

Council Report  
2 January 2019

1. Last year the Council agreed an increase to the precept of 32%. The majority of the increase was to replace streetlights which were at the end of their life expectancy, and to completely refurbish the Pavilion at the recreation ground. The most urgent streetlights were replaced, with more planned for 2019-20. The Pavilion project is still underway and plans are soon to be submitted to building control. This money will be held in an earmarked fund.
2. This proposed budget continues the strategy of planning for the future, by continuing to build up the building sink fund and also starts another sink-fund of £3k per annum in order to fund the next round of streetlight replacement in 25 years. No major projects have been planned but the Pavilion refurbishment will be carried out in this financial year. Money has been put aside for smaller projects such as almost £5k to improve the junction at Keswick Road and Intwood Road, and an additional 18 new streetlights (leaving the final 18 for 2020/21 budget) as well as general running costs.
3. The level of precept is recalculated each year in line with current projects and expenditure, to cover the difference between income and expenditure.
4. Therefore, Members of the Finance Advisory Group (FAG) are recommending to Council a precept of £294,741 for 2019/20, which is an increase of 2.4%. This would increase the Band D charge from £154 per household to £157.70, which equates to an increase of around 7p per week per property.
5. At 31 March 2018 the Council had funds totalling £355,036. Councils are recommended to hold a general reserve equivalent to approximately 50% of precept. Some of this money is held in earmarked reserves, ring fenced funds and sink funds.
6. No CIL money is expected in 2019/20 and the majority of that which is currently held is earmarked for the resident parking survey, in conjunction with South Norfolk Council. 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. This will be ringfenced and will not be included within the general budget. Once it is received it will be moved to reserves.

The budget has been calculated exclusive of ringfenced funds as these have to be spent in specific areas.



7. Assuming a precept of £294,741 is agreed, the projected income is £418,324 compared with outgoings of £569,384 (see appendix) – a deficit of £151,060, which will be taken from the general reserves. This would leave the general reserves at £228614 on 31 March 2020 (including the building and streetlight sink-funds).
8. In Summary, if this budget is agreed the March 2020 year end position should be:

Total in bank account 31 March 2020	£243,614
<i>Minus current earmarked funds at 31 March 2020:</i>	
<i>CIL money</i>	£0
<i>Bus stop maintenance fund</i>	£15000
<i>Commuted sums</i>	£0
<b>Total</b>	<b>£228614</b>

As noted above, there should also be additional income of a £399,920.45 commuted sum for outdoor spaces on Roundhouse Park. This cannot be used for general spend.

9. This budget allows Cringleford Parish Council to adequately manage all expenses. The below-inflation increase allows for a healthy reserve to be maintained to cover any emergencies or unexpected costs, without a large increase to the precept.

Sonya Blythe  
January 2019



Appendix.

<b>Budget 2019/20 (excludes CIL / Commuted sum spend)</b>					
		<b>PC</b>	<b>TWC</b>	<b>Pav</b>	
<b>Predicted Income</b>					
Precept and Grants		294741			<b>294741</b>
Facility hire			84000	8730	<b>92730</b>
Grass cutting income		4154	0		<b>4154</b>
Sports club hire			3000	11238	<b>14238</b>
Misc		961	11250	250	<b>12461</b>
		299856	98250	20218	<b>418324</b>
<b>Predicted Expenditure</b>					
Salaries		77515	81076	31368	<b>189959</b>
General admin /misc		25028	8256	3244	<b>36528</b>
Streetlighting		16000	0	0	<b>16000</b>
Trees, grounds and sport		13497	0	5800	<b>19297</b>
Rates and utilities		0	17344	6498	<b>23842</b>
General repairs and maintenance		1000	13500	8100	<b>22600</b>
Play equipment		2000	0	2000	<b>4000</b>
Building / streetlight sink fund		3000	38027	10000	<b>51027</b>
Loan repayment		0	26717	2894	<b>29611</b>
Projects		29640	1000	145880	<b>176520</b>
		167680	185920	215784	<b>569384</b>