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Title	Budget 2027-28 - Draft 2 A Report
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OFFICERS RECOMMENDATION

- 1. To consider Draft 2 of the Council's draft budget for 2027/28;**
- 2. To consider the outstanding matters as set out in Section 5 of the report; and**
- 3. To identify and further amendments to be incorporated into the next draft before the budget is considered by the Finance & Governance and Audit committees.**

1. Purpose

1. To present Draft 2 of the 2027/28 budget, outlining the main amendments made since Draft 1 and identifying matters which still require consideration by Members.

2. Background

1. Draft 1 of the Council's budget was presented to the relevant Committees during October 2026. Members were asked to review the proposed expenditure and income within their respective areas and identify any amendments required.
2. The comments received have been considered alongside further financial information, expenditure to Month 7 and the initial themes emerging from the Council's public budget consultation.
3. Draft 2 includes a number of revised income assumptions, adjustments to expenditure and some additional provisions. It also includes changes to the Town Hall Transformation budget following further work on the anticipated expenditure and funding arrangements.
4. Some options considered through the public consultation have been reflected in the draft where there is a reasonable basis for doing so. However, no decision has been made to reduce or remove existing provisions simply because they were presented as options in the consultation.
5. Draft 2 remains provisional and further changes are expected before the final budget is agreed.

3. Main Changes

1. Draft 2 provides for expenditure of £1,183,812 and income of £334,170, leaving a net funding requirement of £849,642.
2. Compared with Draft 1, expenditure has reduced by £30,199 and income has reduced by £21,327. The net funding requirement has therefore reduced by £8,872.
3. Much of the movement relates to the Town Hall Transformation project, where expenditure and associated grant income have been reprofiled. The reduction in gross expenditure should not therefore be treated entirely as a saving to the Council.
4. Town Hall
 1. Anticipated Assembly Room income has been increased from £2,500 to £3,500 following a further review of bookings and opportunities to generate additional income.
 2. The Council's public budget consultation has also included an option to increase Town Hall hire charges by approximately 5%. This has been considered in reviewing the income provision, although any formal changes to charges would require the appropriate approval.
5. Town Hall Transformation
 1. The Development Phase budget has been reviewed to reflect the latest anticipated expenditure and grant funding during 2027/28.
 2. Project income has reduced from £203,240 to £178,412, while expenditure has reduced from £220,808 to £196,700.
 3. The net provision has therefore increased slightly from £17,568 to £18,288.
 4. This is primarily a reprofiling of project expenditure and associated funding rather than a reduction in the overall scope of the project.
6. Markets
 1. Anticipated indoor market stall income has increased from £15,000 to £15,750.
 2. This reflects the potential for an inflationary increase in stall charges of approximately 5%, which was also included as an option within the public budget consultation.
 3. The provision remains subject to consideration of the Council's fees and charges for 2027/28.
7. Playparks
 1. The £10,000 provision for play area fencing included in Draft 1 has been removed from the current draft.
8. Bus Shelters & Street Furniture
 1. The repairs and maintenance provision has been reduced from £2,000 in Draft 1 to £1,000 in Draft 2.
 2. Finance & Governance Committee raised the adequacy of the provision for street furniture repairs. Members may wish to consider whether £1,000 is sufficient for the Council's anticipated maintenance responsibilities.
9. Biodiversity & Planting
 1. The budget heading has been amended to refer to the Section 6 Action Plan, following comments made during the Finance & Governance Committee's consideration of Draft 1.

2. The £2,000 provision remains unchanged, alongside £2,500 for Flowers and Gardens.

10. Administration and General Reserves

1. The Special Projects budget remains at £8,000, and the proposed transfer to General Reserves remains at £20,000.
2. Both were included as potential areas for reduction in the public budget consultation, but no amendment has been made at this stage pending consideration by Members.
3. Minor additional provisions have been included for employee expenses, recruitment and other operating costs.
4. The Mayoral & Senior Allowance provision has also increased from £1,500 to £2,000 as the Council has now moved up to Group 2 in mandatory allowances as set by the DBCC.

11. Christmas Lights

1. A further £500 has been included for repairs and maintenance of Christmas lighting. During the installation of the lights for 2026, several anchor points have been found to be faulty and will need replacing in 2027.
2. Operations & Development Committee raised the possibility of securing sponsorship towards Christmas lighting. £250 income has been included at this stage.

12. Continental Market

1. A new budget has been included for a Continental Market, with £2,550 expenditure and £500 anticipated income.
2. The expenditure includes £1,500 for the event, £550 for road closure arrangements and £500 for equipment.
3. This is based on the Events & Planning Committee to make it a bigger event.

13. Tour de France

1. The main provision for the Council's own Tour de France activity remains at £10,000, separate from the Croeso i Feicwyr project.
2. Additional anticipated income of £1,000 has been included for the Fanzone, together with a nominal grant income provision.

14. Other Amendments

1. A number of smaller adjustments have been made across the budget following the Month 7 review. These include employee expenses, vehicle costs, waste collection, road closure arrangements and other operational provisions.
2. The budgets for Carnival, Winter Festival, free Saturday parking and the Town Centre Ranger remain subject to further consideration.

4. Budget Consultation

1. The Council has launched an interactive budget consultation to give residents an opportunity to consider some of the financial choices involved in preparing the 2027/28 budget.
2. The exercise allows respondents to consider changes to existing provisions, additional activities, potential savings and opportunities to generate income, while showing the effect of their choices on the Council's overall funding requirement.

3. Initial responses have highlighted interest in reducing some discretionary expenditure and increasing income from particular services, alongside continued support for visible town centre services and activities.
4. A summary of the consultation results will be provided to Members following its closure. The findings may inform further amendments to the budget, but individual options will still require consideration and, where appropriate, approval by the Council.

5. Matters requiring consideration

1. Events & Planning Committee
 1. Free Saturday Parking - expenditure following report
 2. Christmas Lights - sponsorship
 3. Carnival Budget - what level is right?
 4. Winter Festival Budget - what level is right?
2. Operations & Development Committee
 1. Town Centre Ranger - expenditure following report
3. Finance & Governance Committee
 1. Fees and Charges - what level is right?
 2. Reserves - should these be amended to reduce the cost?
 3. Special Projects - what level is appropriate

6. Links to Strategic Objectives and Interim Strategic Plan

1. Draft 2 continues to provide for the Council's existing services and the Year 3 actions within the Interim Strategic Plan. Any further reductions or additions should be considered in the context of the Council's ability to deliver its agreed objectives during 2027/28.

7. Resource & Legal Implications

1. Draft 2 provides for expenditure of £1,183,812 and income of £334,170, resulting in a net funding requirement of £849,642. This represents a reduction of £8,872 compared with Draft 1.
2. The figures remain provisional and may change following further Committee consideration, the outcome of the public budget consultation and confirmation of outstanding financial assumptions.
3. The Council is required to prepare and approve an annual budget and determine its precept in accordance with the Local Government Finance Act 1992. The Council must ensure that its budget makes adequate provision for its statutory duties, existing contractual commitments and the services it has agreed to provide.

8. Recommendation

1. To consider Draft 2 of the Council's draft budget for 2027/28;
2. To consider the outstanding matters as set out in Section 5 of the report; and
3. To identify and further amendments to be incorporated into the next draft before the budget is considered by the Finance & Governance and Audit committees.

9. Decision

1. To resolve to adopt the recommendations as above.