

Agenda item 7

For decision - Work programme, budget and precept demand for 2023/24

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Summary

This report is in three parts. Firstly, following the approval of the Council Plan in November 2022, it considers the proposed work programme for 2023/24; secondly, some minor proposed changes to the staff body; and thirdly, the budget required to deliver the work programme along with the precept demand. The proposed precept of £1,983,504 represents an increase of 19p a week on the current year for Band D properties, although 76 percent of households in Frome will pay less being in Bands A - C.

These documents were sent to Cllrs in draft form in early December and amendments have been made following informal discussion with them.

It is recommended that Council approves these and with them, the annual precept demand.

1. Introduction

The proposed work programme and budget are designed to implement [the Council Plan 2022-24, which can be viewed on the website here](#). This Plan forms the foundation on which the future work of FTC will be based and will be reviewed towards the end of 2023-24.

The work programme and budget are fluid documents and can flex through the year. We can react to emergencies and opportunities as they arise over the course of the year and we are able to cancel, postpone and add elements to the work programme accordingly. The staff body is flexible too. We can redeploy staff where necessary.

While staff will be on hand to answer questions on the night, it would be appreciated if Cllrs could raise specific points with staff prior to the Council meeting.

The Leader of the Council, Anita Collier, will introduce the report and Paul Wynne, the Town Clerk, will provide a brief overview of the process followed in the construction of the work programme and budget at the meeting.

2. The Work Programme for 2023/24

[Details of the proposed annual work programme is at Appendix 7.1 and can be viewed on the website here](#). Please note that the way the work programme is laid out shows an estimation of staff cost allocation at the top of each section and that estimation is reflected in the proposed staff chart (see below).

3. Staff chart

[The proposed staff chart is at Appendix 7.2 and can be viewed on the website here.](#) It represents the situation at the time of writing except for the following proposals that are highlighted in red in the chart: first, one additional administrative post to provide support for the Business Team and the Open Spaces team who will not be able to deliver and or support delivery of the work programme without it. Second, to increase the hours from half time to four days a week of two community project officers in the Poverty and Unitary areas of work reflecting demand in the Council Plan for more resources in these areas. Third, a new half time post is in the Unitary Team to support the delivery of the Local Community Network.

So long as the proposals above are agreed, the proposed staff body, as described in the staff chart, is able to deliver the proposed work programme.

4. Budget and precept demand for 2023/24

This part of the report explains the components of the expenditure budget and the income required to match it. This includes the proposed precept amount.

[The proposed budget is at Appendix 7.3 and can be viewed on the website here.](#) Sarah Williams will provide the highlights. From a financial and business point of view, the approach is to enable the delivery of the Council Plan while maintaining an element of flexibility so that FTC can react to new challenges or opportunities as they arise. There is also a little flexibility in the forecast General Reserve.

The first section below discusses the various parts of the expenditure budget. The second section discusses how it is proposed to match expenditure with income. The third section considers our General and Earmarked Reserves.

4.1. Total budgeted expenditure for 2023/24

Each year, the budget planning starts with a clean sheet. Known or very firm costs are added in, followed by costs required to deliver the work programme. These costs are shown in summary form on the right of the work programme. The total expenditure required to deliver the work programme for 2023/24 is £2,095,479.

[The proposed line by line budget for 2023/24 is at Appendix 7.3.](#)

As part of the work programme, Cllrs received a draft budget for 2023/24 in November. The proposed budget tabled then has been refined to reflect discussions and to incorporate the latest year end forecast.

Please contact the Business Manager in advance of the meeting if there are any questions about the detail.

Once total expenditure is calculated, total income is considered. At the start of the new financial year budgeted expenditure equates to budgeted income.

4.2. Total budgeted income for 2023/24

Income for 2023/24 comes from three different sources

Budgeted income during 2023/24	£2,095,479
Of which:	
a. Precept (from Council taxpayers in Frome)	£1,983,504
b. Income from room hire, rents, grants and interests on savings	£72,975
c. General Reserves	£39,000

4.2.a. Income from the precept

The precept is the amount we receive from Council Taxpayers in Frome. It is usually discussed in terms of the amount a Band D household in Frome will pay for the Frome portion of their bill. Banding is based on the value of a property; the range goes from Band A (lowest) to Band H (highest). In 2022/23 Frome Town Council's portion of the annual council tax bill in Band D was £208.78. To enable FTC to deliver the proposed work programme the 2023/24 precept proposed is £1,983,504 which increases the annual amount paid by a Band D household by £10.14 to £218.92 (4.9 per cent). This equates to a weekly increase of 19 pence. Roughly 76 per cent of Frome households will pay less than this as they are in Bands A to C. In addition, approximately 28 percent of the total approximately 13,000 households in Frome pay a reduced amount of Council Tax through single occupancy or student discounts and/or are receiving benefits.

We are proposing to support the 2023/24 work programme with £39k from the General Reserve. This will keep the precept demand and the amount residents pay through their Council Tax to Frome Town Council to the lowest possible figure while maintaining an ambitious and supportive work programme for the town.

4.2.b. Income from rents, grants and interests on savings

Budgeted income during 2023/24	£72,975
Of which:	
a. Investments, grants and Discover Frome sales	£3,714
b. Room hire and rental income from Frome Town Hall	£60,626
c. PV panels	£8,635

4.2.c. Income from the General Reserve

The General Reserve is for unplanned and emergency expenditure. The Council's Financial Regulations currently say that a prudent reserve should be £180k although this figure was set some years ago. It is proposed to use £39k of the General Reserve towards 2023/24's revenue expenditure.

4.3. Status of our reserves

It is forecast that at 1 April 2023, the General Reserve will start the year at £244k. Given the need to maintain flexibility for the coming year it is proposed to retain the General Reserve at this sum for the time being.

Earmarked Reserves are amounts that have been established – sometimes over several years – to pay for specific projects. For example, usually we add to an Elections EMR annually to cover the costs of the next elections. EMRs are also created when budgeted work is postponed from one year to the next. [The forecast list of EMRs for 2023/24 is at Appendix 7.4 and can be viewed on the website here.](#)

Recommendations

1. [Approve the work programme for 2023/24 at Appendix 7.1](#)
2. [Approve the proposed staff structure for 2023/24 at Appendix 7.2](#)
3. [Approve the budget for 2023/24 at Appendix 7.3](#)
4. Approve the forecast General Reserve of £244k at 1 April 2023
5. [Approve the forecast Earmarked Reserves at 1 April 2023 at Appendix 7.4](#)
6. Approve the precept demand of £1,983,504 for 2023/24