

HELSTON TOWN COUNCIL
Konsel an Dre Hellys



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5th October 2021

To: The Mayor (Councillor T Grattan-Kane) and Councillors R Williams, R J L Boase, Mrs F N E Boase, M H Thomas, J Martin, M J Kenchington, M Benyon, A Gilbert, G Looker, S Ramsden and C L D Real

Copy to Members of the Town Council for information

Dear Councillor,

A Special Meeting of the Policy, Finance and Resources Committee will be held in The Guildhall, Helston on **TUESDAY 12TH OCTOBER 2021 at 7.00 p.m.** for the purpose of transacting the undermentioned business.

Yours faithfully

Pamela Lavelle
 Town Clerk

A G E N D A

1. Apologies for absence.
2. Declarations of Interest.
3. At this juncture the Meeting will adjourn for a period of up to fifteen minutes to permit members of the public present to make observations in respect of any items on this Agenda.
4. To consider the draft 2022/23 Budget and Schedule of Fees & Charges (**Page 3**).
5. Exclusion of the Press and Public
 If there are any confidential items the Committee is invited to pass the following resolution:-

“That pursuant to the provisions of the Public Bodies (Admissions to Meetings) Act, 1960 the press and public be excluded from the Meeting for the following item of business by reason of the confidential nature of the business to be transacted.”

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HELSTON TOWN COUNCIL

REPORT FOR: Policy, Finance & Resources Committee – 12th October 2021

Miss P J Lavelle – Town Clerk

1.0 SUBJECT OF REPORT: Draft Budget and Fees and Charges 2022/23

2.0 SUMMARY OF IMPLICATIONS

(a)	Policy	None
(b)	Financial	Yes
(c)	Legal	None
(d)	Environmental	None

3.0 REPORT

3.1 Introduction

Enclosed is the Town Council's Draft Budget for 2022/23. The document contains the budget synopsis together with summary pages giving greater detail for the individual budget headings. Explanatory notes have been included where appropriate on the reverse of the summary pages.

The 2021/22 Schedule of Fees & Charges is also attached (**Appendix II**) for review.

3.2 Budget 2022/23

EXPENDITURE

3.2.1 Employee Related Expenses

This budget has been increased to include an anticipated 3.05% national insurance increase. This budget also includes incremental increases, an estimated one percent national standard of living increase to salaries and a 4% inflationary increase where appropriate.

3.2.2 Transport Related Expenses

This budget has been increased to allow for increased lease costs for a larger vehicle to carry an alternative ride-on mower for more efficient provision of current services.

3.2.3 **Premises Related Expenses**

This budget has been increased to allow for the 4% rise in inflation.

3.2.4 **Supplies and Services**

The public conveniences business rates budgets have been removed following the introduction of the Non-Domestic Rating (Public Lavatories) Act 2021. The Guildhall rates budget has been increased in response to Council's plan to amend the use of the existing basement area at the Guildhall.

Electricity costs have been increased to allow for additional usage by an electricity-based heating system. An inflationary increase of 24% has also been included based on the planned increase of the energy cap in October 2021 and April 2022.

The postage budget has been increased due to the inclusion of new civic events.

The insurance budget has been increased to allow for additional insurance for a new premises.

The Printing, Stationery & Small Equipment budget has been increased to reflect the software and support fees and to allow for the transition to a cloud-based accounts system.

The subscriptions budget has been increased to allow the reintroduction of the Flora Day Streaming budget and to reflect the CALC and Parish Online subscription costs with inflationary increases.

The contract cleaning budget has been increased to make a provision for supplies for the Keep Helston Tidy Events and to include a 4% rise in inflation.

The Consultancy & Professional Fees budget has been increased to allow for an increase in external audit fees which have been fixed since 2017.

The Signs and Noticeboards budget has been increased to allow the potential replacement of notice boards.

The Contract Cleaning budget has been increased to allow for the contractual rise together with an inflationary increase.

3.2.5 **Third Party Payments**

The Street Stalls and road closure budget has been increased to allow for the inclusion of existing events removed from the previous years budget and proposed additional events.

The Grounds Maintenance budget has been increased to allow for the provision of a flail mower which is more suited to the Council's current maintenance commitments.

The Defibrillator Maintenance budget has been increased to allow for additional maintenance requirements with the surplus used to create an Ear Marked Reserve.

The Active Partnering and Devolution of Services budget has been reduced to remove the roundabout refurbishment budget as the current Ear Marked Reserve is sufficient to fund the planting of the final roundabout.

