

Supporting Financial Statement for the Annual Town Meeting 19 April 2021

The Financial Information report shows the budget summary for Kesgrave Town Council for the new financial year 2021.22 compared with the 2020.21 budget.

It should be noted that the budgeting process begins in the preceding November with the final budget approved the following January, ready for the start of the new financial year (1 April to 31 March). The 2020.21 budget was therefore finalised prior to the start of the Coronavirus pandemic.

The financial impact of Covid 19 to the 2020.21 Budget

The main areas affected were the: -

- closure of the Millennium Hall resulting in a huge loss of income/change in procedures.
- plans to open the KTC Office 5 days which have been temporarily suspended.
- Kesgrave Market which has been operating a Click & Collect service since April 2020.
- Events forced to be cancelled/revised.
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2021.22 Budget

Main changes to the budget include: -

- Provision for a replacement boiler/heating system in the KTC building due to its age/efficiency £8000.
- Increase in Section 137 grants from £3000 to £5000 – to help local organisations especially following difficult year.
- The Library has reduced the request for funding by £4000 as additional opening hours are delayed until April 2022 as a result of Covid.
- KTC Van purchased in 2020.21, this budget is now only needed for running/maintenance costs.
- Market Click & Collect service means that income from customers is now collected by the Council then paid out as expenditure to the stallholders (net effect is zero).
- MJH room hire income reduced due to Covid restrictions. Hire charges have been reduced by 50% until review in August. The Council would like to help support groups in Kesgrave to help keep running.
- Estate Operatives are undertaking more duties in house, saving the costs of external contracts. Equipment has been purchased to carry out these duties.
- The budget for Green Environmental projects has been increased to £10,000 to fund further projects, e.g., increase solar panels to MJH/add to KTC building.
- More events for Kesgrave Residents are being planned following this difficult period.

Precept requirement for 2021.22

The Council agreed to keep the tax charge for a Band D property the same as 2020.21 (i.e., £63.07 per annum for the Parish portion) which would show as 0% change on the 2021.22 council tax bill, **a precept of £299,800.**

The shortfall (£58,226) between the budget required for 2021/22 and the Precept requirement will be met by anticipated savings from 2020/21 (due to Covid etc.) and reserves. The income budget assumes the worst case, so if income increases then the shortfall will decrease. It was a difficult decision, as future years cannot rely on funding from reserves, but in the current situation, it was felt this was the right decision for the Kesgrave residents.

It should be noted, that although the impact of Coronavirus has resulted in an overall saving to the 2020.21 budget, there have been additional costs, loss of income and costs that have continued regardless.

A Dougall

Responsible Financial Officer

14 April 2021