



**HASLEMERE TOWN COUNCIL
2020-21 BUDGET REPORT for Council
15th JANUARY 2021**

Introduction

This report gives an explanation of the key budget variances between financial years 2020-21 and 2021-22. It should be considered alongside the detailed budget spreadsheet also provided to Council.

This budget has been prepared taking into account the following information from Waverley Borough Council:

- Council Tax support grant to be cut by £
- to £1,370
- Band D equivalent Tax base decrease from 7755 to 7688 (-133). This means that even if the precept for 2021-22 stayed the same at £349,530 an average Band D property would see an increase in their precept demand of 0.87%.

The budget shows a proposed precept increase from £349,530 in 2020-21 to £366,932. In addition to this, three one-off items already agreed by Full Council will be funded from Council reserves.

Explanation of key variances

1. Income:

There is a projected £21k reduction in income compared to the actual income expected in 2020-21. This is due to loss of income from rental of Lion Green due to the pandemic and a significant amount of grant money being received in 2020-21 which is not expected again in 2021-22.

2. Core Expenditure:

Personnel

Budget allows for 1 pay point raise for staff, to be decided by Staffing Committee in March.

Pensions costs have gone up due to Surrey County Council pension rates being increased significantly in 2020.

The circa £30k increase includes costs associated with the new staff member however in real terms closer to £14.5k as £15.5k was budgeted last year under Special Projects and has been taken out in this budget.

Administration

The legal and professional fees of £10,000 which were added last year to cover land transfers and other legal costs are not required this year.

Town Hall

£1000 added to the Town Hall contents and furnishing budget as nothing was added last year.

External maintenance

In 2021 the Council will take over the cost of maintaining land it takes as freehold from WBC, money has therefore been added for:

Tree maintenance £1000

Bin emptying £5800

Playground maintenance and replacement increased by £6,000 although this is offset by removing £6 Lion Green playground maintenance budget.

Civic Expenditure

No change.

Capital Expenditure

Play equipment replacement reduced by £1500 as much replacement work has been done this year.

£6k play equipment accrual moved to External Maintenance.

Tourism

Slight increase to Christmas Lights budget due to new contract being let in 2020.

Allotments

Some small increases due to increased water charges.

3. Non-Core Expenditure:

Grants

Small increase in yearly amount to CAB.

Special Projects

Significant decrease in budget for 2021-22 due to the new staff member's salary having been moved to correct cost code.

****End of Report****