centre	£29,297	£44,410	£26,642	£44,410	46.7%
Kickstart Grant	£0	£7,500	£6,266	£0	0%
TOTAL	£68,055	£103,860	£91,299	£95,110	100%

The calculation of the precept request is given at the end of the Expenditure section.

The unbudgeted CiL was transferred to an Earmarked Reserve for future use.

YTD Actual figures for 2022-23 as at end of Month 7 (October 2022).

Expenditure

Item	Actual 2021-22	Budget 2022-23	Year to Date Actual 2022-23	Proposed Budget 2023-24	%age of Total Budget
Administration	£39,650	£42,210	£28,585	£39,320	6%
Administration (Salaries & Pensions)	£233,351	£261,840	£129,835	£290,043	44.5%
Council / Council Expenses	£290	£3,600	£4,091	£3,600	0.6%
Capital Projects	£2,250	£0	£0	£0	0%
Annual Allocations / Donations	£5,000	£5,000	£5,000	£5,000	0.8%

Item	Actual 2021-22	Budget 2022-23	Year to Date Actual 2022-23	Proposed Budget 2023-24	%age of Total Budget
CCTV	£2,412	£3,076	£6,614	£3,301	0.5%
Civic Centre	£57,945	£121,765	£71,673	£160,365	24.6%
Heritage Craft Units	£600	£3,050	£155	£2,350	0.4%
Heritage Centre	£11,821	£17,500	£9,483	£19,000	2.9%
Events	£6,766	£20,000	£-3,556	£30,000	4.6%
Friday Market	£0	£1,000	£1,637	£1,000	0.2%
Cemetery	£11,124	£13,421	£14,683	£33,161	5%
Parks & Public Realm	£71,658	£91,211	£60,399	£32,100	4.9%
Street Lighting / Furniture	£11,742	£14,000	£13,648	£27,600	4.2%
Public Conveniences	£16,383	£18,350	£8,702	£5,000	0.8%
TOTAL	£470,992	£616,023	£348,969	£651,840	100%

Year to Date 'Actual figures for 2022-23 are calculated at the end of Month 7 (October 2022), when the budget-setting process commenced. It is anticipated that, in all likelihood, allocated budget sums for 2022-23 will be fully utilised.

During the 2022-23 year, some events have been slow to return to normal following COVID lockdowns, due to the nature of the events. The Civic Centre returned to full operation and commenced additional Saturday Morning opening during the year, with a full Reception Team.

We have also reconfigured the way our Public Spaces (including Public Conveniences) are managed. The majority of Grounds Maintenance will be brought 'in house' and serviced by 3 new Part Time 'Public Realm' Officers, contracted mowing for large areas. The upkeep of the Cemetery has been split out as a separate entity. This has positively affected costs within Parks & Public Realm, with Salaries reflected the recruitment of the new Public Realm Team. The overall effect, however, is a net saving on total costs.

Youth Services (erroneously included within "Parks & Public Realm" in 2022/23 Budget) has been increased from £10,000 to £15,000 and moved to the Civic Centre cost centre. An additional provision has been made for events in the forthcoming financial year (from £20,000 in 2022/23 to £30,000 in 2023/24) to reflect additional plans to include the King's coronation. £4,600 has also been included to reflect 10-year licence costs for the Civic Centre to host Civil Ceremonies in the future.

Salaries and Pensions are also affected by national increases, including on-costs of National Insurance Employer Contributions and Pensions – a provision is made for this within the appropriate figures, though savings have been made on employer contributions to the Local Government Pension Scheme.

Elsewhere, incremental and other costs have increased due to economic pressures experienced throughout the country, for example the cost of our Streetlighting utility cost has increased substantially from a budget of £6,400 in 2022/23 to £20,000 in the 2023/24 budget), this reflects actual increases in electricity prices experienced this year in real terms.

Other projects will be delivered through Earmarked Reserves (CiL monies) held, or by utilising the Council’s General Reserves, decided throughout the year by Full Council.

