

BIDDULPH TOWN COUNCIL
THREE-YEAR BUDGET FORECAST (prepared July 2021)

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, although it is recognised that this is unlikely to be the case. Future expenditure has not been identified, but the Town Council is aspirational in its approach to regeneration and service provision within the town. 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.

EXPENDITURE

	Actual Expenditure 2019-20	Previous year- 2020-21	Current Year- 2021-22	2022-23 Forecast	2023-24 Forecast	2024-25 Forecast	Assessment of risk: High- Red, Medium- Amber, Low- Green	Comment
General Administration-100								
Audit Fees	£950.00	£1,300.00	£1,300.00	£1,500.00	£1,500.00	£1,500.00		As the Town Council grows, internal audit costs will increase. External audit arrangements will change during this period as the contract with Mazars comes to an end.
Elections	£4,241.32	£5,100.00	£5,100.00	£5,100.00	£5,100.00	£5,100.00		No indication of proposed changes from SMDC.
Office costs	£1,992.89	£10,450.00	£200.00	£200.00	£200.00	£200.00		
Photocopier Costs	£3,349.37		£3,000.00	£3,000.00	£3,000.00	£3,500.00		
IT and Website Support	£788.83		£5,000.00	£10,000.00	£10,000.00	£12,000.00		New investment will be necessary during this period to upgrade current equipment and to satisfy GDPR requirements.
Stationery	£1,088.10		£1,500.00	£1,500.00	£1,500.00	£1,500.00		
Refreshments	£576.88		£600.00	£600.00	£600.00	£600.00		
Equipment	£248.04		£500.00	£1,000.00	£1,000.00	£1,000.00		A review of current assets following the transfer of buildings, suggests several items need to be upgraded during this period.
Travel and expenses	£589.86		£200.00	£200.00	£200.00	£200.00		
Advertising	£2,368.28		£1,000.00	£1,000.00	£1,000.00	£1,000.00		
Insurance			£800.00	£3,000.00	£3,000.00	£3,000.00		New liabilities require alternative insurance arrangements.
Legal Fees			£1,000.00	£3,000.00	£3,000.00	£3,000.00		The Town Council has a range of projects requiring legal input, including HR support.
Furnishing/ Furniture	£118.86		£500.00	£500.00	£500.00	£500.00		
Coronavirus			£1,000.00					No dedicated budget beyond 2021-22
Room Rent - Rooms occupied by BTC	£26,108.76	£30,000.00	£30,000.00	£30,000.00	£30,000.00	£30,000.00		Internal transfer
Salaries/pensions	£114,529.00	£125,000.00	£250,000.00	£250,000.00	£250,000.00	£300,000.00		New projects may necessitate changes to staffing.
Subscriptions	£2,596.00	£2,600.00	£2,600.00	£3,000.00	£3,000.00	£3,000.00		
Security			£200.00	£3,000.00	£3,000.00	£3,000.00		Includes opening/ closing TC premises
Training	£1,680.70	£2,000.00	£2,000.00	£2,500.00	£2,500.00	£2,500.00		
Sub total	£161,226.89	£176,450.00	£306,500.00	£319,100.00	£319,100.00	£371,600.00		
Town and Community Committee-200								
Christmas Lights	£23,482.60	£26,000.00	£26,000.00	£30,000.00	£28,000.00	£28,000.00		New investment required in 2022-23
Civic Allowance	£4,203.00	£4,165.00	£4,165.00	£4,165.00	£4,165.00	£4,165.00		
Cenotaph and Centenary Projects	£0.00	£2,000.00	£0.00	£2,000.00	£0.00	£0.00		Repairs to be paid from EMR; cleaning necessary in 2022/23
Civic Expenditure- restoration/ heritage	£5,877.73	£9,000.00	£0.00	£3,000.00	£3,000.00	£3,000.00		
Clocks	£350.00	£350.00	£350.00	£400.00	£400.00	£400.00		
Civic Regalia	£557.66	£1,000.00	£500.00	£500.00	£500.00	£500.00		
Dementia Action Plan	£193.10	£600.00	£800.00	£800.00	£800.00	£800.00		
Biddulph Network Development	£0.00	£0.00	£200.00	£200.00	£200.00	£200.00		Budget code to include support for voluntary groups.
Remembrance Sunday	£40.25	£100.00	£100.00	£100.00	£100.00	£100.00		
Artisan Market	£8,692.62	£6,000.00	£6,000.00	£6,000.00	£6,000.00	£6,000.00		Additional funding to be sourced from SMDC.
New Events	£0.00	£1,000.00	£2,000.00	£2,000.00	£2,000.00	£2,000.00		
Regeneration	£63,448.30	£16,000.00	£8,000.00	£8,000.00	£8,000.00	£8,000.00		
Environment and Climate Change	£0.00	£4,000.00	£0.00	£1,000.00	£1,000.00	£1,000.00		Funding allocated for new initiatives.
Tourism	£2,637.17	£2,000.00	£2,000.00	£2,000.00	£2,000.00	£2,000.00		
Sub total	£109,482.43	£72,215.00	£50,115.00	£60,165.00	£56,165.00	£56,165.00		
Finance Strategy and Management Committee-300								
Grants (inc. CAB and Biddulph in Bloom)	£66,200.00	£64,000.00	£64,000.00	£64,000.00	£64,000.00	£64,000.00		
Festival	£5,000.00	£5,000.00	£5,000.00	£5,000.00	£5,000.00	£5,000.00		
Councillor Grants Scheme	£0.00	£3,000.00	£3,000.00	£3,000.00	£3,000.00	£3,000.00		
Provision for defibrillator maintenance	£0.00	£2,000.00	£2,000.00	£2,000.00	£2,000.00	£2,000.00		
Sub total	£71,200.00	£74,000.00	£74,000.00	£74,000.00	£74,000.00	£74,000.00		
Recreation and Amenities Committee								
Allotments-410	£585.00	£3,000.00	£2,000.00	£2,000.00	£2,000.00	£2,000.00		
Maintenance of Springfield Road	£146.25	£1,000.00	£1,000.00	£1,200.00	£1,200.00	£1,200.00		
Lengthsman-420	£5,093.00	£8,000.00	£8,000.00	£8,000.00	£8,000.00	£8,000.00		
93 Bus	£46,270.07	£40,000.00	£40,000.00	£45,000.00	£45,000.00	£45,000.00		Service to be re-tendered end of 2021.
Footpaths	£1,275.00	£1,000.00	£1,000.00	£1,000.00	£1,000.00	£1,000.00		
Burial Grounds Maintenance-400	£25,196.00	£30,000.00	£30,000.00	£30,000.00	£30,000.00	£30,000.00		
Butterfly Garden- riparian duties/ tree management	£590.00	£2,000.00	£1,000.00	£1,000.00	£1,000.00	£1,000.00		
Green Spaces-430			£1,000.00	£1,000.00	£1,000.00	£1,000.00		
Footway Lighting	£2,868.12	£5,000.00	£5,000.00	£5,000.00	£5,000.00	£5,000.00		No indication of any changes to fees.
Sub total	£82,023.44	£90,000.00	£89,000.00	£94,200.00	£94,200.00	£94,200.00		
Planning Committee								
Neighbourhood Plan	£14,598.99	£0.00	£0.00					Implementation of projects identified through EMR.
Sub total	£14,598.99	£0.00	£0.00					
Town Hall- 800								
Town Hall Management			£500.00	£500.00	£500.00	£500.00		
Legal Fees			£500.00	£2,000.00	£2,000.00	£2,000.00		Effective management of tenancies and liabilities.
Cleaning			£20,000.00	£20,000.00	£20,000.00	£20,000.00		
Public Convenience Maintenance			£500.00	£1,000.00	£1,000.00	£1,000.00		Decoration will be necessary in this period.
Town Hall Maintenance			£15,000.00	£15,000.00	£15,000.00	£15,000.00		A full review of expenditure will take place summer 2021, following one year of Town Council management.
Town Hall Repairs			£2,000.00	£2,000.00	£2,000.00	£2,000.00		
Town Hall Improvements			£0.00	£0.00	£0.00	£0.00		Funding to come from EMR unless surplus identified.
Business Rates- Town Hall			£40,000.00	£40,000.00	£40,000.00	£40,000.00		
Business Rates- Public Conveniences			£7,000.00	£0.00	£0.00	£0.00		New legislation means no liability.
Utilities			£18,000.00	£18,000.00	£18,000.00	£18,000.00		
Waste			£4,000.00	£4,000.00	£4,000.00	£4,000.00		Reviewed annually to ensure savings identified.
Security			£200.00	£5,000.00	£5,000.00	£5,000.00		New CCTV and security arrangements required.
Sub total			£107,700.00	£107,500.00	£107,500.00	£107,500.00		
Country Park- 810								
Public Convenience Cleaning			£15,000.00	£15,000.00	£15,000.00	£18,000.00		2021-22 funding from EMR; not sustainable to continue to fund day-to-day cleaning and maintenance through reserves. Capital projects only through EMR.
Maintenance			£500.00	£1,000.00	£1,000.00	£1,000.00		
Sub total			£0.00	£16,000.00	£16,000.00	£19,000.00		
TOTAL	£438,531.75	£412,665.00	£627,315.00	£670,965.00	£666,965.00	£722,465.00		

