

**10. COUNCIL BUDGET AND PRECEPT SETTING 2017/2018 (please see attached spreadsheets).** – to receive the recommendations of the Finance and General Purposes Committee on the revised proposals for 2017/2018 budget and precept setting. a.) To approve the revised Option 1 setting a budget of £492,856 for the 2017/2018 financial year. b.) To approve the setting of a Precept of £410,450 for the 2017/2018 financial year.

Background – The Council’s committees have completed two reviews of their proposed budgets for the next 2017/2018 financial year. They have also considered the indicative budget proposals in future years.

This process has reduced the draft 2017/2018 Option 1 precept figures significantly:

	Precept Figure Proposed	Increase on 2016/2017 Precept
1 <sup>st</sup> Draft	£472,215	21%
2 <sup>nd</sup> Draft	£424,975	9%
Recommended Figure	£410,450	5%

The Option 1 2017/2018 proposed precept figure equates to an increase in the Band D payment of £4.19 per year or .8p a week

### Options Proposals

Option 1 is the lowest cost option. It includes external issues beyond the control of the Council such as:

- Council Support Grant cuts of £11,925 which is a 26% cut.
- Increase in the Business Rates paid for Council buildings - £2,169
- The costs of the 2017 elections which are 32% higher than 2013.

Option 1 also includes some positive provision such as:

- £10,000 Devolution budget to help cover the costs of items taken over in the future from Cornwall Council.
- £25,000 contribution to the refurbishment costs of the Public Hall.
- There are increased capacity commitments recommended by an independent consultant and already carried out by the Council. The Council plans these changes will add to the grants brought into projects such as the Public Hall refurbishment project to reduce the impact of new schemes on the local precept payer.

Options 2 and 3 add increased sums to of £75,000 and £125,000 respectively to the Devolution provision.

Finance and General Purposes Committee at its meeting 17<sup>th</sup> January 2017 recommended Option 1 with a spend of £492,856, funded by setting a precept of £410,450 which is a 5% increase over the 2016/2017 figure.

The tables below give further detail such as the impact upon the precept and the Band D payment per annum and per week.

	2016/2017	2017/2018
Expenditure		
C&E Committee	£66,000	£68,095 (new combined budget cut - 25%)
Museums Committee*	£24,900	0 (*incorporated into C& E)
Facilities Committee	£239,345	£252,087 (5.3% increase £12,742)
F&GP Committee	£161,280	£170,634 (5.7% increase £9,354)
Staffing	£2,000	£2,040 (2% increase £40)
Total	£493,525	£492,856 (.1% decrease £669)
Council Support Grant	-£45,492	-£33,566 (26% cut)
Internal Income	-£58,780	-£48,840 (reduction in Public Hall)
Precept	-£389,253	-£410,450 (5.4% increase - £21,197)
Total	-£493,525	-£492,856

This table indicates the three Options compared.

	Option 1	Option 2 (+£75,000 Devolution Sum)	Option 3 (+£125,000 Devolution Sum)
Precept	£410,450	£485,450	£535,450
Additional funding raised	£21,197	£96,197	£146,197
Percent Increase on 2016/2017	5%	24%	37%
Band D payment 2017/2018	£141.58	£167.44	£184.69
Comparison with the 2016/2017 £137.39	£4.19 per year or .8p per week	£30.05 per year or .57p per week	£47.30 per year or .90p

**RECOMMENDATIONS:** a.) That the Council approves the revised Option 1 setting a budget £492,856 for the 2017/2018 financial year.

b.) That the Council approves the setting of a Precept of £410,450 for the 2017/2018 financial year.