

**RINGWOOD TOWN COUNCIL
BUDGET AND REVISED BUDGET 2021/22 AND
DRAFT BUDGET 2022/23**

Appendix A

1	2	4	5	6	7	8	9	10
	Committee	Actual 19/20 £	Actual 20/21 £	Budget 21/22 £	Revised Budget 21/22 £	Inflation £	Known Changes* £	Draft 22/23 £
	Policy & Finance							
	Expenditure	442,866	397,503	442,395	441,275	12,949	-2,283	453,151
	Income	-156,471	-127,112	-145,140	-162,430	-4,976	-4,830	-154,945
	Net Expenditure	286,395	270,391	297,255	278,845	7,974	-7,113	298,205
	Transfers to Reserves	29,792	16,500	16,500	16,500	0	0	16,500
	Transfers from Reserves	-26,168	-8,172	-1,000	-3,780	0	-8,242	-9,242
	Growth bids and adjustments (net of transfers from reserves and income)							0
	Committee net expenditure	290,019	278,719	312,755	291,565	7,974	-15,355	305,463
	Recreation & Leisure							
	Expenditure	223,763	219,923	258,003	277,114	6,220	-55,476	207,997
	Income	-34,273	-33,984	-31,657	-30,636	-950	100	-32,507
	Net Expenditure	189,490	185,939	226,346	246,478	5,270	-55,376	175,490
	Transfers to Reserves	19,900	17,900	17,900	17,900	0	0	17,900
	Transfers from Reserves	-35,500	-14,654	-54,500	-65,393	0	54,500	0
	Growth bids and adjustments (net of transfers from reserves and income)							2,100
	Committee net expenditure	173,890	189,185	189,746	198,985	5,270	-876	195,490
	Cemeteries							
	Expenditure	43,687	42,913	46,733	52,993	1,660	10,612	59,005
	Income	-34,073	-36,240	-46,031	-40,945	-1,341	6,836	-40,550
	Net Expenditure	9,614	6,673	702	12,048	319	17,448	18,454
	Transfers to Reserves	4,000	4,000	4,000	4,000	0	0	4,000
	Transfers from Reserves	-230	-230	-230	-5,156	0	0	-230
	Growth bids and adjustments (net of transfers from reserves and income)							0
	Committee net expenditure	13,384	10,443	4,472	10,892	319	17,448	22,224
	Allotments							
	Expenditure	11,782	11,725	12,667	12,838	426	5,365	18,458
	Income	-5,209	-5,374	-5,306	-5,500	-159	0	-5,465
	Net Expenditure	6,573	6,351	7,361	7,338	267	5,365	12,993
	Transfers to Reserves	0	0	0	0	0	0	0
	Transfers from Reserves	0	0	0	0	0	0	0
	Growth bids and adjustments (net of transfers from reserves and income)							0
	Committee net expenditure	6,573	6,351	7,361	7,338	267	5,365	12,993
	Planning, Town & Environment							
	Expenditure	20,985	25,600	41,243	39,763	619	-3,802	37,060
	Income	-1,100	-9,225	-15,650	-19,350	0	5,550	-10,100
	Net Expenditure	19,885	16,375	25,593	20,413	619	1,748	26,960
	Transfers to Reserves	0	0	0	0	0	0	0
	Transfers from Reserves	-5,170	-1,120	-4,000	-2,167	0	1,000	-3,000
	Growth bids and adjustments (net of transfers from reserves and income)							1,000
	Committee net expenditure	14,715	15,255	21,593	18,246	619	2,748	24,960
	Total Base Expenditure	743,083	697,664	801,040	823,983			775,671
	Total Income	-231,126	-211,935	-243,784	-258,861			-243,568
	Total transfer to reserves	53,692	38,400	38,400	38,400			38,400
	Total Transfer from reserves	-67,068	-24,176	-59,730	-76,496			-12,472
	Total New Bids							17,700
	Less funded from earmarked reserves							-14,600
	Total Budget Requirement	498,581	499,953	535,927	527,026			561,130
	Precept	497,549	519,907	531,856	531,856			553,949
	Covid Relief grant			4,071	4,071			0
	Transfer to/-from General Reserve	-1,032	19,954	0	8,901			-7,181

