

Full Council

Date:	16 January 2018
Title:	Budget and Precept 2018-19
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 2018-19 Precept thereby allowing for the submission of the Precept Request Form to South Oxfordshire District Council.

Background

2. The draft 2018-19 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 identical to the draft budget as circulated to all Councillors on 20 November 2017 and publicly published via a press release that same day, in advance of the Budget drop-in session on 12 December 2017.
4. There were 7 Members of the Public who attended the widely publicised Budget drop-in session on 12 December 2017. Three to give thanks for the Youth Worker allocation; a couple with concerns on the need for a new Neighbourhood Plan and associated costs; and two with general comments on planning / footpath maintenance aspects. The Budget Working Group concluded that no further change was needed to the draft budget as a result.
5. In line with previous years, one page detailed and summary budgets are attached as Appendices 2 and 3.
6. A detailed press release was circulated on 20 November 2017. The Town Clerk recommends that given there has been no change since that release, that there is no need for any immediate further press statement. All required detail is already available. The normal budget leaflet, to be made available to all residents, will be produced as normal during February 2018.

Resource Appraisals

7. The new funding last year of £5,000 to Thame Town Music Festival, £5,000 towards flood prevention measures for the Cuttle Brook, £10,000 for the Red Kite Family Centre and £10,000 for the Thame and District Day Centre has been retained. An additional £15,000 has been allocated towards funding a Youth Worker.
8. Additional funding has been allocated to ensure bigger and better Remembrance Day and Town Awards events, which are both marking special anniversaries.

9. An additional £45,000 has been allocated towards the creation of a new Neighbourhood Plan, but with clear instruction to the Neighbourhood Plan Continuity Officer to minimise spend. Some of these funds will be covered by drawing down on reserves and there are also grants / s106 monies that will be applied for.
10. The Grounds Team has been increased in size to provide more flexibility, at a cost of approximately £5,000. Other staff costs impacts amount to around £19,000.
11. The increase in tax base this year (effectively the number of houses in Thame) from 4434.4 to 4547.6 (an increase of 113.2) has provided an additional £16,500 of precept.
12. Various savings have been identified with the main one being a reduction in the Transport contribution, which should be funded by County Council held s106 funds. Numerous other adjustments, both up and down, have been made to reflect realistic cost / revenue expectations.
13. For the third year running, the Town Council will also primarily call on its Capital Reserves for capital projects, rather than funding through the precept. £10,000 has been specifically set aside towards vehicle replacement. This reduced level of capital funding from the precept cannot be sustained much longer.
14. The budget presented shows a total net expenditure for 2018-19 estimated as £709,592, an increase from last year of £65,062. This is reduced by a pull down from reserves of £25,451, giving a net precept required of £684,141.
15. The net effect of all the above change is that for the financial year 2018-19 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).
16. However, when the additional net £10,000 of funding for services formerly funded by Oxfordshire County Council is taken into account, the full precept increase is 3.5%, which equates to an extra £5.09p per annum or around 10p per week (for the average Band D household).
17. The Town Council is committed to continuing to deliver the projects, functions and services that residents, workers, and visitors to the town expect. In 2018-19, the average whole household (i.e. Band D) will contribute a sum of £2.90 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 2018-19.*
- ii) To agree that £684,141 be raised for the precept for 2018-19.*