

Report No. 2

Report to Policy and Resources Committee 6th September 2016

Initial Budget Pressures for 2017/2018

1. Purpose of the report

- 1.1 To invite the committee to consider the known budget pressures for the next financial year to assist in the preparation of a draft budget.

2. Background

- 2.1 In December the Town Council will need to agree the budget for the next financial year in order that the relevant information may be submitted to Wiltshire Council.
- 2.2 Over the next cycle the committees of the Town Council should be giving consideration to any spending plans for the next year that may impact upon the level of tax to be charged by the council.
- 2.3 Whilst it may be anticipated that there will be an increase in the number of notional Band D properties the information has yet to be received from Wiltshire Council.
- 2.4 The number of Band D properties is relevant in that the total level of net expenditure to be raised through tax is then divided by this number to give the relevant tax level.

3. Known Pressures

- 3.1 The current year's budget included a reduced grant figure provided through Wiltshire Council at a level of £2,893.10 or £1.47 on a Band D property at current levels.
- 3.2 No such grant will be forthcoming next year leaving the Town Council to fund any shortfall.
- 3.3 The pay award for the current year has been agreed and incorporated into the budget and the Chancellor has stated that the pay award for the next three years will be pegged at 1% but pressure is beginning to have an impact. The figure shown in the budget includes not only direct salary payments but also the employer's national insurance and pension contributions. The staging date for workplace pensions for the Town Council was August 2016 but it is not anticipated to cause major difficulties next year as the majority of employees are already included in the existing pension scheme.
- 3.4 The Town Council entered into an agreement with the Town Team and Wiltshire Council to subsidise a trial scheme for limited free parking in Station Yard Car Park. The maximum cost to be borne by the Town Council at the end of the trial period was pegged at £4,500 with the final figure being much less than anticipated. However, a similar figure will need to be considered for inclusion in the budget for 2017/18 if the scheme is to continue.
- 3.5 Wiltshire Council has indicated that the level of service provision in some sectors will reflect the financial pressures facing the council and the Town Council will need to consider if services such as litter picking and grass cutting should be enhanced by this council to maintain the appearance of our historic town..
- 3.6 There is some scope within the existing resources but it is inevitable that any meaningful enhancement will require additional resource.

4. Financial implications and risks

- 4.1 There are no additional financial implications to this report which is presented for the purposes of imparting information and stimulating debate. Financial implications will be explored and reported to this committee once initial decisions have been made about the way forward.

5. Recommendations

- 5.1 Members are recommended to consider the report presented by the Town Clerk when considering the impact of any future decisions upon the level of council tax. .

Jeff Penfold
Town Clerk
27th August 2016.