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	Description	Actual 19/20 £	Actual 20/21 £	Budget 21/22 £	Revised Budget 21/22 £	Inflation £	Known Changes* £	Draft 22/23 £
Expenditure:								
	Policy & Finance	442,866	397,503	442,395	441,275	12,949	-2,283	453,151
	Recreation & Leisure	223,763	219,923	258,003	277,114	6,220	-55,476	207,997
	Cemeteries	43,687	42,913	46,733	52,993	1,660	10,612	59,005
	Allotments	11,782	11,725	12,667	12,838	426	5,365	18,458
	Planning, Town & Environment	20,985	25,600	41,243	39,763	619	-3,802	37,060
	Council Total Expenditure	743,083	697,664	801,040	823,983	21,874	-45,584	775,671
Income:								
	Policy & Finance	-156,471	-127,112	-145,140	-162,430	-4,976	-4,830	-154,945
	Recreation & Leisure	-34,273	-33,984	-31,657	-30,636	-950	100	-32,507
	Cemeteries	-34,073	-36,240	-46,031	-40,945	-1,341	6,836	-40,550
	Allotments	-5,209	-5,374	-5,306	-5,500	-159	0	-5,465
	Planning, Town & Environment	-1,100	-9,225	-15,650	-19,350	0	5,550	-10,100
	Council Total Income	-231,126	-211,935	-243,784	-258,861	-7,426	7,656	-243,568
	Council Net Expenditure before transfers	511,957	485,729	557,257	565,122	14,449	-37,928	532,102
Add Transfers to Provisions								
	Policy & Finance	29,792	16,500	16,500	16,500			16,500
	Recreation & Leisure	19,900	17,900	17,900	17,900			17,900
	Cemeteries	4,000	4,000	4,000	4,000			4,000
	Allotments	0	0	0	0			0
	Planning, Town & Environment	0	0	0	0			0
	Total transfers to provisions	53,692	38,400	38,400	38,400			38,400
Less Transfers from Provisions								
	Policy & Finance	-26,168	-8,172	-1,000	-3,780			-9,242
	Recreation & Leisure	-35,500	-14,654	-54,500	-65,393			0
	Cemeteries	-230	-230	-230	-5,156			-230
	Allotments	0	0	0	0			0
	Planning, Town & Environment	-5,170	-1,120	-4,000	-2,167			-3,000
	Total transfers from Provisions	-67,068	-24,176	-59,730	-76,496			-12,472
	Total Budget Requirement before new bids	498,581	499,953	535,927	527,026	14,449	-37,928	558,030
New Bids 2021/22 (net of income)								
	Policy & Finance							3,600
	Recreation & Leisure							13,100
	Cemeteries							0
	Allotments							0
	Planning, Town & Environment							1,000
	Less Funded from Provisions							-14,600
	Council's Net Budget	498,581	499,953	535,927	527,026			561,130
	Transfers from(-) or to General Reserve	-1,032	19,954	0	8,901			-7,181
	Covid Relief Grant			-4071	-4071			0
	Council Precept (to be met by Council Tax Payers)	497,549	519,907	531,856	531,856			553,949
	Council Tax Base	5285.2	5362	5404.3	5404.3			5,465.0
	Council Tax	94.14	96.96	98.41	98.41			101.36

