



Date: 15 January 2018

Title: Budget setting process 2018-2019

Purpose of the Report: i) To help inform Members of the work to date in respects of the budget setting process
ii) To receive and consider recommending to Council the approval of the proposed budget for the Financial Year 2018-19.

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Corporate Objective/s	To consolidate processes and procedures, ensuring operational efficiency and a structure which will underpin future service delivery by the Town Council.	
Implications:		
Financial	√	
Human Resources		
Operational/Service delivery	√	
Procedural/Legal		
Risk/Health & Safety		

1. RECOMMENDATIONS

Should the Policy and Finance Committee be minded:-

- 1.1 To note the report.
- 1.2 To receive and consider recommending to Council the approval of the proposed budget of £2,134,507 for the Financial Year 2018-19.
- 1.3 To Recommend to Council that the Council Tax of £149.58 (Band D Equivalent) remain unchanged for the Financial Year 2018-19.

2 BACKGROUND

- 2.1 In accordance with established practice, the Town Council will be expected to have set a precept and to have notified the billing authority (Central Bedfordshire Council) of that amount by 19th January 2018 (albeit the principal authority is aware that this information will not be forthcoming until 31st January 2018 at the earliest).

2.2 With the exception of the Partnership Committee, each town council standing committee with budgetary responsibility has been presented with its own draft budget for consideration. Recommendations to the Policy and Finance Committee to approve the proposed committee budgets have been made as follows:

Grounds and Environmental Services Committee – meeting held 4 December 2017 (Minute Reference 085/GE)

Planning and Transport Committee – meeting held 6 December 2017 (Minute Reference 312/P)

Due to heavy snowfall, the meeting of the Cultural & Economic Services Committee due to be held on 11 December 2017 was deferred until Wednesday, 10 January 2018. At the time of writing therefore, a recommendation in terms of budget for 2018-19 is awaited from that Committee.

Precepting:-

2.3 On 17th November 2017, the Town Council received confirmation of its tax base for the forthcoming financial year. The tax base has increased by 0.9% from 14,141 dwellings to 14,270. When compared to previous years, the increase is modest:-

Year	15/16	16/17	17/18	18/19
Tax Base and year on year % increase	13,438	13,826 (+2.8% - 388 dwellings)	14,141 (+2.3% - 315 dwellings)	14,270 (+0.9%- 129 dwellings)

2.4 Assuming the council tax remains unchanged at £149.58, the amount that the Town Council will be seeking from the principal authority for the purposes of delivering its services will be the tax base (14,270) x council tax (£149.58) = £2,134,507.

2.5 The ability to deliver a balanced budget despite a lower than anticipated tax base and increasing fixed costs is largely down to a play area loan repayment of £35,000 per annum ending. With the loan coming to an end and with all things being equal, the expectation was that the £35,000 “windfall” (not budgeted for) would be used to top up the capital schemes budget by a further £35,000 per annum (£200,000 + £35,000 = £235,000). Instead of topping up by £35,000, a contribution of £11,309 will be made to the capital schemes budget (£200,000 + £11,309 = £211,309) meaning a balanced budget can be achieved without drawing down from reserves.

0% increase	Council Tax £	Council Tax Base	Precepting Amount £ 149.58 x 14,270	Net Expenditure £ 2,476,957– 342,450 (income)	Impact on General Fund £
0	149.58	14,270	2,134,507	2,134,507	0

- 2.6 Should Members be minded and in accordance with Recommendation 1.2, the Committee is asked to approve the proposed budget of £2,134,507 to Full Council for its endorsement.
- 2.7 Should Members be minded and in accordance with Recommendation 1.3, the Committee is asked to approve that Council Tax (£149.58 Band D equivalent) remain unchanged to Full Council for its endorsement.

3. CONCLUSION

- 3.1 The proposed budget has been the subject of scrutiny by the various standing committees and by way of resolution, have endorsed their proposed budget for the coming financial year. Should Members be minded to support the recommendations, the setting of council tax and budget approval will be matters for Full Council to endorse.

End