

**To receive a report on the Town Council Precept for the year 2024/25 and consider any actions and associated expenditure**

Due to the significant increase in a Band D Dwelling for the year 2024-25 (**11.98%**) the following options are for Members consideration.

**Option 2** provides Members the option to use some funds from general reserves and the contingency pot. The Responsible Finance Officer carried out a risk based assessment and is content that the risk for Saltash Town Council remains low, due to best practice guidance suggests a minimum of 3 months contingency and Saltash Town Council is primarily precept funded. The Responsible Finance Officer sought the Internal Auditors expertise, he is also content with Option 2. However, Option 2 is not to be continually utilised, increasing the precept by a reasonable percentage retains the Town Council in a healthy and safe position.

**Option 1**

Taking into consideration the recommendations from all committees, the 2023/2024 precept compared to 2024/2025 shows a planned budget increase of **£175,348** and an increase of **11.98%** for a Band D Dwelling. This equates to an increase of **£28.41** per annum and **£0.55** per week.

General Reserves estimated to be **£276,344** and Contingency for **5.5 months** estimated to be **£679,755**.

**Option 2a (AGREED OPTION RESOLVED AT FTC 7TH DECEMBER 2023 MINUTE NR 261/23/24)**

The recommended committee budget increases to remain unchanged, but reduce the precept by ~~only~~ releasing capital from the Contingency fund, leaving the Reserve fund unaffected. This would be achieved by recommending the following virement:

- Virement from Contingency Fund **£94,885**

**Resulting in:**

Revised budget increase to **£80,464** and an increase of **4.81%** for a Band D Dwelling. This equates to an increase of **£11.42** per annum and **£0.22** per week.

General Reserves estimated to be **£276,344** and Contingency to remain the same as 2023/24 **£584,870 (£679,755 - £94,885)** equating to 5.06 months.

**Option 2b**

The recommended committee budget increases to remain unchanged but to still reduce the precept by **£110,000**. This would be achieved by releasing funds from General Reserves and the Contingency Fund to Expenditure Codes:

- Virement from General Reserves **£15,115**
- Virement from Contingency Fund **£94,885**

**Resulting in:**

Revised budget increase to **£65,349** and an increase of **3.67%** for a Band D Dwelling. This equates to an increase of **£8.71** per annum and **£0.17** per week.

General Reserves estimated to be **£261,224 (£276,344 - £15,115)** and Contingency to remain the same as 2023/24 **£584,870 (£679,755 - £94,885)** equating to 5.11 months.

The following table illustrates the results of all the above options

Details	Option 1	Option 2a	Option 2b
Total Precept 24/25	<b>£1,483,102</b>	<b>£1,483,102</b>	<b>£1,483,102</b>
Release from General Reserves			<b>-£15,115</b>
Release from Contingency Reserves		<b>-£94,885</b>	<b>-£94,885</b>
Revised Precept 24/25	<b>£1,483,102</b>	<b>£1,388,217</b>	<b>£1,373,102</b>
Increase V 23/24	<b>£175,349</b>	<b>£80,464</b>	<b>£65,349</b>
Band D Increase - %	<b>11.98%</b>	<b>4.81%</b>	<b>3.67%</b>
Band D Increase - Annual	<b>£28.41</b>	<b>£11.42</b>	<b>£8.71</b>
Band D Increase - Weekly	<b>£0.55</b>	<b>£0.22</b>	<b>£0.17</b>
Estimated General Reserves 23/24	<b>£276,344</b>	<b>£276,344</b>	<b>£261,224</b>
Estimated Contingency Fund 23/24	<b>£679,755</b>	<b>£584,870</b>	<b>£584,870</b>
Contingency Fund in Months	<b>5.50</b>	<b>5.06</b>	<b>5.11</b>

**Option 3**

To be discussed at the meeting - reduce the level of spend by decreasing some budgets to lower the increase for a Band D Dwelling.

**Please note:** Saltash Town Council resolved to approve for the year 2023/24 a planned budget increase of **£52,063** and an increase of **3.66%** for a Band D Dwelling.

**End of Report**  
**Responsible Finance Officer**  
**Finance Officer**