

Budget and Precept 2017 / 2018

The budget and precept has been produced using the finance package as last year.

The Parish Council has a current general reserve of around **£95,000** which is exactly what we should have. The Governance and Accountability for Local Councils, A Practitioners' Guide 2008 (England) states 'Earmarked reserves, which are set aside for specific purposes and for savings for future projects, should be realistic and approved by the council. It is generally accepted that general (ie un-earmarked) revenue reserves usually lie within the range of three to twelve months of gross expenditure. However, the amount of general reserves should be risk assessed and approved by Council'.

Therefore the budget and precept for 2017/18 has been started from scratch and will not take into account any carried forward figures. However, it is proposed to identify additional EMR's.

As you are aware DCLG recently held a consultation on the 2017/18 Local Government Finance Settlement where it has been suggested that Parish Councils with a charge over £75.46 per Band D dwelling and a precept over £500,000 could be capped at 2% or up to and including £5 (whichever is higher) or would be required to hold a referendum if the increase was more.

Officers are concerned that although at present we do not have a precept of over £500,000 we do have a charge over the £75.46 limit. Officers feel that the requirements could be altered by Government at any time without warning and that the Parish Council could be caught with needing to hold a referendum should one wish to increase the precept by around 2%.

Therefore we have proposed a budget that takes this possible action into account so that we are not faced with a potential referendum in the future.

The budget removes the part funding of salaries (£6000) and machinery replacements (£3350) from the Developers Contribution fund held by the Parish Council and adds the whole £9350 to the precept. This means that any money left in the Developers fund would remain there and be available for large spends such as the tractor and flail.

Officers have also had to budget for a £3000 increase in pension costs as we legally need to provide a pension for all eligible staff as of next February. There is also a £2000 increase in the cost of Youth provision.

This budget would mean a precept requirement of £230,750 an increase of 7.88% which equates to £8.19pa or 16p per week.

Recommendation: Officers recommend that Members approve this budget for 2017/18.

1101. Salaries: The total salaries bill has in the past been offset with a contribution of £6000 from Developers Contributions, option 2 above takes away this contribution and reliance on Developers money. We have included a 1% increase to meet the proposed national pay rise. Provision also needs to be made for the inclusion of staff to the pension fund as the will become a legal requirement.
1108. Training: this is the training budget for Officers and staff members. No increase on last year.
1109. Employee expenses: this covers mileage, parking fees, uniforms etc. Decrease from last year as staff no longer claiming some mileage.
1111. Office rent and rates: this covers the cost of hiring the parish office and any business rates associated with it. Small increase on last year as the rent has been increased. Provision for 50% charge on business rates included.
1113. Hall rental: this covers the cost of hiring rooms for council meetings. No increase on last year.
1114. Electricity: this is the electricity costs for the parish office only. No increase on last year.
1121. Telephone: this covers all of the telephone lines and internet provision for the council. No increase on last year.
1122. Postage & Misc expenses: this covers all postage and other office costs. No increase on last year.
1123. Office supplies: this covers stationary and consumables. Reduction from last year.
1124. Subs / publications / licences: this covers all of the subs to HALC, NALC, SLCC, licences for FOI and the GIS system at NFDC and any magazines we subscribe to. Reduction on last year.
1125. Insurance: this is the insurance for the council and our facilities such as play areas and equipment. This includes employers and public liability. No increase on last year.
1132. Village News: this covers the cost of the production of the magazine. Reduction in cost due to changing printers.
1134. Chairman's allowance: this budget covers the cost of wreaths etc, which we cannot legally otherwise purchase. No change from last year.
1135. Councillor's expenses: this is to cover mileage, travel and training costs. No change from last year.

