

Full Council

Date:	22 January 2019
Title:	Budget and Precept 2019-20
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 2019-20 Precept thereby allowing for the submission of the Precept Request Form to South Oxfordshire District Council.

Background

2. The draft 2019-20 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 press release (Appendix 4) was published on 19 November 2018, summarising the main factors influencing the proposed budget for 2019-20. The detailed budget has not materially changed since then.
4. A detailed, line by line budget is attached as Appendix 1. This is identical to the draft budget as circulated to all Councillors on 5 December 2018, immediately following the Budget drop-in session the previous day.
5. There was one Member of the Public who attended the widely publicised Budget drop-in session on 4 December 2018.
6. In line with previous years, one page detailed and summary budgets are attached as Appendices 2 and 3.
7. The normal budget leaflet, to be made available to all residents, will be produced during February 2019.

Resource Appraisals

8. The 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, £10,000 for the Thame and District Day Centre and £15,000 towards funding a Youth Worker has been retained.
9. Last year's exceptional budget item of £5,000 has been retained to enable the widely appreciated screen at the Remembrance Day event to be repeated.
10. Continued funding of £25,000 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 that will be applied for.
11. The District Council has withdrawn their 50% funding of the Market Town Co-ordinator role and so that is now fully funded through the Town Council precept – at an additional cost of £11,000.

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12. The Market Town Co-Ordinator role has been extended from 21 to 25 hours per week; the Office Administration Manager is now full time, as opposed to 80%, the grounds team have greater experience; all enabling an increase in capacity to deliver what is expected, at a cost of around £13,000.
13. Other staff cost impacts through the 2% National Joint Council salary negotiations which the Town Council is legally obliged to abide by, along with some staff promotions cost around £16,000.
14. The increase in tax base this year (effectively the number of houses in Thame) from 4547.6 to 4691.6 (an increase of 144) has provided an additional £21,663 of precept.
15. Numerous other adjustments, both up and down, have been made to reflect realistic cost / revenue expectations.
16. For the fourth year running, the Town Council will also primarily call on its Capital Reserves for capital projects, rather than funding through the precept, including for this year the replacement of an aging tractor. This reduced level of capital funding from the precept cannot be sustained much longer.
17. The budget presented shows a total net expenditure for 2019-20 estimated as £737,346, an increase from last year of £27,754. This is offset by a pull down from reserves of £10,407, giving a net precept required of £726,939.
18. The net effect of all the above change is that for the financial year 2019-20 the underlying precept increase for normally provided projects, functions and services is 1.44% (without the impact of the devolved services from Oxfordshire County Council / South Oxfordshire District Council).
19. However, when the additional net £11,000 of funding for services formerly funded by South Oxfordshire District Council is taken into account, the full precept increase is 2.99%, which equates to an extra £4.50p per annum (for the average Band D household).
20. The Town Council is committed to continuing to deliver the projects, functions and services that residents, workers, and visitors to the town expect. In 2019-20, the average whole household (i.e. Band D) will contribute a sum of £2.98 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 2019-20.*
- ii) To agree that £726,939 be raised for the precept for 2019-20.*