INCOME

	Actual income 2019-20	Estimated Income at time of budget setting for 2020-21	Estimated Income 2021-22	2022-23 Forecast	2023-24 Forecast	2024-25 Forecast	Assessment of risk: High- Red, Medium- Amber, Low- Green	Comment
Artisan Market/ FFF/ Christmas	£4,632.50	£2,500.00	2,500.00	2,500.00	2,500.00	2,500.00		
Room Hire	£25.00	£500.00	82,000.00	90,000.00	100,000.00	100,000.00		Room Hire will need to increase to cover loss of income from SMDC
Burial Ground	£59,671.70	£45,000.00	50,000.00	50,000.00	50,000.00	50,000.00		
Allotments	£900.58	£550.00	550.00	550.00	550.00	550.00		
Interest (bank accounts)	£3,166.12	£1,000.00	1,000.00	1,000.00	1,000.00	1,000.00		
Promotional Sales	£1,388.66	£800.00	800.00	800.00	800.00	800.00		
Misc.- General Admin	£56,008.89	£100.00	100.00	100.00	100.00	100.00		
Grants and Donations	£1,848.13	£0.00	0.00	0.00	0.00	0.00		
Reimbursement from SMDC			120,000.00	106,000.00	92,000.00	78,000.00		Management contribution to decrease by 12.5% per year.
Precept	£348,265.00	£362,215.00	370,365.00	£420,015.00	£420,015.00	£489,515.00		

TOTAL	475,906.58	412,665.00	627,315.00	670,965.00	666,965.00	722,465.00	
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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, which is likely to necessitate new staffing, (inc. IT and training), capital investment and a need to increase levels of income, to balance reduced contributions from SMDC.

A full review of income and expenditure will take place after August 2021- one year of the current arrangement.

Challenging discussions will be required in relation to the use of Earmarked Reserves. Some savings can be made within the figures above, but this will affect 'normal' service provision.

The Town Council is seeking to take on additional services, such as grass cutting, but it is imperative that the provision of these services is accompanied by an allocation of funding. The Town Council is confident that this can still achieve a saving for partners.

During this period, 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.