Halstead Town Council

2024/25 Budget
and
Long Term Financial Plan (LTFP)
to 2026/27

Contents

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Summary

Outlook for 2023/24

The past year 23/24 has seen the finances of Halstead Town Council return to a state of health, although the price increases of energy, and salary awards have had an effect. In terms of finance, the council is likely to make a surplus which will allow it to transfer sums to earmarked reserves for projects in waiting. The ability to pay by card, phone and cash has secured car park income for the year.
Income for Queens Hall has continued to perform very well and looks likely to meet the budget for the year or be slightly above. The number of bookings per month has continued to increase. Regular group bookings as well as one-off events are in the diary almost every day.

In view of the fact that inflation is still high, and energy prices are likely to remain high for the foreseeable future, and that there has been a substantial pay award, it is possible that HTC may not reach the expected surplus. However, on current figures it appears that the surplus could be nearer to £30,000, rather than the expected surplus of £39,065.

At the end of 2022/23 our reported Earmarked Reserves were **£150,729**
These funds were allocated to specific future expenditure needs.

- Replacing the roof at the Empire Theatre was made a priority for the Council in the Budget 23/24 The Earmarked reserves set aside for this stood at £46,197 in the budget for 23/24. These reserves were used to pay between March and May 2023 for the complete replacement of the Empire roof. The remainder was £991.
- Following the elections in May 2023, a sum of £4567 was paid out of the Earmarked reserves set aside for elections.

Both these projects were delivered within the earmarked reserves set aside for this purpose.

Draft Budget for 2024/25 and LTFP

The budget that HTC sets for 2024/25 and the following years needs to continue to generate a surplus each year to further build reserves so that we can fund future requirements, and this year we need to bear in mind that all costs are currently rising.

- The proposed budget for 2024/25+ includes a prudent and modest **3.7%**% increase in Council Tax to counter inflation. This is equivalent to an additional **£1.84** per year for the representative Band D property.
  The proposed budget generates funds of £**28,198** which will be allocated to specific future projects, in particular action to counter climate change.

- HTC continues to increase HTC reserves to fund ongoing expenditure and at the same time aims to provide an increased level of facilities and services.

Proposed 2024/25 Budget and LTFP – Key Points

Income	**£425,403**	**on £1.84 increase in council tax p.a. per household**
Expenditure	**£397,205**	
Surplus	**£ 28.198**	

Income

- **Precept and Council Tax**
    - The Tax Base (number of Council Tax paying households) has been set provisionally by BDC to be **4452.22** for 2024/25 - an increase of 50.65 households. A provision has been made for a 1% increase in households in subsequent years.
    - It is proposed to make a general increase in Council Tax per household of **3.7%** this year to cover cost inflation.

- **Car parking charges**
    - Car park charges were raised in April 2022, along with the introduction of new ways of paying. The systems have settled down, and there is no intention to make any changes in this area. Income has gone up considerably since the introduction of the new machines and ways of paying.

- **Senior citizens' coach outings**
    - Five coach outings took place successfully in 2023. Five outings for the year are planned for 2024 at a price of **£17.50** in 2024 (non- residents **£21.50**). This was approved by council on 16 October 2023

- **Queens Hall hire charges**
    - It is proposed to maintain current hourly rate charges. Although they have not been raised for some years, Queens Hall remains among the most expensive halls in the town.

- **Allotment charges**
    - Allotment charges were increased by 50p from £4 to £4.50 per rod in 2023. It is not proposed to make any further increases.

- **Tenancies**
    - There will be no change in tenancy income as no leases are due for renewal.

Expenditure

In reviewing expenditure, current rising energy and fuel costs have been taken into account, as these rises will make an impact on the running costs of the council.

- **Salaries and wages**
    - NALC and LGA have now confirmed the agreed pay scales for 2023/24. The proposal from the Unions is for a lump sum increase of £1925 per person across the board, pro rata. This is a permanent increase to bring public sector pay in line with the current cost of living, and to replace what has been lost over the years. This pay increase has been backdated to April 2023

    - This budget is based on the new salary scales fixed after the lump sum payment and allows for an increase for HTC across all grades of 3% in the next financial year.

