

MTC Policy and Resources Committee 2.12.20

Report No 1a Budget and Precept for 2021-22

1. In readiness for the precept setting in December the Committee are asked to consider the annual budget for the year 2021-22, considering the existing and possible new budget allocations needed.ⁱ
2. When considering the budget, the Committee will need to allow for;
 - Inflation at 1.5 % (assumed compared to 2019/20 1.5%) as an on cost to existing Council goods and services.
 - Local Government Pay increases, to be agreed, but assumed to be up to 3% (maximum), although it is not clear if this applies at the time of writing this report.
 - Staff incremental rises.ⁱⁱ
3. In addition to maintaining existing services, the Committee will need to consider new or aspirational projects or areas of service delivery, notably but not definitively;
 - Works to St Aldhelms Mead Bridge - outstanding.ⁱⁱⁱ
 - The installation of new signs at all Council Parks and Open Spaces.^{iv}
 - Upgrade of ICT infrastructure and software, and Wifi service – partially resolved/ outstanding.^v
 - The impact of the possibility of devolution from Wiltshire Council, and the impact of any preparatory work that this may require. E.g. professional fees, research etc.^{vi}
 - Flood defence works planned by the Environment Agency, and Wiltshire Council
 - The possible installation of CCTV.
 - Ongoing development works to the Cloister Gardens, and a landscaping improvement scheme to the border bed just below the approach to Cloister gardens / Mill Lane.
 - The impact of the Covid 19 pandemic both internally and externally; specifically noting the possibility of a significant variation in the tax base on which the precept is calculated due to a reduction in contributing households (yet to be advised by Wiltshire Council).
 - A new works vehicle.
4. The Council has a General Reserve of £637,252 (23.11.20), with £340,995 currently accounted for as a set of Ear Marked Reserves (EMRs) in line with the Asset Management policy.
5. The EMR's currently do not allow for any costs that may be associated with implementing or sustaining new developments, or additional or extend services, not identified and agreed by the Council to date.
6. Where there are developments, or additional or extended services not yet identified and agreed by the Council will need to consider associated costs, strategies for either realising these aspirations, and if relevant sustaining these aspirations.
7. The Councils precept increase for 1920/21 was agreed at 2.75% on a Band D equivalent which equated to an additional £5.14 per household. The total income

received from the 2019/20 Precept raised £457,587. This decision was based on an anticipated expenditure of £533,468.00, and income of £95,881.

8. Last years tax base was 2172.47. The 2021-22 tax base is 2169.06.
9. Based on last year's Precept figure of £457,587 the following increases would be;
 - 1% rise would equate to £3858
 - 2% rise would equate to £8413
 - 3% rise would equate to £12990
10. A 3% rise on the current Band D household £216.95 would equate £6.32 per household.
11. Please refer to associated budget spreadsheet for further budget analysis.
12. The Committee are asked to consider and agree the budget and precept for 2021-22 for recommendation to Full Council on the 15.12.20.

Richard Spencer- Williams – Town Clerk 25.11.23

Legal Power

ⁱ Local Government Finance Act 1992 s41

ⁱⁱ Local Government Act 1972 s112

ⁱⁱⁱ Public Health Act 1875 s164. Highways Act 1980 ss145, 50

^{iv} Public Health Act 1875 s164

^v Local Government Act 1972 s111

^{vi} Localism Act 2011 ss 81-86/87-108