RESERVES AND PROVISIONS - MOVEMENT & ESTIMATED BALANCES

1st April 2021 to 31st March 2023

	Actual Balance 01/04/21 £	Planned Transfers 2021/22 (revised):				Estimated Balance 01/04/22 £	Planned and Proposed Movements 2022/23:					Estimated Balance 31/03/23 £
		from Revenue £	to Revenue £	Cash Receipts £	between provisions £		from Revenue £	to revenue		Capital & Other Receipts £	between provisions £	
								base budget £	Growth £			
<u>EARMARKED PROVISIONS</u>												
I.T. & Equipment	13,900	4,500				18,400	4,500		0			22,900
Gateway	25,000	0				25,000	0		0			25,000
Cemetery	18,000	4,000	-22,000		3,000	3,000	4,000		0			7,000
Buildings Reserve	28,567	5,000				33,567	5,000	-200	-2,000			36,367
Election	11,274	1,500				12,774	1,500		0			14,274
Vehicle & Machinery	16,365	11,000	-4,793			22,572	11,000		0			33,572
Play Equipment	15,258	6,900	-19,500		500	3,158	6,900		-1,000			9,058
Memorials	3,000				-3,000	0			0			0
Christmas Lights	0					0			0			0
Carvers Clubhouse	27,025	2,500	-1,200			28,325	2,500	-1,042	-1,600			28,183
Ringwood Events	8,828					8,828		-8,000	0			828
Memorial Lantern	1,354					1,354			0			1,354
Carvers Grounds	11,300		-10,000			1,300			0			1,300
Infrastructure & Open Spaces	19,343	3,000	-6,026			16,317	3,000		-10,000			9,317
Neighbourhood Plan	3,000		-1,000			2,000		-2,000	0			0
Total Provisions	202,215	38,400	-64,519		500	176,596	38,400	-11,242	-14,600	0	0	189,154
<u>RESERVES</u>												
Earmarked Reserves:												
Dev Contribs	3,663		-1,000			2,663		-1,000	0			1,663
Cem Maint	1,210		-230			980		-230	0			750
Dev Cons(CIL)	45,635		-8,167	5,814		43,282			0	0		43,282
Capital Receipts	13,125			3,000		16,125			0	0		16,125
Grants Unapplied	6,988		-4,071			2,917		0	0	0		2,917
Loans Unapplied	0					0			0	0		0
Total Earmarked Reserves and Provisions	272,835	38,400	-77,987	8,814	500	242,562	38,400	-12,472	-14,600	0	0	253,890
General Reserve	292,545	8,901	-2,580		-500	298,366	0	-7,181			0	291,185
Total Reserves	565,380	47,301	-80,567	8,814	0	540,928	38,400	-19,653	-14,600	0	0	545,075

BUDGET ASSUMPTIONS 2022/23

Inflation (RPI) is currently running at 7.5% (for the year to December 2021). CPIH is 4.8% for the same period whilst the CPI is 5.4%.
 Note that some costs and expenditure are linked to inflation, whereas some "non contractual" expenditure is more discretionary and inflationary cost increases may be absorbed by reducing spend, although this may not be without consequence. Other expenditure may be fixed with no inflationary adjustment required. Each expenditure component in the budget has been allocated an inflation type (1-6) which may be modelled on this page.

ASSUMPTIONS:

	%	Type
1 Inflation		
- Pay	3.5%	1
- Utilities	5.0%	2
- Other Expenditure	4.0%	3
- Non contractual expenditure	0.0%	4
- Income	3.0%	5
- Fixed expenditure (i.e. no inflation)	0.0%	6

2 Council Tax Base increase	1.12%
Note, the Council Tax base for 2021/22 is	5,404.3

3 Use of General Reserve	£ 7,181
Use of Covid relief grant	0

The Band D equivalent Council Tax for 2021/22 is: 98.41

A target Council Tax increase of : 3.0%
 would increase the Council Tax to: 101.36

And require an additional transfer from reserves of: £0
 which would reduce total reserves to £ 545,075 by March 2023
 (given the assumptions in 1 - 3 on the left)

An increase of 1.12% (assumption 2) will increase the Council Tax base to: 5,465.0

The General Reserve is expected to be £298,366 at April 1st 2022. This transfer will reduce it to £291,185 by March 2023
 The balance of this grant at 1st April 2022 is expected to be £2,917

Net Budget Requirement and consequent Band D equivalent Council Tax

Based on the above assumptions together with any proposed new bids and adjustments:

	£
Base Budget 2022/2023	532,102
Net transfers to/from earmarked reserves	25,928
Growth Bids & Adjustments	17,700
- Less funded from earmarked reserves (inc. borrowing)	-14,600
- Less additional income generated	0
Net Budget requirement	561,130
Less funded from general reserve/Covid relief Grant	-7,181
Sum to be funded from Council Tax Payers (Precept)	553,949

Band D equivalent Council Tax 2022/23 101.36

The Council Tax for 2021/22 is £98.41 per Band D Equivalent

The budget requirement and resulting precept, as modelled, represents an increase of 3.00 % in the Council Tax

Summary movement on reserves:

	£
Opening reserves 1/4/2022:	
General Reserve	298,366
Earmarked Reserves & Provisions	242,562
Total Reserves 1/4/2022	540,928
Planned transfers in	38,400
Planned transfers out	-12,472
Plus Capital Receipts 22/23	0
Less Funding for growth	-14,600
Less use of general reserve	-7,181
Predicted reserves 31/3/2023	

General Reserve	291,185
Earmarked Reserves	253,890
Predicted Reserves 31/3/2023	545,075

An increase of one percent on the Council Tax will generate an increased precept of : £5,378
 For each increase of £1,000 in the precept requirement, a further £0.183 will be added to the Band D Council Tax