



Budget Workshop Report 2023-2024

Budget Workshop

Sunday 27th November 2022

The Guildhall (updated)

INTRODUCTION

This report provides a commentary to the Draft Budget Figures for 2023-2024 shown on the accompanying Excel spreadsheet, for discussion at the Budget Workshop.

Under Section 50 of the Local Government Finance Act 1992 a Town and Parish Council must take the following factors into account in setting its annual budget:

- The expenditure it will incur in the year in performing its functions
- An allowance for contingencies in relation to expenditure
- The financial reserves it will be appropriate to raise for meeting its future expenditure
- The financial reserves necessary to meet a revenue account deficit for any earlier financial year
- The sums which will be payable to it for the year
- The amount of the financial reserves which the authority estimates it will use

Members' attention is drawn to the following risks:

- The Election in May 2023
- How the council will be affected by any future capping
- Low general reserves
- Unexpected/unplanned expenditure
- It was previously agreed for the external decorating of the Guildhall and Town Hall to come from general reserves. We are currently seeking quotations with a view for this work to commence in March 2023.
- Energy costs
- Salary increases

The tax base for 2022-2023 was 6880.60. At the time of writing the tax base for 2023-2024 is not known. SBC has only provided a projection increase of 1.5% to the taxbase rate.

	2018/19	2019/20	2020/21	2021/22	2022/23	2022/23 Projection	
						A	B
Precept	364,160	368,684	496,710	504,997	553,132	561,419	583,837
Total % increase		1.24%	34.73%	1.67%	9.53%	1.50%	4.50%
Taxbase	6279.21	6357.73	6363.72	6469.93	6880.49	6983.70	6983.70
		1.25%	0.09%	1.67%	6.35%	1.50%	1.50%
Band D	57.99	57.99	78.05	78.05	80.39	80.39	83.60
% increase		0%	34.59%	0%	3%	0%	3%
£ increase pa		£0	£20.06	£0	£2.34	£0	£3.21

Working on SBC's assumption of a 1.5% increase to the taxbase rate column A shows the precept with no increase to the Band D rate. The separate Annual Budget by Centre report shows the draft budget with a 1.5% increase on the taxbase.

Column B shows an increase of 3% to the precept together with the 1.5% taxbase rate increase (a total of 4.5% increase)

COMMITTEES	WORKING GROUPS	EMR	YTD AVAILABLE	TOTAL AVAILABLE @ 24/11/22	Proposed 2023/24 BUDGET
Faversham Town Council					
	Creek WG		- 1,077	- 1,077	5,000
	Crime Research	2,789	8,873	11,662	10,000
	Equality, Diversity and Inclusion WG		5,000	5,000	5,000
	Heritage and Buildings WG				
	a) Magna Carta Exhibition	15,025	9,429	24,454	
	b) Guildhall	14,123	2,500	16,623	
Active Travel					
	20mph townwide scheme	47,817	28,000	75,817	28,000
	LCWIP	-	-	-	10,000
	Parish to Town	8,300	6,600	1,700	-
Community					
	Youth SLA		4,903	4,903	5,000
					30,000
Environment					

		18,068		18,068	10,000
	Allotments/Land	20,281		20,281	
Planning Committee					-
	Neighbourhood Plan Steering Group	20,204	- 5,590	14,614	-
Policy and Resources					-
		<hr/>			
		114,670	20,713	135,383	83,000
		<hr/>			

This table shows current Earmarked Reserves (EMR), what is left in 2022/23 budget (YTD) and proposed budget for 2023/24

CURRENT PRIORITIES

Members are reminded of the priorities in the current Action Plan

1. Active Transport and Road Safety

- a) Develop a town-wide 20mph scheme
- b) Implement the Local Cycling and Walking Infrastructure Plan (LCWIP)
- c) Continue to encourage cycling and walking through community engagement and events

2. Climate and biodiversity

- a) Encourage biodiversity in areas of local authority ownership, including increasing street planting
- a) Work with Faversham residents to increase biodiversity in their gardens
- b) Continue to promote climate emergency awareness through activities and events
- c) Identify areas for an additional living bus stop and green walls
- d) Continue to work to become a Pesticide Free Town
- e) To identify an area to create a community orchard and community woodland

3. Neighbourhood Plan and Housing

- a) Continue to develop a neighbourhood plan
- a) Carry out extensive consultation through community engagement
- b) Present a neighbourhood plan which will be successful at referendum
- c) Encourage *truly affordable* housing to be included in the Local Plan

4. Youth, Sport and Communities

- a) Develop partnerships with those already identified
- a) Develop a youth engagement plan
- b) Continue to develop the Faversham and District Lottery for the benefit of local good causes
- c) Provision of support directly supplied by a youth worker
- d) Support Swale Borough Council's Healthier Action Plan
- e) Provide grants for local community events and groups

5. Diversity and Equality

- a) Support a fairer Faversham by making equality and diversity issues a priority at all levels of the Council as a key part of the decision-making process
- a) Ensure that facilities and events are accessible and welcoming to all communities
- b) Foster greater community cohesion by creating a town where difference and diversity is understood, celebrated and valued.