- Costs for our bookkeeper come under administration. These costs have been increased from £21 to £22 per hour.

- **Activities**

    - The **Christmas lights** contract will run for 2 more years at current costs, and will be up for retendering in January 2026.
    - The budgets for Summer Fun and Youth have been combined but have been increased to £2000 to allow for a more varied programme with visiting performers, for 24/25 as HAPPY has continued to do an excellent job, and are likely to continue with this in 2024
    - The budget for the bands has been retained at £4000 to allow for the possibility of more events and possibly another performance from the Beavers

- **Administration**
  Energy costs are our greatest concern in 2024/25 and the budget for these has been increased for Queens Hall.
  Legal fees have also been a greater expense over the last year, and more needs to be set aside to manage the routine review and renewal of leases/contracts and other unavoidable legal costs. This has been increased from £1500 to £2000
  .

- **S137 Grants**
  It is proposed that grants should be increased to £5000 for the 24/25 year.

- **Courtaulds**./**Environment**
  As costs of agricultural maintenance and fuel are rising, the budget for both of these has been increased.

- As in the previous financial year, this budget allows £10,000 for the possibility of HTC continuing to employ our groundsman to carry out the work at present done by HiB. This includes employers' NI and pension costs.

Earmarked Reserves – 2023/24 Budget Transfer

- Earmarked reserves are required to fund significant items of revenue expenditure that do not regularly occur each year and for unexpected non-budgeted items during the year.
- Reserves have been allocated as per the table below,

Planned allocation of surplus 31/3/24. This assumes that expected surplus is achieved

	Year end 31/3/23	Expenditure to 20/11/23	20/11/23	Allocation of surplus	31/3/24
Election costs	12811	4567	8244	1000	9244
Parking orders &signage	3323	0	3323	0	3323
Car parks major maintenance	7681	0	7681	2000	9681
Rewire Queens Hall	2558	2558	0	0	0
QH major maintenance	3172	0	3172	1500	4672
Empire Theatre maintenance	31197	30206	991	1000	1991
Van/tractor/car park machine replacement	23700	0	23700	2000	25700
Properties maintenance	11334	0	11334	1000	12334
Churchyard major maintenance	4860	0	4860	2000	6860
Community Centre	48093	0	48093	0	48093
Major tractor& van repairs	2000	0	2000	1000	3000
Climate change action	0	0	0	14000	14000
Christmas lights	0	0	0	2500	2500
Total	150729	0	113398	28000	93305

HAPPY youth ECC funds In safekeeping			3500	0	3500

- It is proposed to allocate the £28,000 General fund surplus as follows,
  - £1000 to rebuild reserves for future election costs
  - £2000 to rebuild reserves for car park maintenance
  - £1500 towards Queens Hall major maintenance
  - £1000 toward the Empire theatre maintenance
  - £2000 towards van/tractor/car park machine replacement
  - £1000 towards the Properties maintenance fund
  - £2000 towards the churchyard major maintenance
  - £1000 towards major tractor/van repairs
  - £14000 towards Climate change action
  - £2500 towards Christmas lights

Capital Receipts Reserves

- This balance has been generated through the sale of assets in previous years and the council are permitted to spend these funds only on new assets.

