



Council Report  
11 January 2018

1. Last year the Council agreed an increase of 19.7% in the precept in order to start a building “sink fund” to manage future costs over a long-term period.
2. This proposed budget continues the strategy of planning for the future, by continuing to build up the “sink fund” whilst also introducing some new, essential projects.
3. There are two major projects which need urgent attention. First, up to sixty of the streetlights owned by the Parish Council are due to be replaced. Twenty of these have been planned for 2018/19, which is a budget pressure of £24,000 (with another 20 streetlights being replaced in the same year from CIL money).
4. Second, the building survey on the Pavilion carried out in late 2016 indicated the level of work required to bring the building up to standard and the Council has given significant consideration to the project during 2017/8. At its meeting on 5 January 2018 the Finance Advisory Group agreed to recommend to Council that the building works are all carried out at the same time, rather than being split over several financial years, to minimise interruption to hirers. The budget allocated to this project is up to £150,000.
5. Therefore, Members of FAG are recommending to Council a precept of £287,022 for 2018/19, which is an increase of 32%. This would increase the Band D charge from £117 per household to £155, which equates to an increase of around 73p per week per property.
6. The level of precept is recalculated each year in line with current projects, to cover the difference between income and expenditure, and so may not remain at this level in future years. FAG has looked at the expenditure figures and believes that savings beyond those already implemented in the budget development process will result in poorer outcomes for the parish.
7. At 31 March 2017 the Council had funds totalling £328,421. Councils are recommended to hold a general reserve equivalent to approximately 50% of precept.
8. No CIL money is expected in 2018/19. The Council is due to receive £399,920.45 from Kier with the handover of further play areas, amenity and recreation spaces at Round House Park, including the football pitch, which the Council will then maintain.



As this has not yet occurred it has not been included within the general budget. Once it is received it will be taken straight to Reserves.

The budget has been calculated exclusive of these (and existing) earmarked funds as these have to be spent in specific areas.

9. Assuming a precept of £287,022, the projected income is £388,264 compared with outgoings of £518,292 (see appendix) – a deficit of £130,028, which would be taken from the general reserves. This would leave the general reserves at slightly below the recommended level on 31 March 2019.
10. In Summary, if this budget is agreed the March 2019 year end position should be:

Total in bank account 31 March 2019	£206829
<i>Minus current earmarked funds at 31 March 2018:</i>	
<i>CIL money</i>	£38348
<i>Bus stop maintenance fund</i>	£15000
<i>Commuted sums</i>	£18412
<i>Building sink fund</i>	£48027
<b>Total</b>	<b>£87,541</b>

As noted above, there should also be additional income of £ 411283.5 from CIL and commuted sums money, which will be added to earmarked funds. Items have already been allocated from these funds once received, such as the football field fencing and floodlighting and grounds apprentice salary.

11. This is a lower level that our reserves have been at in recent years and is slightly below the minimum recommended amount. However it is essential that the building sink fund continues to be invested in and that the works to the Pavilion and streetlights start. It is also important to not increase the precept any more than is necessary, which the use of £130028 of reserves will achieve.

Sonya Blythe  
January 2017



Appendix.

<b>Budget 2018/19</b>					
		<b>PC</b>	<b>TWC</b>	<b>Pav</b>	
<b>Predicted Income</b>					
Precept and Grants		288123			<b>288123</b>
Facility hire			61642	8994	<b>70636</b>
Grass cutting income		4011	0		<b>4011</b>
Sports club hire				12495	<b>12495</b>
Misc		1000	11250	750	<b>13000</b>
					<b>388265</b>
<b>Predicted Expenditure</b>					
Salaries		51804	69536	30912	<b>152252</b>
General admin		21431	6704	3506	<b>31641</b>
Streetlighting		15835	0	0	<b>15835</b>
Trees, grounds and sport		9000	2000	5580	<b>16580</b>
Rates and utilities		899	14350	3797	<b>19046</b>
General repairs and maintenance		1000	10000	10000	<b>21000</b>
Play equipment		2000	0	1000	<b>3000</b>
Building sink fund		0	38027	10000	<b>48027</b>
Loan repayment		0	26717	2894	<b>29611</b>
Misc / new projects		27000	4000	150300	<b>181300</b>
					<b>518292</b>