

## **Axminster Town Council Budget / Precept statement for the Financial Year 2026-27**

In calculating the income and expenditure budget for the next financial year (until March 2027), the Town Council was acutely aware of the ongoing pressures on Axminster household budgets and the financial challenges faced by all in terms of inflation, fuel, food and energy costs, mortgage and rent increases and the general day-to-day cost of living.

Deliberations on the budget setting process began in October 2025 and culminated at a meeting of the Town Council on the 8<sup>th</sup> December 2025 when a decision was made to set the Town Council's budget for FY26-27 at £687,400 which includes all spending across the town's activities and service areas, such as cemetery, allotments, open green space, public buildings, maintenance and administration. The budget also reflected that anticipated investment of nearly £300,000 in new play facilities across the town (funded entirely from section 106 developer contributions, rather than by council tax receipts) had not yet been realised and members agreed that this sum should not be re-applied to the proposed budget for FY26-27.

When the anticipated income from all other sources was calculated – £132,065 – this left a shortfall of £555,335 (£504,850 in FY25-26) to be funded by precept (the part of the overall council tax bill that Axminster Town Council receives annually). Based on the number of households in Axminster contributing to the overall Precept Requirement [which was unchanged from the previous billing period for the first time in over 10 years], this resulted in a projected Band D equivalent of £188.37 per annum, which is an increase of less than 5 pence per day from the figure charged in the financial year 2025 to 2026 [£171.24]

The Town Council is facing a period of significant uncertainty as the Government's Local Government Reorganisation project proceeds, albeit with unforeseen and unanticipated delays and alterations. The higher tier authorities (East Devon District Council and Devon County Council) are equally struggling to manage the need to maintain their service delivery functions without knowing precisely when the axe will fall upon them and the responsibilities being then passed to the new successor authority (and that decision is not likely to be known until July 2026 at the very earliest, and possibly as late as September 2026, almost halfway through the fiscal year).

Because of this uncertainty, the Town Council (and many others in East Devon) have taken the prudent financial precaution of raising their precepts in anticipation of what 'may' happen, so as not to find themselves burdened by additional services and liabilities further down the line, without the commensurate means or resources to effectively and safely deliver those for the residents of Axminster.

The Town Council continues to manage its accounts in a financially responsible and diligent manner, making sure that our costs are controlled and that taxpayers money is well-spent and accounted for, together with subjecting itself to a robust, thorough and transparent auditing process, both internally via internal financial controls, and independent internal audit, and also externally via the national auditing process. Full details can be found on our website.

The Town Council is committed to maximising revenue from other sources and has been successful over the last few years in obtaining grants totalling many tens of thousands of pounds to be directly invested in improved town amenities and facilities for the benefit of both our residents and visitors to our town. Such grants include funds from the Office of the Police and Crime Commissioner, Devon County Council, EDDC and the National Lottery.

The Town Council will continue to be the custodian of tax payers hard-earned money and will work with our higher-tier local authority partners, and the Police & Fire services, to ensure that local services are maintained against a backdrop of government funding cuts to this sector, and the significant future disruption caused by imminent devolution and local government reorganisation plans, over which we have no control, but which will inevitably impact on the delivery of services to all residents in the town and wider parishes.

The Town Council's share of the overall Council Tax bill is around 6% (that is to say 6p from every £1 you pay in Council Tax monthly), which is the amongst the lowest percentage of all the statutory precepting bodies. The exact figures have not yet been released by the billing authority (EDDC, as at 20<sup>th</sup> February) as some of the higher tier authorities have not yet decided their annual budgets for FY26-27 and we will endeavour to publish the precise figures as soon as we receive that financial data.

The Town Council's Responsible Financial Officer, Paul Hayward, will present this report at the Annual Parish Meeting in March 2026, and again at the Annual Meeting of the Town Council in May.

Residents are invited to attend both meetings.