2023-24 Precept Request

The Precept is an amount collected by Shropshire Council on behalf of Whitchurch Town Council and is allocated to meet the needs of the community, based on our expenditure plans, above.

It is a simple calculation which takes into consideration the anticipated expenditure for the year, minus expected income (including any use of Reserves).

It is collected through the Council Tax system.

Calculation of the Precept

In the 2023-24 financial year, we estimate expenditure of £651,840 and an income of £95,110. Therefore, it is proposed that our precept is set at **£556,730** (2022-23 financial year £512,163) to resource the budget.

No carry forward figures have been factored into the proposed precept.

What does this mean for you?

Over the past 10 years, Whitchurch Town Council has levied the following sums:

2022/23	£512,163	2021/22	£504,254
2020/21	£507,666	2019/20	£484,603
2018/19	£459,079	2017/18	£455,776
2016/17	£448,402	2015/16	£433,462
2014/15	£426,637	2013/14	£322,481

The precept of 2022/23, based on a ‘tax base’ of 3,381.73 (*), equated to the approximate sums for each property band in the Whitchurch Town Council area:

BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
£101.47	£118.13	£134.79	£151.45	£184.77	£218.09	£252.92	£302.90

For the forthcoming 2023-24 financial year, the Valuation Office at Shropshire Council have provided a calculation based on a ‘tax base’ of 3,454.03 which equates to the approximate sums for each property band in the Whitchurch Town Council area, with increases shown in the shaded area/s:

BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
£107.45	£125.36	£143.27	£161.18	£196.99	£232.81	£268.63	£322.36
5.9% £5.98	6.1% £7.23	6.3% £8.48	6.4% £9.73	6.6% £12.22	6.7% £14.72	6.2% £15.71	6.4% £19.46

There are approximately 4,886 net dwellings in Whitchurch Town which are liable for Council Tax (before any adjustments are made for discounts and before the properties are converted into 'Band D equivalents' to reach the final tax base figure). The approximate number of each property band in Whitchurch Town is as follows:

	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
NUMBER:	1625	1244	850	532	396	171	63	5
%AGE:	33.26%	25.36%	17.40%	10.89%	8.10%	3.50%	1.29%	0.10%

The majority of households in Whitchurch Town fall within Band A and B.

Annual Increase Analysis per Band

Property Band	2022/3 Precept	2023/4 Precept	Annual Increase	Weekly Amount	%age increase
Band A	£101.47	£107.45	£5.98	11.5p	5.9%
Band B	£118.13	£125.36	£7.23	14p	6.1%
Band C	£134.79	£143.27	£8.48	16p	6.3%
Band D	£151.45	£161.18	£9.73	19p	6.4%
Band E	£184.77	£196.99	£12.22	23.5p	6.6%
Band F	£218.09	£232.81	£14.72	28p	6.7%
Band G	£252.92	£268.63	£15.71	30p	6.2%
Band H	£302.90	£322.36	£19.46	37p	6.4%

(*) *The precept level for each household is calculated based on figures from Shropshire Council's Valuation Officer and is based on the number of Band D properties in the town. The tax-base is calculated by taking the number of Band D equivalent properties in the parish from information supplied by the Valuation Officer, making allowances for discounts and exceptions, successful valuation appeals, the cost of the Council Tax Reduction Scheme, non-collection and housing growth estimates. The number of Band D properties is calculated by scaling properties into other Bands, either up or down, to convert them to a Band D level. The determination of a parish council's tax base includes the impact of the Welfare Reform Act 2012, which abolished Council Tax Benefit from 31.3.13 and introduced localised Council Tax Support (CTS) schemes. Billing authorities are required to express localised Council Tax Support Schemes in terms of a reduction in the Council Tax tax base.*

The reduction in the Council Tax tax base is partially offset by the inclusion of Council Tax Support Grant (CTSG) within Shropshire Council's Settlement Funding Assessment determined by Government although this amount is not separately identified and is not ring-fenced.