The Tree Maintenance budget has been increased to allow for additional maintenance and inspection costs following the additional tree planting planned at King George V playing fields.

The CCTV budget has been increased to allow for additional monitoring costs for the new camera at Coronation Park. A 4% inflationary increase has also been included together with an increase in monitoring costs due to a new contract.

3.2.6 **Grant & Project Funding**

The Town Twinning, Flora Day Decorations and Civic Hospitality budgets have been increased due to the reintroduction of event budgets removed from the previous year's budget.

3.2.7 **Bank Charges**

The Public Works Loans Board repayment has been removed from this draft in respect of Members aim to incorporate the Guildhall public convenience area into the alternative use of the basement area. Loan repayments have however, been included in respect of potential capital works for a new Council premises.

INCOME

3.2.8 **Agency Agreements**

No changes are proposed to this budget.

3.2.9 **Fees and Charges**

This budget has been increased following the reintroduction of Flora Day Street Stall income. A reduction is also proposed based on anticipated reduction in income following Council's decision to allow the Drill Hall Yard to be used as part of the Cultural Quarter project. A reduction in income is also anticipated in the indoor market which is not expected to return to pre-pandemic levels.

3.2.10 **Bank Interest**

No changes are proposed to this budget.

3.2.11 **Council Tax Support Grant**

At the time of writing this report no indications have been received from Cornwall Council on the level of Council Tax Support Grant.

ALTERNATIVE BUDGETS

4.1 Zero Increase

4.1.1 Should Members wish to pursue a zero-increase budget this could be achieved requiring a precept of £557,710 for 2022/23.

4.1.2 In order to achieve a zero-increase budget this could be achieved by making the following deductions from the proposed budget:

Deductions

Marketing	-£5,000
Grants	-£7,000
Traffic Regulation Orders	-£5,000
Christmas Lights	-£1,000
Carbon Footprint Reduction	-£7,500
Civic Hospitality	-£1,000
Twinning	-£1,500
Public Seating/ Litter Bins	-£500
Notice Boards	-£500
Advertising	-£300

-£29,300

- 4.1.3 Members should be aware that a zero-increase budget is effectively a reduction in precept as it does not consider inflationary increases on expenditure. This would require additional increases in future years to increase expenditure values in line with inflation.
- 4.1.4 To achieve this decrease without impacting on the Councils core functions would require the Council to scale back its activities in many areas. The most significant decreases being the reduction of funding available for community grants, a reduction in the marketing budget and the scaling back of existing and proposed events.
- 4.1.5 A decrease of the Carbon Footprint Reduction budget would also be required, but this should not significantly impact on the Council's aims as expenditure can be met from other budgets and ear marked reserves for many of the identified activities.

4.2 2% Reduction

- 4.2.1 Should Members wish to pursue a 2% reduction in the budget based on the previous year this could be achieved by reducing the precept requirement to £546,710 for 2022/23.
- 4.2.2 A 2% reduction in the budget could be achieved by making the following deductions from the proposed budget:

Deductions

Marketing	-£5,000
Grants	-£12,000
Traffic Regulation Orders	-£5,000
Christmas Lights	-£1,000
Carbon Footprint Reduction	-£13,000
Civic Hospitality	-£1,500
Public Seating/ Litter Bins	-£500
Notice Boards	-£500
Advertising	-£300
Twinning	-£1,500

-£40,300

- 4.2.3 Further significant reductions would be required to achieve this budget without impacting on the Council's core functions. As previously, the decrease in precept would require a substantial reduction in a number of budgets including a further reduction in the funding for community grants. This would also involve events being scaled back to a greater degree. Similarly, this would require an additional reduction in the Carbon Footprint Reduction budget which may not be fully covered by other budget headings.
- 4.2.4 Members should be aware that a 2% reduction in the budget would require significant increases in future years to return the Council to the present level of activity.

5.0 POTENTIAL ADDITIONAL EXPENDITURE

5.1 In addition to the above Members are in the process of considering the Council's pesticide/ herbicide use and the potential provision of a Climate Emergency Outreach Officer. These provisions could require the inclusion of additional expenditure in the budget as follows:

5.1.1 Pesticide/ herbicide use

Should Members wish to pursue the pesticide free method of controlling weeds favoured by Penzance Town Council, additional maintenance and administration staff would be required. This together with the additional equipment & vehicle costs plus further training requirements and medical costs would require an additional expenditure of £78,280.

5.1.2 Climate Emergency Outreach Officer

Allowing for additional equipment, furniture and training costs this could require an additional expenditure of £14,970 should Members wish to create a part time position.

