

FARINGDON TOWN COUNCIL PRECEPT 14/15

COMMITTEE	10/11	11/12	12/13	13/14	14/15	% change
Venues	12,754	14,790	22,025	16,240	13,295	-18.9
R & Open Spaces	12,793	12,734	16,483	14,113	12,965	-8.2
Pl. & Highways	2,340	1,520	2,250	1,410	1,950	+38.3
C & TIC	20,800	(2,850)	(2,500)	(2,800)	(2,800)	0
O & Establishment	178,742	206,164	199,334	200,706	207,073	+3.2
Direct Council Exp.	15,100	17,709	19,500	18,500	18,500	0
Youth Services	0	0	40,000	41,908	60,000	+43.2
Capital	37,401	15,000	0	0	25,000	
TOTAL	280,930	265,067	297,092	290,077	335,983	+15.8
Less Income	30,000	0	10,000*	0	24,317	
Less Reserves	0	0	0	0	7,873	
Precept	253,930	265,067	287,092	290,077	303,793	+4.7
Band D Cost	£98.75	£101.79	£105.37	£117.24	£119.58	+2.0

The revenue breakdown by committee highlights significant growth in monetary terms for the Youth services committee, reflecting a commitment to expand the service with outreach work. This will help to engage young people across the community and not just visitors to the centre. Despite inflationary pressure from soaring energy prices and other elements such as rates, committees have worked hard to peg revenue costs at last years level.

After two years where no capital has been included in the budget I believe our sound financial position allows Council to include a modest £25000 fund to meet some of the capital projects proposed by committees, a list of proposals will be prioritised by Council for the coming year.

With a tax base to spread Council Tax which is still lower than year 10/11, despite significant house building in the interim, the transitional grant (£24,317) is welcome and helps to mitigate the tax increase, together with prudent use of reserves (£7,873).

Best estimates show an end of year reserve of £152,505 which includes an asset replacement fund of £26,963, and it is proposed to add an additional £5000 of uncommitted reserves to this fund bringing it to £31,963. This fund provides capital to replace worn out assets, and has been used this year to replace the boiler in the Pump House.

With these adjustments uncommitted reserves will stand at £120,542, which is sufficient to meet contingencies and auditors requirements.

Just as last year I believe it is imprudent to use reserves or the transitional grant to artificially reduce council tax, jeopardising future stability when the transitional grant is no longer available. Any cuts made artificially this year cannot realistically be recovered in the future, leaving Faringdon vulnerable to any council tax squeeze. Because of our secure financial position Faringdon Town Council has been able to take on services valued by residents when senior Council's have withdrawn them from the town.

Once again we find ourselves setting a precept and waiting to see which services our senior Councils at Abingdon and Oxford will no longer fund. Our ability to react to changes is handicapped by having to set our precept ahead of them and then wait to see how their cuts will affect the town.

The increase in Band D council tax for the coming year is set at 2%, which is the current inflation rate, amounting to an annual increase in monetary terms of £2.34 or 4.5p/week. I believe the increase is necessary to both deliver services this year and protect them in the future.