



Report to: Finance & Strategy Panel
Report From: Clerk
Subject: Draft Budget for the Year End 31st March 2023

Introduction

This report presents the base operational budget for 2022/23 to deliver the Council's current planned service levels. Finance and Strategy Panel are asked to consider the draft budget and propose any changes for future consideration.

The budget must be finalised by Full Council at the meeting on 19th January 2022 in time for the precept request to be sent to North Kesteven District Council by 28th January 2022.

A draft precept calculator is attached at Appendix A. This considers inflationary pressures, previously agreed expenditure.

The RFO has indicated below, specific considerations in relation to the budget.

Employee costs: Represent the largest single budget within the Council's expenditure.

NJC are currently negotiating pay scales and it is anticipated that these will increase by at least 2.75%. For this reason a 3% increase has been budgeted.

In addition the Government have indicated increases in national insurance for both employees and employers. An increase of 1.5% has been budgeted to accommodate this.

STC are reviewing their service demands which may alter the budget in this area.

Supplies and Services: The cost of consumables and materials and labour which is outsourced is increasing. This may affect the capital cost of projects, with the major one being the resurfacing of the car park. Council maintain a healthy capital reserve, and costing of the project is monitored by the Finance & Strategy Panel. It is anticipated that additional costs for this project could be met from capital reserves.

Play area equipment: Is in constant use and has been used heavily throughout the past 12 months. Play equipment parts are increasingly harder to obtain and have increased significantly in cost. The previous clerk had increased the estimated budget for 2022/2023 to £5,000. I have now removed the £5,000 from the original budget line and added it to the 7 year capital programme contribution.

Public Toilet: Maintenance and cleaning is increasing in cost. The Council currently pay over £1000 a month to ensure the toilets are maintained and cleaned



at Boston Road Recreation Ground. This has resulted in a significant increase in the budget for maintenance.

The service of the **Market** requires investment. It is becoming increasingly popular in a crowded space. Perhaps dedicated staff to manage the market place should be considered which will require additional cost. On this basis I have included £10,000 in the budget.

Two years ago, Council approved that **Councillor allowances** would rise with inflation. On this basis a 1% increase has been budgeted for.

Christmas Celebrations and Other Events: Council have already agreed to host a 1940's event next year with an agreed budget of £5000. It is likely that it will be possible to return to having a full Christmas market in 2022 and this has been accommodated for with £5000. It has been agreed by full council that the town criers event budget should increase to £2,500. It is also anticipated that the Council will want to hold more events throughout the year with the Queen's platinum jubilee and the return of St Georges Market and other events. For this reason, there is a proposed increase to the budget, which includes the installation of the Christmas lights.

Tree surveys and inspection: The deputy Clerk has carried out some extensive work with the NKDC Tree Officer and a tree survey of all STC owned trees should be carried out in August 2022, at an approximate cost of £1,800.

General Reserves: STC general reserves budget line was set at £0, recommendations from Joint Panel on Accountability & Governance (JPAG) states a larger authority should calculate for 3 months equivalent general reserve. (Please see attached Appendix B). In light of this I have added £25,000 to general reserves.

Recommendation

The Finance & Strategy Panel consider the base operational budget for 2022/2023 as stated in Appendix A (Precept Calculator) setting out any alternatives proposed with details of how these are to be achieved.