



TODMORDEN TOWN COUNCIL

REPORT TO FULL COUNCIL

REPORT AUTHOR	General Purposes Committee
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Date	29th January 2020
SUBJECT	Precept and Budget for 2020/21

PURPOSE OF REPORT

1. To advise Full Council that the General Purposes Committee have considered in detail the Budget requirements for 2020/21, as well as the overall three year forecast 2020-2023.
2. To recommend to Full Council that 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, representing a weekly increase on band D property of just £0.29p , based on tax base of 4769.34 as advised by Calderdale MBC.
3. 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.
4. 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.
5. To provide a table of Precept increase based on property bands A to H – Appendix 4.

RECOMMENDATION:

6. That Full Council agree the budget as presented.
7. That Calderdale MBC be directed to pay the sum of £296,291 to Todmorden Town Council, including a precept increase of £72,617, Parish Grant £11,691 and Council Tax reduction Grant of £23,800 and that the demand be signed accordingly by the Mayor, two other Councillors and countersigned by the Town Clerk.

REASONS FOR RECOMMENDATION

8. Full Council sets the budget for the following financial year and determines the extent of precept required

SUMMARY OF KEY POINTS:

9. 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.
10. 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	

11. 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:

12. 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 over 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. Appendix 1 - Summary of Budgets
Appendix 2 - Budget breakdown by code
Appendix 3 - Budget considerations paper
Appendix 4 - Precept increase table

FURTHER INFORMATION, PLEASE CONTACT: Colin Hill