

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

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

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