- The balance at the end of this year is forecast to be **£17,365.78**
  There has been no recent expenditure from capital reserves

Appendix

On 3.7% increase in council tax

	Budget 23/24	**24/25**	**25/26**	**26/27**
Precept	**219,462**	**230,180**	**237,435**	**244,558**
Tax base	4401.57	4452.22	4503.36	4548.39
Council tax	49.86	51.70	52.73	53.78
% increase	0.02	0.037	0.02	0.02
Other income	**181,597**	**195,223**	**200,091**	**204,104**
Total income	**401,059**	**425,403**	**437,526**	**449,662**

Expenditure salaries	216,920	238,054	243,135	250,430
Other expenditure	156,850	159,151	161,765	166,615
Total expenditure	**363,770**	**397,205**	**404,900**	**417045**
Surplus	**39,065**	**28,198**	**32,626**	**32,617**

		Current Year Budget	Next Year Budget	Year 2 Budget	Year 3 Budget	Year 4 Budget	Year 5 Budget
100	**General Income**						
1076	Precept	219,462	230,180	237,435	244,558	0	0
1080	Bank Interest	1,000	1,500	1,545	1,591	0	0
	Total Income	**220,462**	**231,680**	**238,980**	**246,149**	**0**	**0**
	Net Income over Expenditure	**220,462**	**231,680**	**238,980**	**246,149**	**0**	**0**
200	**Staff Costs**						
1400	Courtaulds Cost Recovered	1,776	1,776	1,829	1,884	0	0
	Total Income	**1,776**	**1,776**	**1,829**	**1,884**	**0**	**0**
4000	Salaries Gross	158,105	178,176	183,521	189,027	0	0
4005	Employers Pension	26,878	32,778	33,761	34,774	0	0
4010	Employers NI	11,067	11,500	11,845	12,200	0	0
4015	Overtime	2,000	3,000	3,090	3,183	0	0
4020	Courtaulds Additional	8,870	0	0	0	0	0
4030	HIB Staff Costs	10,000	10,000	10,300	10,609	0	0
4040	Safer Street Staff Costs	0	2,000	0	0	0	0
4050	Pension Admin Fee	0	600	618	637	0	0
	Total Overhead Expenditure	**216,920**	**238,054**	**243,135**	**250,430**	**0**	**0**
	Net Income over Expenditure	**(215,144)**	**(236,278)**	**(241,306)**	**(248,546)**	**0**	**0**
210	**Administration**						
4100	Audit/Accounts	7,500	9,000	9,270	9,548	0	0
4105	Bank Charges	200	200	206	212	0	0
4110	Insurance	3,500	5,071	5,223	5,380	0	0
4115	Computer Maintenance	4,500	5,000	5,150	5,305	0	0
4120	Evo Card Machine	400	400	412	424	0	0
4125	Photocopier	2,500	3,500	3,605	3,713	0	0
4130	Postage	1,400	1,400	1,442	1,485	0	0
4135	Stationery	600	1,000	1,030	1,061	0	0
4140	Telephone/Internet	1,900	3,000	3,090	3,183	0	0
4145	Legal & Profesional Fees	1,500	2,000	2,060	2,122	0	0
4150	Training Costs	2,000	1,000	618	637	0	0
4155	Travel Expenses	300	300	309	318	0	0
4160	Subscriptions	1,800	2,000	2,060	2,122	0	0
4999	Miscellaneous Expenses	500	500	0	0	0	0
	Total Overhead Expenditure	**28,600**	**34,371**	**34,475**	**35,510**	**0**	**0**
	Net Income over Expenditure	**(28,600)**	**(34,371)**	**(34,475)**	**(35,510)**	**0**	**0**
220	**Queens Hall & Offices**						
1110	Queens Hall (Inc)	16,000	16,000	16,480	16,974	0	0
	Total Income	**16,000**	**16,000**	**16,480**	**16,974**	**0**	**0**
4200	Business Rates	6,500	6,500	6,695	6,896	0	0
4205	Electricity	3,500	4,200	4,326	4,456	0	0
4210	Gas	8,100	8,500	8,755	9,018	0	0

