

Report No. 4

Report to Policy and Resources Committee 11th November 2014

Budget Pressures for 2015/2016

1. Purpose of the report

- 1.1 To advise the committee of the latest information received from Wiltshire Council to assist in determining the precept and council tax for Malmesbury Town Council and to identify known increased calls upon the Town Council core budget.

2. Background

- 2.1 Each year the Town Council is required to identify the level of expenditure anticipated to be incurred during the forthcoming financial year.
- 2.2 The level of expenditure is divided by the number of Band D equivalent properties provided by the Wiltshire Council to give a level of Council Tax for a Band D property.
- 2.3 In recent years the Town Council has underwritten the agreed anticipated expenditure by earmarking a contribution from reserves to reduce the impact upon the final council tax charged.
- 2.4 Last year the effect of the localisation of council tax support impacted upon the budget of the Town Council although Wiltshire Council reduced the impact by awarding a grant, albeit at a level lower than the previous year.

3. Known pressures

- 3.1 Wiltshire Council gave notice last year that any grant for 2015/16 would be substantially reduced.
- 3.2 The pay award has yet to be settled but indications are that it could add in the region of 2.2% to the cost of salaries.
- 3.3 The Joint Burial Committee is faced with the cost of developing the extension land to provide more burial space and is unable to continue underwriting the base budget by supporting from reserves as has been done for the last few years. Therefore there will be a requirement to fund a higher budget for this committee, the share from the Town Council being increased to £5,141, a rise of £2,057 over the current year.
- 3.4 Wiltshire Council has confirmed that the level of grant for the year 2015/2016 will be £16,072.78 compared with £22,017.50 in the current year. A reduction of £5,944.72.
- 3.5 The number of Band D equivalent properties to be taken into account in the calculation for 2015/2016 has increased to 1896.44 this year compared with 1871.47 in the current year. An increase of 24.97 providing additional income of £4,302.83 at current tax level.

4. Financial implications and risks

- 4.1 This report provides background to assist on making financial decisions.

5. Recommendations

- 5.1 Members are recommended to consider the content of the report when determining the level of expenditure for the next financial year.

Jeff Penfold
Town Clerk
5th November 2014