

STONE TOWN COUNCIL

Town Clerk

Les Trigg

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10 December 2018

A meeting of the **GENERAL PURPOSES COMMITTEE** will be held in **St Michael's Suite at the Frank Jordan Centre, Lichfield Street, Stone**, on **TUESDAY 18 DECEMBER 2018 at 7:00pm**.

I trust you will be able to attend.

Les Trigg
Town Clerk

AGENDA

1. **To receive apologies for absence**
2. **Declarations of Interest**
3. **Requests for Dispensations Received**
4. **Representations from Members of the Public**
To consider representations from members of the public on items to be considered at this meeting, in accordance with the Council's scheme of public participation.
5. **New Train Timetable from Stone Station**
Mr John Heal has been invited to speak about the implications of the new train timetable and to enable the Council to consider the issues.
6. **Budget 2019-20 to 2021-22 – Overview**
To receive the report of the Town Clerk (attached)

Members of the Public are welcome to attend the General Purposes Meeting as observers

Stone Town Council - General Purposes Committee

18th December 2018

Budget 2019-20 to 2021-22 – Overview

Report of Town Clerk

Introduction

1. This report sets out the prospects for the Council's 2019-20 to 2021-22 budget. It considers the overall position of the Council, the context in which the budget needs to be set and the standstill budget, which is the starting point for the determination of the 2019-20 precept.

Background

2. Before addressing the figures relating to the budget, it is first necessary to consider the context in which the budget needs to be set.
3. For a number of years, the Council has received payments of almost £30,000 from Stafford Borough Council in addition to the precept. For 2019-20 this includes £18,399 to compensate for a previous reduction in this Council's Taxbase due to benefit changes and £11,461 for the cost of concurrent functions. Neither of these payments are a legal requirement and, at the time of writing this report, neither have been confirmed for continuation beyond the next financial year. The figures in this report assume that these payments will continue into the foreseeable future at the same cash level as 2019-20.
4. The Secretary of State has the power to require a referendum of local people before the Council Tax can be put up by more than a specified percentage. Currently, parish councils are exempt from this requirement, though this may change if Council Tax increases in the sector become excessive.

Standstill Budget

5. The table at Appendix A sets out the Council's current and forecast position for each budget. It is also summarised below by Sub-Committee:

Actual		Budget	Forecast	Budget	Budget	Budget
2017-18		2018-19	2018-19	2019-20	2020-21	2021-22
£		£	£	£	£	£
104,532	Estates	86,230	42,800	154,700	54,100	54,800
15,632	Environment	19,480	18,800	18,600	24,800	25,600
30,710	Tourism & Town Promotion	45,800	37,300	36,100	37,200	38,200
176,223	Management	186,590	187,500	217,900	195,400	201,100
1,500	Neighbourhood Plan	11,400	7,000	9,900	0	0
-31,260	Earmarked Reserves	-44,670	-12,000	-109,900	0	0
297,337	TOTAL	304,830	281,400	327,300	311,500	319,700

6. The figures above and in Appendix A are based on the following:
 - a. Known and forecast expenditure for the remainder of the current financial year.
 - b. Forecast expenditure for the next three years, based on a standstill position. These figures therefore assume that current services will continue with no growth or cutbacks.
 - c. An estimation of likely cost levels for 2019-20, with further inflation of 2% per annum on salaries and 3% on all other costs from April 2019, unless specific information is available.
 - d. A 3% per annum increase in fees and charges.
7. In addition, budgets which are actually under the control of the General Purposes Committee have been included within the Management Sub-Committee above, to ensure that all budgets can be examined at the sub-committee level before reporting back to General Purposes for decision.
8. It can be seen from the above table that the current budget is forecast to underspend by around £23,000, after providing for a number of budget adjustments agreed by the Committee during the year.
9. Based on the indicative Council Tax levels agreed by the Council at the time of setting last year's budget of a 3% per annum increase each year over the 2018-19 level of £49.55 for a Band D property, the three-year standstill budget would show a deficit of £5,500 in 2019-20, with surpluses of £27,600 in 2020-21 and £37,100 in 2021-22.

Standstill Budget 2019-20

10. The standstill budget for 2019-20, at £327,300, is £7,900 less than the forecast made when the 2018-19 budget was approved in February 2018. The main reasons for this difference are:
 - a. The inclusion of a budget of £125,000 for the establishment of a Stone Heritage Centre, compared with the £25,000 originally included. This is, however, offset by the use of the £100,000 reserve that has been held for a number of years for improvements at Crown Wharf.
 - b. Improved trading performance at the Council's markets.
 - c. An increase in the Salaries and Employment Costs budget to cover:
 - i. Increases in pension contributions to the Staffordshire Pension Fund, and,
 - ii. A pay award of 2%, rather than the 1% originally provided.
 - d. Reduced trading performance at the Council's community centres.
 - e. Delay in taking on responsibility for the management of Westbridge Park.

