

Medium Term Financial Forecast 2019- 2022

Introduction

The purpose of this document is to identify income and expenditure trends over a three-year period. This will assist in identifying funding gaps and opportunities, and sources of income available over that period.

This document assumes no change in the current pattern of services delivered by the Town Council. Understanding the impact of current commitments helps to examine the capacity of the Town Council to provide additional services within its income or to adjust its expenditure to reflect changed service priorities.

The objective is to enable the Town Council to understand its key financial pressures and the likely long-term implication of its decisions. The Town Council seeks to manage risk effectively and hopes to control precept rises by identifying external funding.

Forecasts

	2016/2017	2017/18- Previous year	2018/19- Current year	2019/2020 Forecast	2020/2021 Forecast	2021/2022 Forecast	Risk
INCOME							
Artisan Market	2,500	2,500	3,000	3,000	3,000	3,000	Income limited by size of market (day and time). Other initiatives, e.g. evening markets to be considered. Funding to be sought from SMDC to add capacity and minimise risk.
Room Hire	500	500	500	500	500	500	Management of Town Hall may increase income if used as break-out venue. This may incur additional expenses.
Burial Ground	26,000	32,000	35,000	40,000	45,000	48,000	Income continues to increase. It should be noted that additional land will be necessary for development within 15 years.
Allotments	550	500	550	550	550	550	
Christmas Market	300	350	350	250	250	250	
Interest (bank accounts)	614.74	1,000	1,000	1,000	1,000	1,000	Additional action needed to identify investment opportunities.
VAT refund	8,000	8,000	20,000	20,000	20,000	20,000	
Lengthsman	5,000	5,000					
Promotional Sales	200	500	500	500	500	500	
General Admin		100	100	100	100	100	
Support Grant	13,982.59	8,090.25	3,989.43				No Support Grant received from 2019/20 onwards.
Precept	256,503	272,924.76	295,375.57	348,265	350,000	360,000	Possible implementation of Council tax referendum principles beyond 2019/2020
EXPENDITURE							
Audit Fees	1,000	1,000	1,000	1,300	1,400	1,500	As precept grows, costs of audit also increase.
Elections	5,016	5,100	5,100	5,100	5,300	5,300	Set by SMDC
Office costs	5,000	6,000	9,000	7,000	8,000	8,000	Management of Town Hall may affect costs of managing office space.
Room Rent - District Council	20,000	25,000	28,000	30,000	30,000	30,000	Implications for management of the Town Hall and office space within it.
Salaries/pensions	81,500	95,000	95,000	110,000	120,000	120,000	Assumed inflationary increase and increments awarded in line with best practise and NALC recommendations. Future management of the Town Hall will impact on levels of staffing.
Subscriptions	1,600	1,600	2,000	2,000	2,500	2,500	
Sundry	800	1,000					
Training	1,000	1,000	1,000	1,000	1,000	1,000	
VAT	8,000	8,000	20,000	20,000	20,000	20,000	

Christmas Lights	21,000	23,000	26,000	26,000	26,000	26,000	Cost fixed for 5 years from January 2019
Civic Allowance	4,165	4,165	4,165	4,165	4,165	4,165	
Civic Expenditure	12,000	12,000	12,000	12,000	12,000	12,000	
Cenotaph and Centenary Projects			2,000	2,000			
Festival	5,000	5,000					
Remembrance Sunday	100	100	100	100	100	100	
Events Director	9,455						
Events Budget	1,000						
Artisan Market	4,000	5,000	6,000	6,000	6,000	6,000	Dependent on SMDC contribution
Regeneration	25,000	25,000	25,000	25,000	25,000	25,000	
Tourism	2,000	2,000	2,000	2,000	2,500	2,500	
Grants (inc. CAB, Festival and Biddulph in Bloom)	66,000	66,000	64,000	69,000	69,000	69,000	
Provision for defibrillator maintenance			2,000	2,000	2,000	2,000	
Allotments	5,000	5,000	5,000	3,000	3,000	3,000	
Contingency	5,000	5,000	4,000				
Maintenance of Springfield Road			1,000	1,000	1,000	1,000	
Lengthsman	5,000	5,000	5,000	8,000	8,000	8,000	
Burial Grounds Maintenance	20,000	25,000	30,000	30,000	30,000	30,000	
Dementia action plan implementation				1,000			
Biddulph Network development				500			
Bus Service				40,000	40,000	40,000	12-month contract beginning April 2019.
Neighbourhood Plan/ Neighbourhood Development Order		6,016.05	14,000.00	0.00	5,000	5,000	Budget for implementation, following referendum in Autumn 2019.
Footpaths	500	500	1,000.00	1,000	1,000	1,000	
Footway Lighting	5,000	5,000	5,000.00	5,000	5,000	5,000	

Conclusion

The Council is in good financial health with a balanced Revenue budget, on-going savings and strong levels of balances and reserves. The biggest risk for the Town Council going forward is the management of the Town Hall. Some savings can be made within the figures above, but this will affect 'normal' service provision. There is also likely to be an impact of less support from SMDC and likelihood of Town Council taking on more services as funding is reduced from elsewhere, such as Staffordshire County Council. There will be a greater need for grant funding from elsewhere, and the Town Council will need to actively seek this and engage with external partners.