



Desborough Town Council
Town Clerk: Graham Thomson
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To: All Town Councillors

You are hereby summoned to attend the Meeting of Desborough Town Council to be held in the Library, High Street, Desborough on Thursday 23 January 2020, commencing at 7pm for the purpose of transacting the following business. Members of the press and public are invited to attend.

Signed,

Graham Thomson
Town Clerk

17 January 2020

AGENDA

156./19 CHAIR'S WELCOME AND ANNOUNCEMENTS.

157./19 TO CONSIDER AND IF SO RESOLVED TO APPROVE APOLOGIES FOR ABSENCE.

158./19 TO NOTE ANY DECLARATIONS OF INTEREST FROM COUNCILLORS

159./19 TO NOTE OR CONSIDER ANY REQUESTS FOR DISPENSATION.

To note any requests for dispensation for Councillors with an interest to be allowed to speak which have been considered by the Town Clerk in accordance with the Localism Act 2011 and the Council's Scheme of Delegation, and to consider any such applications not yet determined.

160./19 TO HEAR REPRESENTATIONS FROM MEMBERS OF THE PUBLIC

Note: no decisions can be made in response to matters raised under this item.

161./19 TO CONSIDER THE COUNCIL'S BUDGET FOR THE FINANCIAL YEAR 2020/21 AND FUNDS TO BE EARMARKED FOR FUTURE PROJECTS

The Council has a statutory duty to set a budget each year which should cover the cost of all its duties and any discretionary expenditure it might wish to make. Under normal circumstances, it would be expected that proper estimates (although **not** quotations or tenders) would be available to inform the Council in determining the budget. However, the short period of time between the consultation and the date by which any precept must be submitted to Kettering Borough Council means that not all budgetary processes have been completed.

The views expressed in both the consultation process and the consultation session have been taken into account in preparing the DRAFT items for 2020/21. These are based on the best estimate of costs. Clearly, it has not been possible to cost all of the suggestions and comments made during the consultation, however, many of the matters raised were not financial or were the clear responsibility of the Borough or County Council, or third parties.

As last year, the draft figures cover the main cost centres:-

- Democratic Services (including all staff costs direct and indirect, training, audit, Data Protection, Information Commissioner, publicity, elections/polls)
- Memberships and subscriptions (county and national societies)
- Town Council Office (including rent, rates, connectivity, services)
- Administration (including office expenses, equipment, software, website, emails, insurance, Christmas lights, speed signs, pocket park, legal costs)
- Projects (including many of the suggestions made before and during the consultation)

The DRAFT figures contain a number of contingency sums, provisional items, and some which may not occur in the coming financial year. Further details of these items will be available as identified if approved for priority.

As last year, it is impossible to accurately gauge the impact of local government cuts and Local Government Reorganisation. Councillors are advised to make their own judgements about what services might be lost or cut and whether or not they wish to make provision for them. A cursory glance at other Councils' budgets and cuts might produce items such as: grit

bins; grass cutting of verges; and street lighting. Other highway service reductions are due to be considered by the County Council soon and the impact is currently unknown.

Subject to the Council's decisions on projects and expenditure for the coming year, the Responsible Financial Officer would urge the Council to aim to reduce the high level of balances within a three year period, and to earmark funds for items which it considers appropriate for the Town Council to fund (rather than another Local Authority). This would also allow the Council to manage the expenditure adequately, retain a buffer against the impact of the effects of the impending reorganisation of local government in the County, and current national uncertainties.

The Council is REQUESTED to identify those items on which it wishes to proceed from reserves and earmarked amounts; to authorise the Town Clerk to clarify estimates for those items to be considered further and funded from earmarked funds or reserves notwithstanding Financial Regulations; and to approve the budget for 2020/21.

156./19 TO CONSIDER LEVYING A COUNCIL TAX PRECEPT IN 2020/21 AND IF SO TO DETERMINE THE AMOUNT.

If the Council determines that the expenditure budgeted cannot or should not be funded entirely from reserves and income, then it must resolve to make a precept (a charge from one local authority to another) specifying the rate of tax to be charged on its behalf. Currently, the capacity of Town and Parish Councils to set precepts is uncapped unlike Borough and County Councils. However, it is imprudent to assume that this situation will remain. If the Council chose to set a very low or even zero precept and the following year a cap was introduced the Council would not be able to function once balances ran out. Even if no such cap was introduced, to have a low (or nil) precept then to impose a precept which is dramatically higher would be unwise. Having said that, it would be equally unwise to attempt to reduce the Council's reserves within a single financial year.

With regard to reserves, the Good Councillor's Guide to Finance and Transparency (DCLG) states: *"Local councils need to hold an amount in reserves to meet unexpected expenditure, otherwise they could run out of money before the end of the financial year. A council should typically hold between 3 and 12 months expenditure as a general reserve."*

Kettering Borough Council requires the precept decision to be communicated to it by 24 January 2020. Following the setting of the budget, the Town Clerk will advise on the impact of the spending proposals and the possible precept.

Calculation of the precept is based on the tax base which is the number of Band D equivalent properties that are relevant for each area. For Desborough the 2019/20 tax base was 3,792 band D properties.

For indicative purposes, a £10,000 would produce the following charges:

Band	A 6/9ths	B 7/9ths	C 8/9ths	D 9/9ths	E 11/9ths	F 13/9ths	G 15/9ths	H 18/9ths
Annual charge	£1.76	£2.05	£2.35	£2.64	£3.23	£3.81	£4.40	£5.28

It is RECOMMENDED that the Council determines any precept to be charged.