

**Report to a Meeting of Shaftesbury Town Council's  
General Management Committee  
to be held at 7.00pm on Tuesday 1<sup>st</sup> March 2016  
in the Council Chamber, High Street Shaftesbury**

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**BUDGET SETTING 2016/17**

**1. Purpose of Report**

To receive and consider a draft Budget in order to make recommendations for any amendments to be incorporated prior to (a) the Public Consultation Event on Tuesday 8<sup>th</sup> March and (b) subject to anything arising from the Public Consultation Event, for consideration by the Council at its meeting on 15<sup>th</sup> March 2016.

**2. Recommendation**

That the Committee considers the draft Budget.

**3. Background**

**3.3 Draft Budget to Date**

3.3.1 A Draft Budget is attached at **Appendix A**.

3.3.2 The Council is reverting to the RBS Omega Accounting system in the light of a recommendation from the Internal Auditor. In view of the limitations in the current SAGE Accounting software Officers have spent some time in transferring data back into the Omega system.

3.3.3 On 26<sup>th</sup> January 2016 the Council resolved to set its Precept (its share of the total Local Government, Police and Fire Council tax bill) at £446,900, with further work required on the Budget behind that figure.

446,900	Precept
<u>71,732</u>	Other Income
<u>518,632</u>	Total Income
	<i>less</i>
417,673	Total routine operating Budget Expenditure
	<i>leaves</i>
100,959	Available for Projects / Grants and SLAs
	<i>against</i>
112,500	Projects requested
<u>68,497</u>	Grants and SLAS in 2015/16
<u>180,997</u>	Requirement
-80,038	shortfall between funds available and requirement

3.3.4 The shortfall of £80,038 must be eliminated in order to balance the Precept request (now fixed).

3.3.5 In order to eliminate that shortfall, the Council will need to make some hard decisions, including deferring the implementation of some decisions and Committee requests. However, rather than consider these important matters to be 'lost' they will be incorporated into the Five Year Strategic Plan when the Council moves ahead with that work.

3.3.6 In the table below are Officer suggestions for re-scheduling a number of requests for new money for Projects. Any of the Projects suggested for deferral to the Five Year Plan could be restored to 2016/17 by reducing the Grants and SLA Budget by the same amount.

<u>Previous</u>	<u>Suggested</u>	<u>Item</u>
10,000	5,000	Heritage Style Lanterns (£10,000 remains in 2015/16, additional £5,000 in 2016/17)
2,000	Nil	Ground Cover Planting (Defer to Five Year Plan)
2,000	1,500	Town Centre Signage
2,000	Nil	Tree Planting (Defer to Five Year Plan)
5,000	5,000	Grounds Team Equipment (essential for service delivery)
14,000	3,000	Street Furniture (Railings – start an Accumulating Fund)
10,000	5,000	Vehicles (Replacement Ride-on Mower – larger vehicle required to take on DCC Verges but now unaffordable. Extend use of existing machine for at least one more year. Defer purchase of new larger mower and taking on verges to Five Year Plan)
10,000	10,000	Cycleways – no change
30,000	Nil	Playground Equipment. Defer to Five Year Plan, all play areas received new equipment in 2015/16, or had a good repaint/refurbishment
2,500	1,250	IT Replacement. Replace oldest PC or laptop only
10,000	Nil	Swimming Pool. No 'new' money required
<u>15,000</u>	<u>3,000</u>	Cockrams Community Hall. Planning application fee only
112,500	33,750	

### 3.3.8 Earmarked Reserves

Earmarked Reserves to be carried forward into 2016/17 are itemised in **Appendix B**. The Reserves include Capital Projects and the Committee is requested to consider whether they should all be rolled forward into 2016/17, or deleted to allow funds to be returned to the General Reserve.

### 3.3.9 Personnel Costs

The Salary Estimate for 2016/17 is £265,116. A detailed breakdown (listing individual staff salaries) is provided in the **Confidential Appendix C**. Significant changes are noted below:

- Deferral of recruiting an Apprentice until 2017/18.
- The Government decision to implement an increase in Employers NI contributions. This is expected to result in an extra 6% in NI contributions – this single item will increase the Personnel / Salaries budgetline by approximately £15,500.
- Changes resulting from the Staffing and Salaries Review (currently Confidential and subject to specialist HR advice).
- For improved transparency a new Overtime budgetline has been created, with £2,500 allocated (an Overtime Policy is to be drafted).
- A new Salaries Contingency budgetline has been created, to allow for long-term sick cover, maternity/paternity cover, redundancy, and locum work, with £5,000 allocated.

3.3.10 Toilets – The contract with Aqua for 2015 was in place for six weeks only, at the cost of £200 per week. In December 2015 the Council resolved to budget for cleaning all year round. If the same price was on offer for 52 weeks it would cost £10,400. In order to achieve a Nil increase in the Precept paid by Shaftesbury householders this figure has not been included. The Council's Grounds Team received some instruction on deep cleaning by the contractors and, since the end of the six week period, the Grounds Team has been cleaning the Toilets with no further complaints about cleanliness. With the expected recruitment of a Groundsperson (or two part-time Groundspersons) the Team will have additional capacity.

#### **4. Financial Implications**

Budgetary discussion. Implications are outlined throughout the report.

#### **5. Legal Implications**

The Council set its Precept for 2016/17 on 26<sup>th</sup> January, with reference to a draft Budget. The Council should finalise its Budget before the end of this Financial Year.

End.

Stephen Holley  
Town Clerk