- c) Seek ways to ensure integration with new residents
 - d) Seek to implement, where possible, recommendations made by the Electoral Commission or other independent bodies aimed at reducing barriers to standing for election to this council.
- 6. Lobby both public and private bodies to gain the best for Faversham, within whose responsibility lies the following**
- a) Supporting the development of an opening Creek Bridge and working sluice gates
 - a) Supporting the regeneration of the Creek for maritime, work and pleasure activities
 - b) Continue engagement with Kent Police, British Transport Police and Swale Borough Council, around the occurrences and perception of anti-social behaviour
- 7. Tourism and Events**
- a) Enhance the cultural offer by developing a permanent exhibition of the town's Magna Carta
 - a) Develop a detailed marketing plan for Faversham, specifically targeted at increasing use of the Town by residents and increasing numbers of all kinds of visitors and tourists.

See also Appendix C – Strategic Pillars

What are the priorities for 2023-2024 and 2023-2027?

OTHER CONSIDERATIONS

Electric Van

Appendix 1 is a report on changing to an electric van. The existing van is fully owned by the Council, the report shows that the sale could fund the first year of leasing, but then a commitment of £7,300 for 4 further years would be required.

The Town Council needs to consider whether moving to electric is a priority at this time.

Salaries

We have now received spinal pay increases that have been backdated to 1st April 2022.

The proposed increase from 1st April 2023 is yet to be advised.

The salary budget is for current staff only and does not account for any additional officers. Team as follows:

Town Clerk (37 hours)

Deputy Town Clerk (30 hours)

Facilities Manager (37 hours)

Tourism and Events Officer (37 hours)

Finance Officer (22 hours)

Assistant to the Town Clerk (37 hours)

Facilities Apprentice (37 hours) Apprenticeship ends May 2023

I do not see the need for any additional staff during 2023/24

Coach Parking Facilities

Appendix 2 is a report from the Tourism and Events Officer regarding the agreement with Macknade for coach parking. The fee of £10,000 was met by SBC through government funding, but is unlikely to be available for the following year.

Unexpected Expenditure

This financial year will see expenditure in excess of £20,000 for human resource services, that will be a burden on our limited general reserves.

PROJECT TEMPLATES

Project templates were introduced earlier this year, but coincided with staff shortages and were therefore postponed.

At last year's budget workshop the idea of a single budget pot for projects was discussed. This would replace individual Committees' requests. There is significant evidence of funds sitting under Committees, which are not being spent due to lack of projects, or proposed projects are taking longer than anticipated. A single fund would enable the finance to be spent where it's needed, when it's needed.

Alternatively, project templates need to be considered now by all Committees to bid for individual funding prior to the budget setting in January 2023.

Louise Bareham

23rd November 2022

Report to Faversham Town Council Van Options

Current Vehicle

The current vehicle owned by the Council is a 2018 Peugeot Partner 1.6 BlueHDi (diesel). Parkers website estimates the current value of the vehicle to be £8315 if traded in at a main dealer against a new vehicle or approximately £10,430 if sold privately (this takes into account the very low mileage of approximately 18,000 miles). According to the manufacturer, the vehicle emits 112g/KM.

The current vehicle has proven to be too small on a few occasions when barriers (length 2300mm) have needed to be moved, such as the annual Faversham Transport Show, or recently at CycleFest, and this has resulted in the need to hire a larger van.

Moving to Electric

The current Government's NetZero strategy includes the target of ending the sale of new petrol and diesel fuelled vehicles by 2030.

As of the end of June 2022, there were more than 26,000 electric vans in the UK. 2021 saw the biggest annual increase in the number of electric van registrations, with almost 13,000 electric vans registered, showing a growth of 240% on 2020¹.

In November 2021, the previous Facilities Manager, Adam Andrews, had previously asked Commercial Services Group for a quote for a Peugeot e-Expert electric van. The total price quoted was £37,649.11. In August 2022, a new, updated quote was obtained and the total cost had increased to **£45,585.41**. This represents an increase of 21%.

Leasing Options

As a result of the large increase in the outright purchase cost, **Commercial Services Group** were asked to provide quotes for leasing over 3 and 5 years for the same model.

Peugeot e-Expert 1000 Professional Premium 75kWh Electric Long Van	60 months/25,000 miles	36 months/15,000 miles
Total rental per annum excluding VAT	£7,282.54	£9,119.04

The quotes provided above on 26th August 2022 include road fund licence, scheduled servicing, tyres and MOT.

To compare the quotes from Commercial Services Group, three alternative quotes were sourced from the following leasing companies:

Leasing companies	Terms	Total Leasing per annum (exc VAT)
www.drive-electric.co.uk	36 months/5,000 miles	£9,534.00
www.selectcarleasing.co.uk	36 months/5,000 miles	£11,623.92
www.leasevan.co.uk	36 months/10,000 miles	£11,700.06

Recommendation

Currently the used vehicle market is very strong, and the Council could offset at least the first year of leasing charges on a new electric van by selling the existing vehicle. However, as the number of miles covered is relatively low and the existing van is still in excellent condition, the Council may wish to retain it in the short-term.

