

Full Council

Date:	17 January 2017
Title:	Budget and Precept 2017-18
Contact Officer:	Graham Hunt, Town Clerk

Purpose of the Report

1. The purpose of this report is to seek approval from the Council for the setting of the 2017-18 Precept thereby allowing for the submission of the Precept Request Form to South Oxfordshire District Council.

Background

2. The draft 2017-18 Revenue Budget has been prepared through an iterative process by the Budget Working Group, supported by the Town Clerk and the Management Team, with all Councillors being kept informed throughout.
3. A detailed, line by line budget is attached as Appendix 1. This is almost identical to the draft budget as circulated to all Councillors on 02/11/16 and walked through line by line at the Budget Working Group on 08/11/16. The only budget changes are £1,561 added to the precept (1076/101 on p2) and to the Rolling Capital Fund (4997/1/99 on p19), in line with the subsequent tax base information and the 1.99% target set by the Budget Working Group (as informed to all Councillors on 01/12/16). Given the passage of time, the 2016/17 Actual YTD column now also has 2 months of additional data included, although month 9 (December) figures are still incomplete.
4. In line with previous years, one page detailed and summary budgets are attached as Appendices 2 and 3.
5. A draft public statement was circulated to all Councillors for comment on 05/01/17.

Resource Appraisals

6. Two new projects have been identified for 2017-18, with seed funding of £5,000 to be provided for a new community led town-wide music festival and £5,000 towards flood prevention measures for the Cuttle Brook.
7. The Town Council has also decided to step in and assist on three other Thame based services, where Government austerity has led to direct cuts being made by Oxfordshire County Council. £10,000 each is allocated to the Red Kite Children's Centre and the Thame and District Day Centre. £5,000 is allocated to help define a potential new around town bus service. This is in effect a partial devolution of services as part of the localism initiative.
8. There have been further additional cost pressures through the need to make the role of the Neighbourhood Plan Continuity Officer full time and to cover the full year costs for the newly recruited Trainee Maintenance Assistant.

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9. The increase in tax base this year (effectively the number of houses in Thame) from 4352.2 to 4434.4 (an increase of 82.2) has provided an additional £11,250 of precept.
10. Various savings have been identified with the main ones being a reduction in the Localism Fund (given the three specific services now funded more locally) and the fact that the Freedom Parade is only held once every four years so doesn't require full funding. A stretching target to increase revenue for hiring out of the Town Hall Chamber / Meeting Room has also been adopted. Numerous other adjustments, both up and down, have been made to reflect realistic cost / revenue expectations.
11. For the second year running, the Town Council will also primarily call on its Capital Reserves for capital projects, rather than funding through the precept. But this cannot be sustained beyond the short term.
12. The budget presented shows a total net expenditure for 2017-18 estimated as £644,530, an increase from last year of £48,321.
13. The net effect of all the above change is that for the financial year 2017-18 the underlying precept increase for normally provided projects, functions and services is 1.99% (without the impact of the devolved services from Oxfordshire County Council). This equates to an extra £2.72p per annum or around 5p per week (for the average Band D household).
14. However, when the additional £25,000 of funding for the Children's, Elderly and Transport services formerly funded by Oxfordshire County Council is taken into account, the full precept increase is 6.1%, which equates to an extra £8.36p per annum or around 16p per week (for the average Band D household).
15. The Town Council is committed to continuing to deliver the projects, functions and services that residents, workers, and visitors to the town expect. In 2017-18, the average whole household (i.e. Band D) will contribute £2.80 per week (through the precept portion of Council Tax) towards the required funding.

Action

The Council is asked:

- i) To consider and approve the budget for 2017-18.*
- ii) To agree that £644,530 be raised for the precept for 2017-18*
- iii) To agree the text of the supporting public statement.*