



## WELLINGTON TOWN COUNCIL Review of 2021-22 Budget

### 1. Introduction

The 2021-22 budget was drawn up in November 2020 in readiness for setting a precept amount at the December Council meeting (which was then updated at the January meeting). This was carried out by the Deputy RFO & Assistant Clerk during her time as Acting Town Clerk. The updates that have been made are a result of the new Town Clerk, together with other staff members, reviewing what is required going forward to improve and expand the Council's day to day running.

The reviewed and amended budget is attached to this report. The figures and layout were prepared by the Deputy RFO and then reviewed and approved by the Town Clerk.

### 2. Layout changes

Previously, income and expenditure for budget lines were accounted for in separate Cost Centres (categories). Given the capabilities of the new accounting system, both income and expenditure should be accounted for under the same cost code (item within a category) line. The main codes affected by this are Allotments and Pop Up Shop. This means expenditure for these codes is directly offset by its own income.

New Cost Centres have been created to allow clearer and more detailed reporting. The new Centres are as follows;

- Affiliation Fees
- IT, Website & Internet
- Christmas
- Pop Up Shop

These new cost centres contain within them more detailed codes that were once contained within more generalised centres. For example, Christmas was previously a one code line within Community Services with multiple items of expenditure budgeted for within that one code.

It should be noted that some cost codes do relate to income only, these have been categorised into their own Cost Centre.

### 3. Items of expenditure from General reserves

The Clerk has identified a number of costs required to upgrade the Council's working practices, such as IT infrastructure and furniture. Some items of expenditure have also been approved by the Council (e.g., Affiliation fees) that were not included in the original budget. It is proposed that these costs are met from the general balance at the Bank. Items that are ongoing years costs will be moved to the standard expenditure budget for next year (2022-23).

#### 4. Earmarked Reserves

The following items have monies earmarked within the Council's bank balance;

<b>Cost Code</b>	<b>Amount</b>
Elections	£1,000
Community Infrastructure Levey (C.I.L)	£22,105
Film Festival	£8,000
Railway Station	£15,000
Capital Projects	£50,000
Playing Pitch Strategy	£9,000
Post Office Provision	£2,500
Cades Farm Community Hall	£7,000
Pop Up Shop	£10,500
<b>TOTAL</b>	<b>£125,105</b>

#### 5. General Reserves

The Councils general reserves for 2021-22 are calculated as follows;

Total Bank Balances as at 31 March 2021	£605,807.95
ADD Est Income (+)	£14,519.00
ADD Precept Income (+)	£353,354.00
	<b>£973,680.95</b>
MINUS Est Expenditure (-)	£419,433.50
Est Bank Bal at 31 March 2022	<b>£554,247.45</b>
Of which earmarked (-)	£125,105.00
<b>General Fund Total</b>	<b>£429,142.45</b>

#### 6. Conclusion

As the precept amount was calculated with a 0% change in Council tax demand, the drawdown required from the general fund has been calculated as follows

Proposed Expenditure	£419,433.50
Offset by Income (-)	£14,519.00
	<b>£404,914.50</b>
Precept (-)	£353,354.00
<b>Shortfall</b>	<b>£51,560.50</b>

Alice Kendall  
Deputy RFO & Assistant Clerk

David Farrow  
Town Clerk

27 May 2021