6.0 SUMMARY

- 6.1** The Government announced in December 2020 that it proposed to continue with no referendum principles for town and parish councils for 2021/22 based upon the expectation that parish and town councils continued to show restraint when setting council tax precept levels. There is no indication that the Government intends to apply referendum principles in the foreseeable future.
- 6.2** At the time of writing this report Cornwall Council has not circulated the tax base figures, therefore the effect of the draft budget on a Band D property cannot be calculated for 2022/23.
- 6.3** A summary of the draft budget changes between 2021/22 and 2022/23 is attached at **Appendix I**.

7.0 CONCLUSION**7.1** Members should -

- (i) consider the draft 2022/23 budget along with this Report and incorporate appropriate revisions prior to the Full Council meeting on 16th December 2021; and
- (ii) consider the current Schedule of Fees and Charges prior to the Full Council meeting.

Appendix I

Summary of draft budget changes 2021/22 to 2022/23

	£	£
Approved budget 2021/22 Precept		557,740
Add proposed increases & new budgets		
Employee Related Expenses	5,710	
Additional lease costs – large vehicle	3,990	
Additional lease costs – alternative mower	1,600	
Gas & Electricity	1,960	
Insurances	1,000	
Road Closures	5,000	
Tree Maintenance	3,250	
CCTV Monitoring & Maintenance	2,550	
Civic Events	8,150	
		33,210
Less reduction in budgets		
Business Rates	(1,550)	
		(1,550)
Less increases in income		
Guildhall Lettings	(6,310)	
		(6,310)
Other minor nett adjustments		3,920
Draft budget 2022/23 Precept		587,010

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APPENDIX II

HELSTON TOWN COUNCIL
SCHEDULE OF FEES AND CHARGES
W.E.F. 1ST APRIL 2021

	<u>Nett Charge</u>	<u>Inc. VAT</u>
	£. p.	£. p
<u>The Guildhall</u> (i.e. Council Chamber on first floor)		
up to 3 hours	12.00	14.40
each extra hour or part	3.00	3.60
<u>Corn Exchange</u>		
(a) <u>until 5.00 pm.</u>		
up to 3 hours	6.50	7.80
each extra hour or part	2.00	2.40
(b) <u>from 5.00 pm.</u>		
up to 3 hours	7.50	9.00
each extra hour or part	2.00	2.40
<u>Kitchen</u>		
up to 3 hours	6.00	7.20
each extra hour or part	1.00	1.20
<u>Mayor's Parlour</u>		
Lettings are only granted in special circumstances with the approval of the Mayor.		
up to 3 hours	20.00	24.00
each extra hour or part	4.00	4.80
<u>Trade Exhibits and Commercial Undertakings</u>		
Per day, or part thereof, for either Council Chamber or Corn Exchange	30.00	36.00
	or £7 per stall	8.40
	whichever is the greater	
per evening	£22.50	27.00
<u>Weddings</u>		
Council Chamber or Corn Exchange (2 days)	£360.00	432.00
Mayor's Parlour (2 days)	£200.00	240.00
Reception connected with a wedding in the Guildhall	£180.00	216.00

	<u>Nett Charge</u> £. p.	<u>Inc. VAT</u> £. p
<u>Indoor Market</u> (Corn Exchange)		
All day for a single trestle table (6ft) (Saturdays only)	6.00	7.20
<u>Street Market</u> (Coinagehall Street)		
<u>Monday and Friday</u> – Pitch only provided		
£5 per 3m stall frontage (Exempt from VAT)	5.00	5.00
<u>Flora Day</u> – Pitch only provided		
Stalls for charity or non-profit organisations and mobile sellers - per 3m frontage (Exempt from VAT)	25.00	25.00
Craft, non-food stalls - per 3m frontage (Exempt from VAT)	50.00	50.00
Food stalls - per 3m frontage (Exempt from VAT)	100.00	100.00
Coinagehall Street electric hook-up (if required) (5% vat)	4.76	5.00
<u>Street Market</u> (Monument Walk)		
Charity or non-profit stall per 3m stall	6.00 *	7.20 *
Other stalls per 3m stall	8.50 *	10.20 *
Food stalls per 3m stall (selling food for consumption on site)	17.50 *	21.00 *
Electric Hook-up if required (5% vat)	2.86	3.00
* 10% discount for advance bookings of 3 sessions or more.		
<u>Drill Hall Yard – Parking</u>		
Per week	10.00	12.00
<u>Trading Licence for Council Land</u>		
Cobbled area by Guildhall - per month (Exempt from VAT) (Pitch only provided)	12.00	12.00