



**RYDE
TOWN COUNCIL**

Report To: Finance Committee – 21st January 2020

Report From: Gareth Hughes, Responsible Financial Officer.

BUDGET AND PRECEPT SETTING FOR THE 2020-2021 FINANCIAL YEAR

1. Purpose

To provide background information to the Committee to assist Members in considering the base budget and precept for the 2020-2021 financial year. The Full Council will be required to set a legal budget and precept at its meeting in February, unless the Isle of Wight Council set a different timetable.

2. Background

2.1 The current gross precept is £1,121,808, which represents a Band D Council Tax of £136.36 per annum. This precept consists of a Local Council Tax Support grant of £7,528 and £1,114,280 which forms a charge on the local tax base.

3. Budget Setting Process

3.1 A draft budget for next year based on current levels of service, contracts awarded and previously approved decisions is attached as Appendix A. As a reminder a copy of the contracts database and forward plan is attached as Appendix B. The Council commitments in respect of property is shown in Appendix C.

3.2 The gross precept will continue to be paid in two ways, by the payment of Local Council Tax Support Grant and by levying the remaining precept over the Councils new tax base. At this stage the taxbase for 2020-2021 has yet to be announced and so that applicable to the current financial year has been included in Appendix A. Any increase in taxbase is likely to have only a minimal effect on the Band D Council Tax.

3.3 The following notes are to assist members in their initial consideration of the draft budget as presented -

- (i) If the precept were to represent an amount to balance the budget as contained in Appendix A, and provide reserves of £180,000, then there would be no requirement for an increase in Council Tax for the 2020-21 financial year.

- (ii) The salary budget includes the full year effect of all previously approved appointments and includes any costs arising from the 2020-2021 staffing reviews completed by the Personnel Panel on 27th November 2019. The salary budget for Network Ryde is contained within the Network Ryde budget line. A breakdown of the Network Ryde budget is attached as Appendix D.
- (iii) Appendix A includes budget lines for general overheads, costs of running offices and utilities. The costs/savings of any organisational changes are assumed to be neutral.

4. Current Budget Commitments

4.1 During the current financial year increased budget provision, by means of virements from reserves, were agreed by Finance Committee and these are included in the attached Appendix A.

- Community Connector £20,000
- Insurance £6,100
- Ryde Place Plan £8,000
- Ryde Harbour £5,000 with further expenditure of £1,000 if required.

4.2 The Town Council has allocated Community Grant funding of £21,000 and Marketing Grant funding of £15,000 and these have been carried forward to Appendix A. In addition the Town Council has also agreed annual ongoing funding, for significant town events to the following organisations:

- Ryde Carnival Association £9,000
- New Carnival Company £3,000
- Classic Car Event £1,500
- Ryde Arts Festival £3,000
- Harp on Wight £2,700

4.3 The following ongoing funding has been previously awarded to external organisations for local projects and is carried forward into Appendix A:

- Footprint Trust - Warmer Home initiatives £9,000
- Gift to Nature – Countryside Sites in Ryde £10,000
- Waterside Community Trust - Splashpark £10,000
- Waterside Community Trust – Swimming Pool £20,000
- Aspire - Annual funding of £15,000 was awarded for 2019/20, 2020/21 and 2021/22 and is carried forward into Appendix A.
- Community Connectors £20,000
- Community Rail Partnership - Membership £2,000 (to be reviewed during the year).

4.4 The Town Council is already contractually committed to delivering the following services until 2022 and the budget lines for these have been carried forward into Appendix A and are also shown in Appendix B:

- Beach Cleaning £30,000 (To be reprocured 2019/2020)
- Summer and Winter Planting/Watering £34,100
- Beach Safety and First Aid £21,000
- Marketing Projects £29,000
- Public Conveniences £80,700

4.5 The Town Council has been committed to the following budgets in respect of Council owned/managed assets and property and the budget lines for these have been carried forward into Appendix A:

- Lighting, Christmas trees, sockets and unmetered supply £20,000
- Skatepark £20,000
- Allotments £15,000
- Network Ryde £168,500
- Lifeguard Station and steps £4,000
- Flagpole £200
- Island Games Water feature £200
- Million Bloom site £700

4.6 The Town Council also funds the following discretionary projects and initiatives and the budget lines for these have been carried forward into Appendix A:

- Ryde in Bloom £4,500
- Memorial Wreaths/Poppy Appeal £300

5. Contributions towards Isle of Wight Council Delivered Services

5.1 During last years budget setting process the Town Council agreed to provide funding support for the lifetime of this Council towards:

- a dedicated Ryde Environment Officer (4 days a week) £17,000
- Playground Equipment £24,000

These budget lines have been carried forward into Appendix A.