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		Current Year Budget	Next Year Budget	Year 2 Budget	Year 3 Budget	Year 4 Budget	Year 5 Budget
4215	Water Rates	450	450	464	478	0	0
4220	Cleaning Materials	100	120	124	128	0	0
4225	Consumables	1,500	1,500	1,545	1,591	0	0
4230	Licensing	400	400	412	424	0	0
4235	Maintenance	1,000	1,000	1,030	1,061	0	0
4240	Trade Waste	1,200	1,200	1,236	1,273	0	0
4999	Miscellaneous Expenses	400	500	515	530	0	0
	Total Overhead Expenditure	**23,150**	**24,370**	**25,102**	**25,855**	**0**	**0**
	Net Income over Expenditure	**(7,150)**	**(8,370)**	**(8,622)**	**(8,881)**	**0**	**0**
300	**Activities**						
4300	Advertising	500	500	515	530	0	0
4305	Bands	4,000	4,000	4,120	4,244	0	0
4310	Christmas General	3,000	3,000	3,090	3,183	0	0
4315	Christmas Lights	16,500	16,500	16,995	17,505	0	0
4320	Christmas Parties	500	500	515	530	0	0
4325	Summer Fun and Youth	1,000	2,000	2,060	2,122	0	0
4330	Miscellaneous Activities	3,000	500	515	530	0	0
	Total Overhead Expenditure	**28,500**	**27,000**	**27,810**	**28,644**	**0**	**0**
	Net Income over Expenditure	**(28,500)**	**(27,000)**	**(27,810)**	**(28,644)**	**0**	**0**
310	**Coach Outings**						
1300	Coach Outing Income	13,000	13,000	13,390	13,792	0	0
	Total Income	**13,000**	**13,000**	**13,390**	**13,792**	**0**	**0**
4380	Coach Outing Expenditure	10,000	10,000	10,300	10,609	0	0
	Total Overhead Expenditure	**10,000**	**10,000**	**10,300**	**10,609**	**0**	**0**
	Net Income over Expenditure	**3,000**	**3,000**	**3,090**	**3,183**	**0**	**0**
320	**Allotments**						
1120	Allotment Income	4,700	4,700	4,841	4,986	0	0
	Total Income	**4,700**	**4,700**	**4,841**	**4,986**	**0**	**0**
4215	Water Rates	0	360	371	382	0	0
4400	Allotments Expenditure	1,500	1,500	1,545	1,591	0	0
	Total Overhead Expenditure	**1,500**	**1,860**	**1,916**	**1,973**	**0**	**0**
	Net Income over Expenditure	**3,200**	**2,840**	**2,925**	**3,013**	**0**	**0**
330	**Grants**						
4500	Grants General	4,000	5,000	4,120	4,244	0	0
	Total Overhead Expenditure	**4,000**	**5,000**	**4,120**	**4,244**	**0**	**0**
	Net Income over Expenditure	**(4,000)**	**(5,000)**	**(4,120)**	**(4,244)**	**0**	**0**
340	**Civic**						

