

REPORT TO: Town Council – 26th November 2018
REPORT ON: Council Budget and Precept – 2019-20
REPORT BY: Finance Officer
REPORT DATE: 22nd November 2018

BACKGROUND

From July 2018, each committee has been reviewing their services, ambitions, operational needs and duties to support the community for 2019/20 and beyond.

Over the past 5 years, Daventry Town Council has changed to meet the needs of the Town and its community and now, due to cuts to services within the County, District and the Police, it faces new challenges. These new challenges bring with them a positive, as any new service the Council adopts has the positive effect of the Council being given the responsibility and power to ensure that Town matters are managed at a local level, enabling improved response to residents' concerns.

The Finance and Policy Committee has reviewed each budget line and the following analysis identifies the major increases and reductions that influence the final precept proposal and makes the following recommendations:

Budget Analysis

Income

Allotment rent per pole has been increased resulting in a budget increase of £550 for 2019/20. The Retail Radio Scheme for 2019/20 is predicted to decrease by £400, this can be attributed to a loss of retailers from the changeover from the old scheme, there has been increased interest from retailers with the new business together scheme that was launched in June 2018. Allotments and retail radios are the only services that generate income for the Council, this is an area to be considered in any future planning.

Expenditure

Finance & Policy

The Finance and Policy Committee are proposing:

- an increase in wages and salaries by £24k (15%), this is to enable the appointment of an additional member of staff and to meet anticipated increases in the Council's annual and National Joint Council pay review.
- the inclusion of a new budget line for the sum of £40K for Council to seek professional advice and or services in relation to the Local Government Reorganisation and the possible transfer of assets and devolution of services to Daventry Town Council.
- costs, of £4K, incurred for the 2018 elections and funded via Earmarked Reserves in the council year 2018/19 should be recovered and, therefore be included in the precept for 2019/20.
- an increase of £2.8K for building repairs to recoup expenditure in 18/19 funded via general reserves.
- an increase within the Section 17 Crime and Disorder Act 1998 budget of £38K for the continued Sponsorship of a PCSO, previously funded via Earmarked Reserves for the to allow the council to trial the scheme.

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Community Services

Finance and Policy Committee have reviewed and recommend the following proposals from the Community Services Committee:

- an increase of the newsletter budget by £3k, to allow for additional publication in the Autumn to reach those residents that don't use social media.
- a decrease of £9K to the events budget, reducing the Arts Festival budget by £5k, with the event running on one weekend and not two. The Committee also propose the removal of the events promotion budget, of £2.4K, with promotional items purchased within this financial year being utilised again in 2019/20. The Committee agreed to move the £1.5K bunting costs from the Events budget to the Town Enhancements budget.
- an increase of £27.5K to the Town Enhancements budget, £1.5K being transferred from the events budget and £25.5k for a new Christmas lights scheme to commence in 2019/20.
- Cost centre for Social Capital budget be transferred from the Community Services Committee to the Finance & Policy Committee.

Museum Committee

Finance and Policy Committee have reviewed and recommend the following proposals from the Museum Committee:

- an increase of £920, which has minimal effect on the budget and precept for 2019/20.

Planning & Development

Finance and Policy Committee have reviewed and recommend the following proposals from the Planning & Development Committee:

- that a £0 budget should be maintained and that income from CIL could be used should professional advice in relation to planning matters be required.

Earmarked Reserves

Finance and Policy Committee have reviewed proposals from all committees in relation to earmarking funds for future projects:

- £2K be earmarked from reserves to enable the Museum to seek guidance on its future development.

CONCLUSION

On reviewing the budget proposals submitted by each Committee and having due regard to the Council's duties and the needs of the community the Finance and Policy Committee recommends the Council budget of £566,693 and a precept of £555,243 be approved, which is, based on base line figures for 2018/19 an increase of £17.62 on a band D property (35.72%).