

Edenbridge Town Council statement on Draft Budget and Precept for 2024-25

This year's December full Council meeting considered the draft budget proposals and Precept recommendation for 2024-25. Each year the budget preparations start in October and are presented to the Finance Committee in November to make recommendation to full Council. Following the December Council, the draft budget is published and presented back to Council at its January meeting (15 January) to confirm.

Key points and aims in setting the draft budget:

- Maintain the high standard of services that Edenbridge residents enjoy.
- Minimise impact to residents of any increase in tax cost.
- To ensure the financial stability of the Council's General Reserves, which has taken four years to recover from, following several years which had drawdown from the reserves to support Council expenditure, leaving the reserves at a weaker position which were in the region of £250k (at one time considerably below this).

In considering the expenditure and income, Council must also consider its reserves position. The Finance Committee resolved and recommended, to support a balancing budget, not drawing down on the General Reserves. The Town Council has steadily been raising the Precept, initially to reduce deficits in the budget following several years of Council drawing down on its reserves, and in 2022/23 to balance the budget for the year. If the Council keeps to the principle of maintaining a balanced budget the total Precept income needed is £745,185 which is a 6.12% increase on last year's Precept (£702,217). This is below inflation levels seen earlier in the year and is in line with current rates. For the Band D property, this is 4.37% increase, translated as £7.89 per year / 66p per month.

To provide a little background, in considering the draft budget and Precept:-

Budget 2023-24 comparison update

2023-24 budgeted a year-end surplus of £23,149. This was to strengthen the General Reserves position to nearer £300k (recommended reserve position should allow a hold of six months' value of expenditure, i.e. closer to £385,000; and in addition to ensuring strong earmarked reserves (EMR)). £300k plus for General Reserves can be considered healthy with good EMR. Though it is perhaps too early to be certain, six months into the current budget year the forecast year-end surplus is on target.

The current budget shows some forecasted savings in the budget. For example, Council contingencies, depreciation/replacement of equipment/assets. The National Joint Council (NJC) for Local Government Services pay award for April 2023 to 31 March 2024 was more than the 4% allowed in the budget, but salaries are expected to be slightly under budget (this is due to staff retirements and recruitment gaps).

It has also been assumed that budgeted projects will be completed, and where they are not, the funds will be moved to the EMR to ensure future delivery.

Income is higher in some areas including Rickards Hall hire up, est. £5k.

Budget 2024-25 comparison update

Each cost centre has been scrutinised. We know utilities will increase, and the 10-and-30-year maintenance plans vary each year depending on planned works. These plans were reviewed last year, and Council has agreed for Doggetts Barn, Church House, Rickards Hall, and the

Pavilion to all have new 10-year plans. These will be available for next year's planning (2025-26).

Personnel: Salaries overall budget (includes wages, National Insurance, pension, medical, P11) and along an estimated pay award at 4%, £469,607 (8.6% on 2023-24).

Open Spaces: Running costs for the open spaces and vehicles are similar to current year, with increases for streetlight energy increases (currently, ave. £1,600 pcm); streetlight column replacement programme has one of its larger amounts in the 30-year plan £45k; and a small increase has been included for other utilities. Budget request £436,084. (14.9% on 2023-24.)

Other expenditure previously supported for the new budget includes:

- Providing for professional services to help make recommendation for draft Local Plan
- Annual community event budget
- Buildings surveys for Church House and Doggetts Barn
- Insurance - increase premium is a result of index linking of the current sums insured currently 10% for Buildings and 8% for Contents but could change for renewal July 2024
- Legal fees we have budgeted £5k, but as can be seen this year can be higher with unauthorised access issues, new lease for Forge Singers. The Lease review for the Museum is due March 2025, and of course unauthorised encampments are unknown.
- Rickards Hall requires some external and internal repairs. EMR has £9k, but we know that the likely costs will be more
- Elections, for 2024-25 this has been put to '£0'. Whilst there is always a risk of the by-election, £5k unspent in current budget can be moved to EMR. As the May election was uncontested (this would have cost est, £15-16k), this puts EMR Elections to £20,500; it is recommended Council maintains funds to cover elections.

Budget recommendation to raise the Precept to achieve a balanced budget, to £745,185

Budget Summary (3-yearly view)	YE 22/23	Budget 23/24	Projected Actual	Budget 24/25
Total Expenditure	£668,120	£771,841	£780,776	£858,575
Total Income	£758,797	£794,990	£805,642	£113,390
Result/movement	£90,677	£23,149	£24,866	-£745,185

Band D tax level

The tax base is defined as the number of Band D equivalent properties in a local authority's area. Sevenoaks District Council has provisionally advised the tax base for 2024-25 of 3957.01 (1.67% increase on last year's figure). This would take a Band D tax level to £188.32, a £7.89 per year increase, or £0.66p per month.

Summary

Raising the Precept and Band D is always a sensitive topic, and no decision is ever taken lightly. Council is keen to ensure residents continue to enjoy the facilities and services provided, as well as maintain good financial reserves.

Budget 2024-25

Expenditure: £858,575

Income (estimated): £113,390 plus the Precept

Council Precept: £745,185

Band D equivalent £188.32 (subject to the 2024-25 tax base figure confirmation)

Reserves position

Edenbridge Town Council - Reseves View Sheet							
As of March 2024 PROJECTED					2023-24 C/Os to be added		
BASED ON THE I&E ACCOUNTS							
	31/03/2023	Accrual	Planned	Year-end	31/3/23	2024-25	31/3/24
ETC - Reserves Forecast	Opening	Release	Mvmnts	I&E	Closing	Budget	Closing
DRAFT Budget 2024-25						858,575	To be adjusted to reflected movement unspent projects '23
Draft forecasted other income						-113,390	
Proposed Precept						-745,185	
Ear-marked Reserves							
Neighbourhood Plan	15,000				15,000		15,000
Election	15,500		5,000		20,500		20,500
Depreciation Equipment & tools & vehicles	1,000		5,000		6,000		6,000
10/30 Year Building Plan	92,797				92,797		92,797
10/30 Open Spaces Plan	255,166				255,166		255,166
Cemetry	1,000		1,000		2,000		2,000
Community Warden	3,771				3,771		3,771
Staff	6,000				6,000		6,000
Grants (and deposits)	2,575	-2,065	5,000		5,510		5,510
Projects Carried Over	19,078	-8,900			10,178		10,178
	411,887	-10,965	16,000		416,922	0	416,922
General Reserve	287,347			24,866	312,213		312,213
	699,234	-10,965	16,000	24,866	729,135		729,135
CIL allocated	275,165	-202,903			72,263		72,263
CIL unallocated	7,618				22,971		22,971
Reserve Totals -	982,018				824,369		824,369

For completeness, it is worth noting that CIL Funds are strictly speaking part of the Council's reserves, but there are specific rules how this money can be spent, it is set aside for community infrastructure and are not part of Council ongoing costs.

Full copy of the income and expenditure budget for 2024-25 is available on the link [here](#).