

The current costs ('23-'24) per household, as part of household's Council Tax bill is £86.09 per annum (see https://www.northstowetowncouncil.gov.uk/Accounts_38426)
 See also in tab '24-25 budget proposal' for further details on recent setting notions
 NB: See tab 'Reserves' for related details on these calculations.

	Under: Budget 24-25 - OPTION 1 CONSEQUENCES	Under: Budget 24-25 - OPTION 2 CONSEQUENCES	RFO's observations
OPTION 1: Keep the NTC-element of the Council Tax for a Band D household to £86.09 (0% increase against '23-'24)	<p><i>Based on Tax Base presented by SCDC on 16th Dec 2023 - Tax Base for the Year '24-'25 is 1507.0 on this basis</i></p> <p>* Precept request would be £129,737.63. *General Reserve would drop significantly, from £84,458.29 at end of March 2024 to a very low of £9,299.92 at the end of March 2025, creating serious financial risks for the Town Council thereafter.</p>	<p><i>Based on Tax Base presented by SCDC on 16th Dec 2023 - Tax Base for the Year '24-'25 is 1507.0 on this basis</i></p> <p>* Precept request would be £129,737.63. *General Reserve would drop significantly, from £84,458.29 at end of March 2024 to a low of £21,651.19 at the end of March 2025, creating potential financial risks for the Town Council</p>	This could potentially create serious financial risks for the Council for the '25-'26 financial year.
OPTION 2: OPTION 3 - Keep increase for households around 10% - here calculations are presented on the basis of a reduction of the General Reserve at end of March '25 to £31,000.	<p>* Additional precept request of £21,700.08 would be needed - precept asked for a total of £129,737.63 + £21,700.08 = £151,437.71 *The costs per household would go up - this would equate to £100.49 per annum for a band D household, which is a 16.7% annual increase.</p>	<p>Additional precept request of £9,348.81 would be needed - precept asked for a total of £129,737.63 + £9,348.81 = £139,086.44. *The costs per household would go up - this would equate to £92.29 per annum for a band D household, which is a 7.2% annual increase.</p>	This would reduce the General Reserve to about £31,000 at end of March 2025, which will take the General Reserve at the bottom end of the recommended 3 months' minimum expenditure 'backup'. The Council could consider whether some more of the Earmarked Reserves could be used in the coming financial year. Lower than 10% increase only possible for Budget option 2.
OPTION 3: Ensure that there is a £40,000 General Reserve left at end of March 2025 (It is generally recommended to ensure that a General Reserve of between 3 and 12 months of typical monthly expenditure is kept (JPAG guide, March 2023).	<p>* Additional precept request of £30,700.08 would be needed - precept asked for a total of £129,737.63 + £30,700.08 = £160,437.71 *The costs per household would go up - this would equate to £106.46 per annum for a band D household, which is a 23.7% annual increase.</p>	<p>Additional precept request of £18,348.81 would be needed - precept asked for a total of £129,737.63 + £18,348.81 = £148,086.44. *The costs per household would go up - this would equate to £98.27 per annum for a band D household, which is a 14.1% annual increase.</p>	this has possibly best balance between ensuring a relatively low monthly increase for households as part of their Council Tax bill and keeping a healthy reserves for the Town Council. The Town Council to decide between budget options 1 or 2 (different staffing scenarios).
Option 4: Aim to end up, on 30th March 2025, with the same General Reserve as currently is expected at 31st March 2024 (i.e. £84,458.29)	<p>* Additional precept request of £75,158.37 would be needed - precept asked for a total of £129,737.63 + £75,158.37 = £204,896.00 *The costs per household would go up considerably - this would equate to £135.96 per annum for a band D household, which is a very high 57.9% annual</p>	<p>Additional precept request of £62,807.10 would be needed - precept asked for a total of £129,737.63 + £62,807.10 = £192,544.73. *The costs per household would go up considerably - this would equate to £127.77 per annum for a band D household, which is a very high</p>	Very high increase for residents

	BUDGET OPTION 1		BUDGET OPTION 2
Tax Base for the Year	1,507.0		1,507.0
Forecasted General Reserve at end of March 2024	£84,458.29		£84,458.29
Forecasted General Reserve at end of March 2025 - IF NTC DECIDES A 0% RISE IN BAND-D EQUIVALENT NTC SHARE OF COUNCIL TAX (i.e. -)	£9,299.92		£21,651.19
Forecasted General Reserve at end of March 2025 - IF NTC DECIDES NO REDUCTION IN GENERAL RESERVE BETWEEN MARCH 2024 AND MARCH 2025 (i.e. option 4,	£84,458.29		£84,458.29
Difference between options 1 and 4	£75,158.37		£62,807.10
CALCULATION BASED ON AIMING FOR DIFFERENT GENERAL RESERVE AT END OF MARCH 2025, IN BETWEEN ABOVE TWO options 1 and 4	£35,000.00	< Fill in any number here (e.g. 35000)	£35,000.00
	£25,700.08	< Is additional precept needed	£13,348.81
	£155,437.71	< Is total precept request	£143,086.44
	£103.14	< Is cost per household (Band D equivalent)	£94.95
	£86.09	< Band D equivalent '23-24 per household	£86.09
	£17.05	< Annual household increase in £ against '23-'24	£8.86
	19.8%	< Annual household increase in % against '23-'24	10.3%