

Public Document Pack

NOTICE OF THE CHARTER TRUSTEES FOR SCARBOROUGH

- Members:** Councillors Janet Jefferson (Chair), John Ritchie (Vice-Chair), Eric Broadbent, Liz Colling, Rich Maw and Tony Randerson.
- Date:** Monday, 4th November, 2024
- Time:** 10.00 am
- Venue:** Town Hall, St Nicholas Street, Scarborough, YO11 2HG

All Members of The Charter Trustees for Scarborough are summoned to attend this meeting to consider the items of business set out on the agenda below.

Members of the public are entitled to attend this meeting as observers for all those items taken in open session. Please contact the named democratic services officer supporting this committee, details at the foot of the first page of the Agenda, if you have any queries.

Recording is allowed at Council, committee and sub-committee meetings which are open to the public. Please give due regard to the Council's protocol on audio/visual recording and photography at public meetings. Anyone wishing to record is asked to contact, prior to the start of the meeting, the named democratic services officer supporting this committee. We ask that any recording is clearly visible to anyone at the meeting and that it is non-disruptive.

BARRY KHAN
CLERK TO THE CHARTER TRUSTEES

AGENDA

4. **Budget requirement for Scarborough Town Council** (Pages 3 - 8)
Report attached.

29 October 2024

This page is intentionally left blank

The Charter Trustees for Scarborough

4 November 2024

Budget Requirement for Scarborough Town Council

Report of the Responsible Finance Officer

1.0 PURPOSE OF REPORT

- 1.1 To seek the views of the Charter Trustees on the proposed budget and precept for the new Scarborough Town Council.

2.0 SUMMARY

- 2.1 North Yorkshire Council is required to set the budget and precept for the new Scarborough Town Council for its first year of operation. Various options are presented for consideration and following informal feedback, the proposal of a £384,000 precept is put forward for comment.

3.0 BACKGROUND

- 3.1 On 24 July 2024 North Yorkshire Council resolved to create a town council for Scarborough.
- 3.2 As a local precepting body a town council must set a budget for the forthcoming year and notify North Yorkshire Council of the required precept however, under the Local Government Finance (New Parishes)(England) Regulations 2008, as this is a new council, the principal council (North Yorkshire) is responsible for agreeing the Year 1 figure.
- 3.3 The approved precept will result in a council tax charge for the residents of the area covered by the town council.

4. BUDGET AND PRECEPT

- 4.1 The new council, once elected, will determine priorities for expenditure but the opening budget needs to reflect the set-up of the new council and an estimate of basic core running costs.
- 4.2 At this stage the specific costs are not known and therefore it would also be prudent to include a level of contingency to provide some reasonable headroom to mitigate financial and operational risks and also to provide some headroom for initial service delivery considerations.
- 4.3 Proposals therefore include:
- Town clerk (pay scale determined nationally) and administrative support;
 - Core organisational costs (premises, insurance, office costs etc);
 - A small element for civic costs and events;

- Estimate of one-off set-up costs;
- Service/contingency budget to reflect the uncertainty/opportunities of a new organisation.

4.4 At the end of the year (31 March 2026) any unspent balance would be carried forward to the following year, providing funds to mitigate future risk and capacity for service investment.

4.5 In summary based on informal feedback received, the proposed budget is £384k, indicatively broken down as follows:

Summary	Budget £000	Comments
Key staff	115	Full time town clerk plus admin support
Minimum running costs	58	Premises, insurance, audit and other support fees (finance and legal) etc
Civic duties/events	15	
Set up costs	46	Interim clerk, equipment and website
Risk mitigation contingency	100	Proposed contingency for operational risk
Service development	50	Proposed contingency for future service considerations
Total	384	

4.6 The council tax base for the new town council is 13,294.84. A precept of £384,000 would give a Council Tax Band D charge of £28.88 for 2025/26.

4.7 The 24/25 Band D charge for the other towns in North Yorkshire range from approximately £27 for Knaresborough to £129 for Selby, with the average being £94 (see **Appendix A**).

5.0 ALTERNATIVE OPTIONS CONSIDERED

5.1 Options for consideration are concerned with the level of contingency to include in the first year budget. Contingencies ranging from £100k up to £500k have been modelled (see **Appendix B**). Each £50k adds £3.76 to the Band D charge.

6.0 FINANCIAL IMPLICATIONS

6.1 As set out in the report.

7.0 LEGAL IMPLICATIONS

7.1 The new Town Councils are created by means of a re-organisation order. The Local Government Finance (New Parishes) Regulations 2008 provides for the setting of precepts for new parishes. Regulation 3(2) requires North Yorkshire Council as the prospective billing authority to anticipate a precept from the new parish council for

2025/26. Regulation 3(2) also requires the reorganisation order to state the budget requirement for the parish council (this will be the same figure as the precept).

8.0 EQUALITIES IMPLICATIONS

8.1 There are no equalities implications.

9.0 CLIMATE CHANGE IMPLICATIONS

9.1 There are no climate change implications.

10.0 REASONS FOR RECOMMENDATIONS

10.1 To enable the Charter Trustees' views to be fed back to North Yorkshire Council for consideration when they formally set the budget and precept for the new town council.

11.0 RECOMMENDATION

11.1 The current Charter Trustees' views on the proposed level of budget and precept are sought and will be included in the report to the North Yorkshire Council meeting on 13 November 2024.

APPENDICES:

Appendix A – Comparisons with other councils

Appendix B – Budget options/illustrations

BACKGROUND DOCUMENTS:

Report to Charter Trustees 25 October 2024 – Creation of Scarborough Town Council

Karen Iveson (RFO)
Assistant Director Resources
County Hall
Northallerton

4 November 2024

Report Author – Karen Iveson

APPENDIX A

Comparison with North Yorkshire Town Councils

These are the ten largest town councils by budget:

Council	24/25 Budget £	Tax Base	Band D £	
Knaresborough Town Council	245,180	6,396.52	26.92	*
Thirsk Town Council	249,428	1,851.19	128.43	*
Malton Town Council	252,141	2,371.96	106.30	
Pickering Town Council	286,903	2,969.87	96.60	
Whitby Town Council	325,600	4,972.10	65.49	
Easingwold Town Council	372,762	2,486.84	75.10	*
Northallerton Town Council	435,353	3,540.19	122.97	
Ripon City Council	514,650	5,991.25	76.41	*
Skipton Town Council	570,000	5,658.30	100.74	
Selby Town Council	610,143	4,944.85	128.95	*

* Use of reserves to reduce precept

The average Band D charges range from £27 to £129 with an average of £94



OFFICIAL

Examples of other town councils

Town	Population (000)	Band D (£)	Total Precept (£000)
		2023/24	2023/24
Bicester	38	137.20	1760.00
Keighley	49	52.50	798.70
Folkestone	52	65.42	952.90
Macclesfield	54	52.06	988.00
Kidderminster	58	49.75	879.50

Barrow-in-Furness town council, with a population similar to Scarborough's, was newly formed following LGR in Cumbria, it set an opening budget (excluding election costs) of £288k



OFFICIAL

APPENDIX B

Scarborough TC - Budget options/illustrations

	A	B	C	D
	£000	£000	£000	£000
Key staff	115	115	115	115
Minimum running costs	58	58	58	58
Civic duties	15	15	15	15
Set-up costs	46	46	46	46
Sub-total	234	234	234	234
Service/operational contingency	100	150	250	500
Total	334	384	484	734
Band D charge £	25.12	28.88	36.41	55.21

Tax Base 13,294.84

This page is intentionally left blank