



TODMORDEN TOWN COUNCIL

REPORT TO GENERAL PURPOSES COMMITTEE

REPORT AUTHOR	Colin Hill - Town Clerk & Responsible Financial Officer
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Date	15TH January 2020
SUBJECT	Precept and Budget for 2020/21

PURPOSE OF REPORT

1. To request that Members consider a Precept increase for 2020/21 of 38.59% (£72,617), equivalent to Band D annual charge of £54.68 in order to deliver both current and expected future operational requirements and representing a weekly increase on band D property of just £0.29p , based on tax base of 4769.34 as advised by Calderdale MBC.
2. To advise Members that a summary of budgets is provided by way of Appendix 1 and detailed budget headings as per Appendix 2, both based on a three-year forecast.
3. To inform Members that a detailed background paper to the budget presented is included as Appendix 3 which should aid Members understanding of the issues being considered in this three - year forecast.
4. To provide a table of Precept increase based on property bands A to H – Appendix 4.

RECOMMENDATION:

5. That General Purposes Committee consider the budget proposals presented before them and consider whether any changes are necessary to these proposals.
6. To agree at this meeting, the final budget to be recommended to Full Council for the meeting to be held 29th January 2020, following which the Precept demand has to be issued.

REASONS FOR RECOMMENDATION

7. To Set the Precept for 2020/21

SUMMARY OF KEY POINTS:

8. The Council forward financial planning has identified the need to increase the current level of Precept to enable future service delivery to be considered that may involve either the

operating additional assets and or leveraging in investment into Todmorden through contributions made towards larger schemes delivered by others.

9. The impact on Todmorden Town Council Precept payers of increasing the Precept by £72,617 is as follows:-

Council Tax Band Charges For Todmorden Town Council Precept								
Year	A	B	C	D	E	F	G	H
2019/20	£26.54	£30.96	£35.39	£39.81	£48.66	£57.50	£66.35	£79.62
2020/21	£36.46	£42.53	£48.61	£54.68	£66.83	£78.99	£91.14	£109.37
Council Tax Annual increase								
A	B	C	D	E	F	G	H	
£9.92	£11.57	£13.22	£14.87	£18.18	£21.48	£24.79	£29.75	
Council Tax Weekly increase								
A	B	C	D	E	F	G	H	
£0.19	£0.22	£0.25	£0.29	£0.35	£0.41	£0.48	£0.57	

10. Given the increasing size of the Budget requirement and increasing cash balances being held to finance such a requirement, the next stage of the budget setting process will be to develop a Reserves Policy and Investment Strategy

FINANCIAL IMPLICATIONS & BUDGET PROVISION:

11. The forecast top line three year requirement is as follows:-

	2020/21	2021/22	2022/23	3 yr totals	Average three year
Expenditure	£300,341	£292,808	£297,523	£890,672	£296,891
Grant support	-£35,941	-£35,941	-£35,941	-£107,823	-£35,941
Admin income	-£600	-£600	-£600	-£1,800	-£600
Precept Requirement to balance budget	£263,800	£256,267	£260,982	£781,049	£260,350
Current Precept	-£188,183	-£188,183	-£188,183	-£564,549	-£188,183
Precept increase required	-£75,617	-£68,084	-£72,799	-£216,500	-£72,167

12. There is a higher budget requirement reflected in some budget headings spend in 2020/21, that is not forecast to be repeated in 2021/22 or 2022/23. Based on the average for the three - year forecast, a Precept increase of £72,167 is required to balance out forecast expenditure
13. Although assessed on this basis, this does not commit the Precept to this level for the next three years. Members can consider future precept requirement each year based on the latest financial projections, developing service need and any imposed changes in terms of Grant Support.

POLICY IMPLICATIONS:

14. The Precept call for 2020/21 recognises the need to ensure a balanced budget is achieved for the next three years based on known service requirements.

DETAILS OF CONSULTATION:

15. None at this stage.

CLIMATE CHANGE:

16. A figure of £10,000 has been established in the budget recognising Members commitment to Climate Emergency.

IMPACT EQUALITY ASSESSMENT

17. None arising from this report.

SUPPORTING PAPERS:

18. None arising from this report.

FURTHER INFORMATION, PLEASE CONTACT: Colin Hill