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		Current Year Budget	Next Year Budget	Year 2 Budget	Year 3 Budget	Year 4 Budget	Year 5 Budget
4600	Chair Allowance	500	500	515	530	0	0
4605	Receptions	1,500	1,600	1,648	1,697	0	0
4999	Miscellaneous Expenses	200	200	0	0	0	0
	Total Overhead Expenditure	**2,200**	**2,300**	**2,163**	**2,227**	**0**	**0**
	Net Income over Expenditure	**(2,200)**	**(2,300)**	**(2,163)**	**(2,227)**	**0**	**0**
400	**Environment & Courtaulds**						
4225	Consumables	3,500	4,000	4,120	4,244	0	0
4515	Grass General	2,000	2,000	2,060	2,122	0	0
4520	Machinery Repair	1,000	2,000	2,060	2,122	0	0
4700	Fuel	2,700	3,500	3,605	3,713	0	0
4710	Hi B	0	300	309	318	0	0
4715	Town Clock	300	300	309	318	0	0
4720	Van	750	750	773	796	0	0
4725	Vehicle Insurance	1,350	1,350	1,391	1,433	0	0
4730	Uniforms/PPE	500	500	515	530	0	0
4735	Climate Change	2,000	2,000	2,060	2,122	0	0
4740	Special Police	500	500	515	530	0	0
4999	Miscellaneous Expenses	1,550	1,000	1,030	1,061	0	0
	Total Overhead Expenditure	**16,150**	**18,200**	**18,747**	**19,309**	**0**	**0**
	Net Income over Expenditure	**(16,150)**	**(18,200)**	**(18,747)**	**(19,309)**	**0**	**0**
410	**Car Parks**						
1130	Butler Road Car Park	14,000	16,000	16,480	16,974	0	0
1140	Chapel Street Car Park	53,000	59,000	60,770	62,593	0	0
1150	Car Park Excess Charges	5,000	5,000	5,150	5,305	0	0
1160	Car Park Permit	16,000	16,000	16,480	16,974	0	0
1170	Car Park Attendant Charges	26,532	26,532	27,328	28,148	0	0
1999	Miscellaneous Income	0	1,250	1,288	1,327	0	0
	Total Income	**114,532**	**123,782**	**127,496**	**131,321**	**0**	**0**
4200	Business Rates	11,500	12,000	12,360	12,731	0	0
4215	Water Rates	200	0	0	0	0	0
4225	Consumables	400	400	412	424	0	0
4730	Uniforms/PPE	300	300	309	318	0	0
4800	Machine Service	1,000	1,000	1,030	1,061	0	0
4805	Chipside Hosting	2,400	2,400	2,472	2,546	0	0
4810	Tickets	500	500	515	530	0	0
4815	Contactless	3,500	5,200	5,356	5,517	0	0
4820	MI Permit	600	1,200	1,236	1,273	0	0
4825	EV Charging	500	500	515	530	0	0
4999	Miscellaneous Expenses	500	0	0	0	0	0
	Total Overhead Expenditure	**21,400**	**23,500**	**24,205**	**24,930**	**0**	**0**
	Net Income over Expenditure	**93,132**	**100,282**	**103,291**	**106,391**	**0**	**0**
420	**Empire Theatre**						
4110	Insurance	0	1,300	1,339	1,379	0	0

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		Current Year Budget	Next Year Budget	Year 2 Budget	Year 3 Budget	Year 4 Budget	Year 5 Budget
4860	Theatre Expenditure	2,000	2,000	2,060	2,122	0	0
	Total Overhead Expenditure	**2,000**	**3,300**	**3,399**	**3,501**	**0**	**0**
	Net Income over Expenditure	**(2,000)**	**(3,300)**	**(3,399)**	**(3,501)**	**0**	**0**
430	**Public Toilets**						
4205	Electricity	500	500	515	530	0	0
4215	Water Rates	350	350	361	372	0	0
4225	Consumables	400	400	412	424	0	0
4450	Clean/open	8,000	8,000	8,240	8,487	0	0
4455	Service Contract	100	0	0	0	0	0
	Total Overhead Expenditure	**9,350**	**9,250**	**9,528**	**9,813**	**0**	**0**
	Net Income over Expenditure	**(9,350)**	**(9,250)**	**(9,528)**	**(9,813)**	**0**	**0**
440	**Tenancies**						
1200	Library Tenancy	13,000	13,000	13,000	13,000	0	0
1210	Air Cadet Tenancy	3,165	3,165	3,165	3,165	0	0
1220	Cellnet Mast Tenancy	6,000	6,000	6,000	6,000	0	0
1230	Car Wash Tenancy	5,400	6,000	6,000	6,000	0	0
1240	Empire Tenancy	4,800	4,800	4,800	4,800	0	0
1241	Empire Theatre Insurance	0	1,500	1,545	1,591	0	0
	Total Income	**32,365**	**34,465**	**34,510**	**34,556**	**0**	**0**
	Net Income over Expenditure	**32,365**	**34,465**	**34,510**	**34,556**	**0**	**0**
	Total Budget Income	402,835	425,403	437,526	449,662	0	0
	Expenditure	363,770	397,205	404,900	417,045	0	0
	Movement to/(from) Gen Reserve	**39,065**	**28,198**	**32,626**	**32,617**	**0**	**0**