5.2 The Grounds Maintenance contract is in the process of being reprocured by the Isle of Wight Council. At a meeting of the Finance Committee held on 20 November 2019 it was agreed to recommend to Council that a contribution of £36,565 towards principal parks and community sites grounds maintenance for one year only. This budget contribution has been transferred into Appendix A, but is subject to Full Council approval on 2 December 2019. The cost of any bin emptying that the Council may top up has yet to be indentified.

5.3 At a meeting of the Finance Committee meeting held on 30 July 2019, a letter was received from the Director of Neighbourhoods at the IWC regarding the Ringway Island Roads service savings. The Committee agreed that information about the previous and new schedules of services relating to street cleansing and grass cutting should be requested from the IWC/Island Roads. Information on the pre savings frequency and post savings frequency for grass cutting and street cleansing have now been received and are attached as Appendix E. It is suggested that Members may wish to consider an additional three cuts to supplement the reduced service of 5 cuts per season. If Members are minded to consider this a quote can be requested from Island Roads. It is suggested that in terms of street cleansing that the Council may wish to consider waiting to see what the impact of the reduced service may be over the forthcoming months before deciding upon whether or not this is feasible.

6. Planning Matters

The Planning Committee has oversight of the following budget, which has been carried forward into Appendix A:

- Public Realm £75,000

At a meeting of the Town Council held on 1 July 2019 it was agreed that the allocation from the Town Councils Public Realm budget could be used for the Ryde High Street Action Zone Funding with initial funding of £60,000 in year one, £15,000 in years 2 and 3 and £10,000 in year 4 if required (totalling £100,000 over 4 years). It is not known whether this budget allocation will be spent in 2019/20. At a meeting of the Planning Committee on 26 November, Members will also be asked to consider additional funding of £16,140 to enable two senior officers to support both Newport and Ryde HAZ projects. This is likely to be considered by the Full Council on 2 December 2019 and would be an additional funding commitment for the HAZ project in 2020/21, 2021/22, with a possible option of funding again in the third year of this project. Newport & Carisbrooke Community Council are also considering this additional funding request.

7. Ryde Harbour and surrounding land

As noted in 4.1 above, there has already been some expenditure of £6,000 in the current budget year agreed on the production of a High Level Viability check for Ryde Harbour, with the option of an additional bathymetric and siltation review if required. Members may now wish to consider setting a budget for Ryde Harbour to ensure funding is available for all due diligence and for the setting of an operational budget should any purchase be agreed and the land be transferred within the next budget year. This budget will be required to ensure the continuity of a service upon transfer and cover all operational costs while the issue of maximisation of income from the harbour and the surrounding land is considered. Early indications that the Town Council will also be charged by the IWC for loss of income in any transfer/leasehold process.

8. Consultation

It is good practice for Parish and Town Councils to undertake consultation on the setting of the budget and precept. As discussed at a Finance Committee meeting held in November, consultation was undertaken in December via the Town Council's newsletter, website and social media and at a drop in session on 5 December. Any outcomes from the consultation process will be reported to Members at the January Finance Committee prior to final recommendations being made to the February Full Council meeting.

9. Vision Statement

In setting the budget and precept Members are reminded that the Council is committed:

“to support and enhance the health, well-being and economy of Ryde to the benefit of residents, local businesses and visitors within a culture that makes best use of our heritage and the beauty of Ryde”.

9. Recommendations

In light of all of the above the Responsible Financial Officer recommends that the Town Council considers the draft budget for 2020-21.

At the time of writing this report no formal requests have been received about the possible devolution of or funding towards services or projects currently delivered by the Isle of Wight Council.