11. These and other forecast changes will be considered in more detail in the various reports to sub-committees during December and January.

The Budget Process

12. The standstill budget is, however, just the starting point for the budget process. Members will want to review the amounts provisionally included. In addition, there are likely to be other areas where members will want to undertake new developments, or stop/change the things that the Council is doing now.
13. Budgets have been allocated to each of the sub-committees, and over the next few weeks they will need to consider these budgets in detail to determine the best pattern of spending to meet the Council's objectives and obligations. The results of those deliberations will then be reported to the next meeting of this Committee on the 22nd January 2019 to determine the budget recommendations to Council.

Recommendations

14. That the Committee notes the standstill budget position for 2019-20, 2020-21 and 2021-22 and the issues related to setting the precept, and:
 - a. Asks each sub-committee to consider its financial needs for the next three years and report back to the General Purposes Committee on 22nd January 2019 with its budget proposals,
 - b. Considers whether it wishes to give any specific instructions to these bodies which they would need to have regard to while preparing their proposed budgets.

Stone Town Council

Appendix A

Standstill Budget 2019-20 to 2021-22

Actual 2017-18		Budget 2018-19	Forecast 2018-19	Budget 2019-20	Budget 2020-21	Budget 2021-22
£		£	£	£	£	£
98,379	Frank Jordan Centre	15,500	17,300	6,800	6,700	6,900
7,089	Stone Station	6,800	7,800	8,500	8,800	9,100
0	Stone Heritage Centre	25,000	0	125,000	25,000	25,000
-9,171	Town Market	1,500	-7,400	-13,200	-13,700	-13,900
5,097	Car Parking	6,000	4,500	4,500	4,600	4,700
1,554	Bus Shelters & Street Furniture	13,630	9,000	4,600	3,900	4,000
0	Public Conveniences	6,400	0	6,600	6,800	7,000
519	Street Lighting	500	800	500	500	500
719	Dog & Litter Bins	700	700	700	800	800
250	Joules Clock	300	0	300	300	300
97	Town Electricity Supply	200	400	400	400	400
0	Building Maintenance	9,700	9,700	10,000	10,000	10,000
14,170	Grounds Maintenance	14,500	14,500	16,700	16,000	16,500
3,106	Crown Meadow Improvements	3,680	3,700	1,900	2,000	2,100
0	Westbridge Park	0	0	0	6,800	7,000
-1,643	Allotments	1,300	600	0	0	0
13,135	Christmas Lights	15,000	12,300	15,000	15,500	15,900
675	Advertising	5,700	100	0	0	0
16,899	Tourism & Town Promotion	21,500	21,300	21,100	21,700	22,300
0	Community Bus	3,600	3,600	0	0	0
8,202	Grants	9,900	9,900	9,800	10,100	10,400
128,170	Salaries & Employment Costs	140,200	141,100	145,400	149,400	153,800
3,742	Accommodation	4,200	4,100	4,200	4,200	4,200
8,202	Insurances	8,400	8,300	8,500	8,800	9,000
26,811	Administration	26,690	26,700	24,200	25,000	25,700
1,171	Audit & Legal Fees	1,200	1,200	1,200	1,200	1,200
0	Town Council Elections	0	0	28,000	0	0
2,957	Allowances - Mayor & Deputy Mayor	3,100	2,900	3,200	3,300	3,400
995	Regalia & Presentations	500	500	500	500	500
920	Civic Dinner & Hospitality	1,000	1,500	1,500	1,500	1,500
1,363	Remembrance Sunday & War Memorials	2,000	1,900	2,000	2,000	2,000
5,300	Miscellaneous	1,500	1,500	1,500	1,500	1,500
-150	Interest	-600	-600	-600	-600	-600
1,500	Neighbourhood Plan	11,400	7,000	9,900	0	0
-11,461	Concurrent Functions Allowance	-11,500	-11,500	-11,500	-11,500	-11,500
-29,760	Rollover Reserve	-33,270	0	0	0	0
-1,500	Neighbourhood Plan Reserve	-11,400	-7,000	-9,900	0	0
0	Crown Wharf Reserve	0	0	-100,000	0	0
0	WW1 Reserve	0	-5,000	0	0	0
297,337	TOTAL	304,830	281,400	327,300	311,500	319,700