

<b>Report No. TC04519</b> <b>Appendix: C</b> <b>Agenda Item: 9</b>	<b>Council</b>  <b>30<sup>TH</sup> October 2019</b>
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<b>OAKHAM TOWN COUNCIL</b>
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<b>Subject: Budget 2020/2021 ROUND 1 CONSIDERATION</b>
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<b>Applicable Strategy:</b>  1. Ensure robust financial controls are in place to enable the delivery of cost-effective services as required now and in the future.
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Included with this report is an indicative discussion budget for the financial year 2020/2021. This indicative budget has been discussed by the Finance Working Group, has incorporated several changes, and is now recommended for discussion.

**ASSUMPTIONS:**

1. It is assumed that Council will adopt a new Reserves Policy at the same time the (final version) budget is approved. This will likely recommend that reserves are maintained between (say) 45% and 65% of precept, and that there is no automatic annual increase in reserves built into future budgets. The new policy will likely have less detailed allocated reserves.
2. It is assumed that Council will wish to raise the precept by a modest figure to ensure sustainability in the long term. A figure of 3% total precept income rise has been included in the Round 1 budget. Councillors may suggest a higher or lower figure, there is currently no "cap" on the increase.
3. The tables include last year's budget for comparative purposes. The following year's budget has been largely based on year-to-date extrapolation, plus noting comments and suggestions made by councillors during the current term.
4. The budget put forward for discussion includes new areas of spending which are realistically expected to be made during the year. However, councillors (or working groups etc.) would still need to bring papers to Full Council for approval of spending. Such papers would need detailed plans before approval could be considered.

**NOTE:**

Any use of existing reserves in the remaining part of this financial year will also impact on the financial year end 2021, unless other changes are made to compensate for the spend.

**RECOMMENDATION:**

That Council considers the Round 1 draft budget and makes comments on any proposed changes – being mindful of the impact on the level of reserves, the impact on the precept, the impact the Council wishes to make to benefit the community, and the long-term sustainability of the Council finances.