

COUNCIL – 15th JANUARY 2018**BUDGET REPORT**

All the spending Committees have received and considered budgets for 2018/19.

The following factors have been taken into account:

- Pay award for 1 April 2018 – it is known that higher grades will be awarded 2%, but below £19430 the increase will be higher so an additional sum has been included to allow for 3%, but no information has yet been provided.
- The Local Government consultation document (at item 17/131) outlines that the increase permitted this year (to reflect inflationary costs) is 3%. The consultation document also indicates that the Government is minded not to consider applying referendum principles to Town and Parish Councils for a further three years and this is welcomed, and it will be noted that the Government recognises that to deliver services which have in the past been more associated with District and County Councils that a higher increase could be acceptable, but with justification.
- Reduction in Council Tax Support grant awarded by Government via SHDC.
- Most budgets held unchanged.
- Under Administration a new code for GDPR has been included to reflect the possible costs which could be incurred with the new data protection legislation, although NALC are trying to get Government support for it to be recognised as a new burden for our sector.
- Watermark budget approved by the committee and incorporated into the budget, as for last year, with a small extra sum in Watermark Central costs for the 10th birthday celebrations.
- A new code for Butterpark is allocated but the money will be taken from the Localism reserve in the short term to underpin the professional costs over the next six months to a year. The land is now owned by Ivybridge Town Council and it is intended that the contract with the successful developer will be awarded by end April, with this Council having a report in April of the recommended developer following the evaluation process.
- The Government is asking Councils to use reserves where appropriate and currently £72,000 of the purchase cost of the Butterpark site has been taken from Town Council reserves (with £130,000 grant from SHDC).
- The retention of the Localism budget on the basis that when the Council tax support grant is removed altogether (figures for the next three years taken to full Council in October, as issued by South Hams DC) but by 2020 this will have been discontinued.
- Funding has been left in the budget to contribute towards the social prescriber role if other funding could be found to continue the service beyond May 2018.

- A small additional grant in the RBL Remembrance Service as it is hoped that the Council will be able to work with the local branch to join in the national centenary commemorations of the end of WWI on 11th November.
- Investment in parks continues but over the coming years more section 106 money should be available allied with other small grant funding schemes.
- Woodlands Cemetery is anticipated to have a new agency agreement from April 2018 with South Hams District Council and it is understood that there may be a capital contribution towards the development of the cemetery extension area of £30,000, but as the total cost is likely to be around £100,000 then this will need to be explored further in discussions.

Earmarked reserves

The earmarked reserves held by this Council are attached with the current position to end December 2017 shown.

Some reserves, like those for the Watermark, reflect the investment made in the property over the last year, and opportunities are always taken to apply for grants where facilities and services can be enhanced. For The Watermark some of the remaining capital may be used to deliver an ambitious digital cinema upgrade, if the funding application to South Hams DC is successful.

Another example is the The Longtimber/Pithill Fund or Heritage Project Fund could be required to contribute towards the cost of delivery of the footbridge in Longtimber Woods or the purchase of land on the eastern bank, allied with a bid for funding to the Greater Dartmoor LEAF for around £80,000 to fund the cost of the bridge.

Summary and recommendation to full Council

The Council tax bandings for the coming year have now been circulated by South Hams DC and for Ivybridge it has increased slightly from 3760.91 to 3779.81 for 2018/19.

Following consideration by Policy and Resources Committee and adjustments to reflect comments made the precept for 2018/19 is £429,820, equating to £113.71 per Band D household, and an increase of £3.69 per year, or 7p per week.

Members are recommended to support the budget proposals as outlined above.

Mrs Lesley Hughes
Town Clerk