

DUNSTABLE TOWN COUNCIL**FINANCE AND GENERAL PURPOSES COMMITTEE****MONDAY 24 JANUARY 2022****BUDGET PROPOSALS FOR 2022/23**

Purpose of Report: For Members to consider and comment on budget proposals for 2022/23 taking into account comments and recommendations from the Community Services Committee and Grounds and Environmental Services Committee and to make recommendations to full Council accordingly

1. ACTION RECOMMENDED

- 1.1 For members to consider and comment on budget proposals (revenue and capital) and fees and charges for 2022/23 as shown on the separate enclosures previously circulated and make recommendations to full Council with reference to the proposed resolution shown at paragraph 10 of this report.
- 1.2 For members to consider the comments and recommendations of the Community Services Committee and Grounds and Environmental Services Committee as set out in paragraph 3 below.
- 1.3 For members to determine whether or not to support a Beacon Lighting event on Dunstable Downs to help celebrate the Queens Platinum Jubilee by way of giving a £4,000 grant to the National Trust.

2. INTRODUCTION

- 2.1 Members of the Council considered proposals for a draft 2022/23 revenue budget at the Council Meeting held on 6 December 2021.
- 2.2 At this meeting, members agreed a draft budget that accounted for:

Increased Revenue Expenditure

Increased revenue expenditure on existing revenue budget	£232,426
--	----------

Revenue savings/additional income

Identified revenue savings and increased income targets	£158,345
---	----------

- 2.3 This resulted in an anticipated revenue expenditure deficit of **£74,081**. Members resolved that the 2022/23 revenue budget should be set at no more than a £5.64 (3.1%) increase to the Band D council tax charge on the understanding that the £5.64 increase would generate sufficient additional revenue to address the projected revenue deficit (which is based on the assumption of a 5% pay increase for all staff next year). The enclosed draft budget papers reflect this decision, and a balanced revenue budget has been presented.

Corporate Management / Bank charges – 2,500	Democratic Management, Jubilee – 5,000 ¹
Corporate Management / salary contingency – 10,500	Grove House / building maintenance contracts - 220
Corporate Management / Covid contingency – 27,002	
Capital and projects / GH loan – 1,083	
SUB-TOTAL - £76,635	SUB-TOTAL - £13,570
SUB-TOTAL- £63,065	
TOTAL - £51,851	

5. CAPITAL PROGRAMME 2022/23

- 5.1 The provisional year-end balances on the Allocated Reserve for 2021/22 are based on the figures detailed in the financial monitoring report included elsewhere on this agenda.
- 5.2 The Council's Financial Regulations authorise the Town Clerk and Chief Executive and Heads of Service to incur expenditure of up to £10,000 against the agreed capital programme (Allocated Reserve) following consultation with the appropriate Committee Chairman.

6. TOTAL DEBT AND ASSOCIATED REPAYMENTS

- 6.1 Members will be aware that the Council currently has a number of debts, serviced through the revenue budget. Listed below is a schedule of debts and associated repayments:

AREA	TOTAL LOAN OUTSTANDING AT 31.03.22	ANNUAL PAYMENT 2022/23	TERM
Luton Road Pavilion	£6,906.25	£1,062.50	Nov 2026
Grove House Gardens Performance Area/1st Cemetery Extension	£26,258.24	£6,377.13	Nov 2024
Priory House loans 1&2	£216,666.44	£16,666.68	Nov 2033
	£59,056.43	£4,374.58	May 2034
Grove House loans 1&2	£96,600.00	£6,900.00	Nov 2034
	£241,666.46	£16,666.68	May 2035
2nd Cemetery extension	£270,000.00	£15,000.00	Nov 2038
TOTAL	£917,153.82	£67,047.57	

7. COUNCIL ASSETS

- 7.1 In contrast to the schedule of debt shown above, the Council does of course own land, buildings, and physical assets such as vehicles. However, it is very difficult to put a value on most of the Council's assets as most have restricted use, such as public open space, therefore undermining their value. The Council's two most valuable assets are Grove House and Priory House. The most recent valuation of

¹ Included in the £5,000 is a £4,000 contribution to the Beacon Lighting on Dunstable Downs. Members need to take a decision on whether or not they wish to support this. The other £1,000 will go towards street party grants as already agreed.

both buildings value them at £795,000 and £660,000 respectively for non-specialist existing use (both figures have reduced from previous valuations). In addition, the Council will potentially be in a position to dispose of two areas of land that may yield significant capital receipts in the short to medium term.

8. INCOME LIABILITIES ON REVENUE BUDGET

- 8.1 The draft budget for 2022/23 relies on non-council tax income generation of **£975,179**, which is an increase of **£57,980** on last year's income target of **£917,199**. This income is targeted to come from various sources and in terms of budget risk, this is the highest risk area. Appendix 1 shows a schedule of all income targets.

9. THE DUNSTABLE TAX BASE

- 9.1 The tax base used to calculate the precept demanded from Central Bedfordshire Council has increased from 13,152 for 2021/22 to 13,218 for 2022/23. This is an increase of 66, which is slightly lower than last year's increase.

10. FINANCIAL IMPLICATIONS

- 10.1 If members approve the revenue budget and fees and charges submitted in the enclosed documents to this report, the following resolution is proposed:

RECOMMENDED: i) that the proposed budget for 2022/23 be presented to Council for approval (as enclosed)

ii) that the Town Clerk and Chief Executive be authorised to incur the various items of expenditure detailed in the budget, subject to compliance with the requirements of the Council's Standing Orders and Financial Regulations

iii) that the revised scale of fees and charges, set out in the report, be approved with effect from 1st April 2022 or the start of the 2022/23 winter playing season, as appropriate

iv) that, in consequence of the foregoing recommendations, the Town Council issue a precept upon Central Bedfordshire Council in the sum of £2,480,490, resulting in a Dunstable Town Council Tax (Band D) at the rate of £187.66.

11. HUMAN RESOURCE IMPLICATIONS

- 11.1 The draft budget accounts for an increase to the national Living Wage Foundation living wage and up to a 5% general cost of living pay increase for all staff. Members should note that at the time of preparing this report the pay award for 2021/22 had still not been resolved and it is unlikely that the pay award for 2022/23 will be resolved for some time yet.

12. POLICY AND CORPORATE PLAN IMPLICATIONS

- 12.1 The Council has set itself a number of challenges and aspirations as contained in the draft Corporate Plan 2020-23. These budget proposals accord with the aspirations contained within the Corporate Plan.

13. HEALTH AND SAFETY IMPLICATIONS

- 13.1 The draft general health and safety budget for 2022/23 has been maintained at the same rate as for 2021/22.

14. EQUALITIES AND LEGAL IMPLICATIONS

- 14.1 The Council has a legal obligation to set a balanced budget.

15. APPENDICES

- 15.1 Appendix 1 – Schedule of income targets 2022/23

16. SEPARATE ENCLOSURE (previously circulated)

- 16.1 Enclosure 1 - Draft budget and pricing schedules for 2022/23

NB - Members are reminded that the enclosures have previously been circulated and are to be retained for each Committee meeting.

17. BACKGROUND PAPERS

- 17.1 Meeting of full Council, 6 December 2022 - *Draft Budget 2022/23*

18. AUTHOR

- 18.1 David Ashlee – Town Clerk and Chief Executive
E-mail – david.ashlee@dunstable.gov.uk