Rob Gibbs

1st September 2022

Coach Parking for Group Visitors to Faversham

Background

The coach parking provision at Macknade comes to an end on 31st December 2022, the facility having been paid for by SBC at a cost of £10k for the year to allow coaches to park free of charge at Macknade, having dropped off visitors in the town centre.

A QR code displayed at the drop-off point directed coach drivers to Macknade where they could claim a free hot or cold drink upon arrival when parking up. Take up of the offer of a free drink allowed Macknade to track usage of the service.

Take Up

- From 1st January 2022 to the 26th August 2022, 21 coach drivers have used the QR code to claim a free drink whilst parked at Macknade. It may well be the case that more than this number have used the service and not claimed their free drink.
- Feedback from the Visitor Information Centre (VIC) staff has indicated that many coach parties have been visiting during the Summer months, i.e. more than the 21 coaches who have parked up at Macknade.
- Coaches have also been observed parked in other areas of the town, i.e. Jubilee Way, and staying longer than the 15 minute drop off time in Central Car Park, which suggests they remain parked in that area for the duration of their visit.

To summarise, many more coach parties have visited the town than the 21 who have taken up the offer of a free beverage at Macknade; a more likely figure being 30–35.

The take up figure so far is at 26th August – it is reasonable to assume that there will be more coaches visiting in the last four months of the year.

Synopsis of UK Coach Industry

Statistics provided by Confederation of Passenger Transport UK (CPT):

- 6.3 million people used a coach in the year before the pandemic
- In 2019 there were 23 million visits to tourist attractions and locations by coach
- Coach tourism contributed £14 billion to the UK economy
- The coach industry employs 42,000 people
- There are 2,500 coach operators in the UK
- 80% of the industry's income is from tourism-related work

Revenue into Local Economy from Coach Passengers

The Great Britain Day Visitor 2019 Annual Report (latest report available pre Covid) states that Tourism Day Visits are a visit lasting 3 hours or more, not involving an overnight stay. The survey identified that each day visitor to a UK destination spends on average £35 per head during their visit.

Visit Kent quotes the average day trip spend as £36.48 per person.

Statistics below are based on 40 coach visits, with an average of 40 passengers on each coach, allowing for a variation in the size of coach visiting, spending £36.48 per person.

Coach Visitor Revenue in Faversham 1.1.22 – 31.12.22

Number of Visitors Average Spend Per Head (Visit Kent) Revenue into Local Economy

1,600	£36.48	£58,368
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SBC Renewal of Coach Parking Facility at Macknade

Lyn Newton of SBC reports that while there are no definitive plans for SBC to pay to renew the current facility for coach parking at Macknade in 2023, there are two possible areas of funding:

1. **UKSPF** – potential to make a pitch for funding when the action plan is approved through the local partnership group.
2. **Eastern Area Committee** – if money is still available.

Marketing direct to Group Day Trip Visitors - Excursions Exhibition

Excursions Group Travel Show is an unrivalled opportunity for exhibitors to showcase their group product to qualified group travel organisers, coaches and tour operators and with a higher level of tailoring in the group travel market than any other sector.

FTC last attended this exhibition in 2019, with representatives from some of our major attractions who attract group visits, i.e. Brogdale Collections, Mount Ephraim, Belmont House & Gardens, Macknade, etc.

It is a one-day exhibition taking place at Twickenham Stadium on 28th January 2023.

The fee for a 3m x 2m basic stand is £1,837 + VAT.

NOTE

There is little point in attending this show, or marketing direct to the Group travel trade, if there is no long term parking provision for coach visitors to Faversham.

Sources

Confederation of Passenger Transport UK (CPT) 29th March 2021

<https://www.cpt-uk.org/news/backing-britain-s-coaches-a-coach-strategy-for-britain/#:~:text=Key%20statistics%20about%20the%20coach%20industry&text=6.3%20million%20people%20used%20a,coach%20industry%20employs%2042%2C000%20people.>

Visit Britain GBDVS (Great British Day Visitor Survey) 2019 Annual Report

https://www.visitbritain.org/sites/default/files/vb-corporate/gbdvs_2019_annual_report_-_a.pdf

Visit Kent

<https://www.visitkentbusiness.co.uk/media/62649/economic-impact-of-tourism-kent-2019.pdf>

Claire Windridge
10th September 2022

APPENDIX C

Committee	Strategic Pillar	Mission / Objective
(Example) Tourism	Community & Economy	Promote and support community events
		Welcome and embrace diversity, inclusion, and equality
		Build positive youth engagement through events and the environment
		Promote and support the local and visitor economy
		Promote the Historic Market Town of Faversham
	Environment	Promote and increase active travel
		Protect and improve natural habitats and biodiversity
		Represent local interests in the planning and development of Faversham (including the Neighbourhood Plan)
		Promote and facilitate the reduction of environmental and climate impact
		Protect, improve and increase green spaces
(Example) Creek WG	Heritage	Protect and leverage the heritage of Faversham for the benefit of the town
		Conserve the character and historic built environment of the town
		Protect, promote, and enhance the creek as a focal town asset

Facilitate and promote events and the environment for positive youth engagement