1138. Service contracts: this covers items such as the photocopier, fire extinguisher checks, PAT testing, Play Inspections and the website. Decrease on last year.
1150. Office equipment: this cover items such as new computers, desks etc. It is proposed that any monies left at year end are transferred into an EMR. Decrease on last year.
1155. Accountancy fees: no budget set as we are now doing this in house.
1156. Legal fees: this covers any solicitor or legal fees we encounter. It is proposed to transfer any monies left at year end into an EMR. No increase on last year.
1157. Audit: this covers the cost of the internal and external audit fees. Decrease on last year's budget.
1158. Public relations: This covers Parish reception and Picnic in the Park. No increase on last year.
1163. Youth Worker: this is the contribution we pay to The Handy Trust. There is an increase of £2000 on last year.
4990. Transfer to EMR: correction of acuminated interest and elections EMR
4991. Transfer from EMR: this shows the money transferred from the Developers Contribution a/c towards salaries.
1175. Precept support grant: this grant has now been stopped by NFDC.
1176. Precept received: this is the precept we are going to request from NFDC. This has increased from last year.
1180. Village news income: this is the money received for the adverts in the magazine. Reduction in income predicted due to VAT costs.
1196. Interest received: this is the interest received on the council's bank accounts. At present this is all transferred into an EMR at the end of the year.
1197. LA Property Fund dividends: this is the dividends paid on the investment made.
1361. Other grants: this is our grant budget. At present any monies left at the end of the year are transferred to an EMR. No change on last year.
1112. Mchwd Vill hall car park: this is the ransom strip charge. No increase on last year.
1426. Elections: this is an EMR a/c to ensure that we have enough to pay for elections every 4 years. No increase on budget. Balance of costs to be met by EMR.

1439. Replacements: this is to purchase new vehicles and machinery. This is normally paid for from developer's contributions. This is an EMR a/c.
4991. Transfer from EMR: this shows the transfer from the developer's contribution into the replacements budget. It is proposed to potential stop this this year. No increase on last year.
1536. General maintenance: this budget covers day to day repairs around the village. No change from last year's budget.
1540. Tools & Safety Equip: this budget covers the replacement of small tools and safety equipment such as boots, ear plugs etc. It is proposed to transfer any monies left at year end into an EMR. No increase on last year.
1541. Fuel: this budget covers all of the fuel for the vehicles, mowers and trimmers. Decrease on last year's budget.
1543. Vehicle maintenance: this covers all of the serving, MOTS etc on the vehicles. Increase on last year.
1544. Road Tax: this pays for the road tax on all of the vehicles. No increase on last year.
1545. Vehicle insurance: this covers the insurance for all of the vehicles including mowers etc. Increase on last year due to new mower and potentially a new tractor.
2135. Play area maintenance: this covers the day to day maintenance and repairs. No increase on last year.
2137. U12 Play area: this is an EMR for the replacement of the U12 play area. No increase on last year's budget.
2138. Over 12 play area: this is an EMR for the replacement of the Over 12 play area. No increase on last year's budget.
2139. Open space maintenance: this budget covers the plants, bulbs, repairs, water bills, cutting of St Johns hedge etc. No increase on last year's budget.
2141. Public seating: budget to repair and replace seats in the village. It is proposed to transfer any monies left at year end into an EMR. No increase on last year's budget.
2142. Dog bins: this budget covers the replacement and disposal of the waste from the bins. It is proposed to transfer any monies left at year end into an EMR. No increase on last year's budget.
2144. Tree Mgt: this budget covers the tree surveys and any works that are needed to maintain the council trees. It is proposed to transfer any monies left at year end into an EMR. No increase on last year's budget.

2145. Litter bins: this is for new or replacement of bins around the village. It is proposed to transfer any monies left at year end into an EMR. No increase on last year's budget.
2146. Skate Park: this is an EMR for the replacement of the skate park. No increase on last year's budget.
2147. Admiralty Quay play area: this is an EMR for the replacement of the play area. No increase on last year's budget.
2148. Notice boards / signs: for the replacement of any signs or noticeboards. It is proposed to transfer any monies left at year end into an EMR. No increase on last year's budget.
2150. Bridge at Oaklands: this is an EMR for the replacement of the bridge. No increase on last year's budget.
2170. War Memorial restoration: this budget is to cover any costs for the cleaning of the memorials. It is proposed to transfer any monies left at year end into an EMR. No increase on last year.
3101. Salaries: this is the budget to cover all salary expenses for the Caretaker. Decrease on last year's budgets due to employing a younger person.
3125. Insurance: this is the insurance cost for the Lloyd Recreation Ground. Increase on last year to meet forecast increase in premiums resulting from annual increase in level of cover linked to inflation.
3136. Pavilion: this covers all utility costs, maintenance, service contracts etc. It is proposed to transfer any monies left at year end into an EMR. No increase on last year's budget.
3137. Play area: this is an EMR for the Lloyds play area. No increase on last year's budget.
3138. Courts: this is an EMR for the courts. No increase on last year's budget.
3139. General maintenance: this covers the day to day repairs around the ground. It is proposed to transfer any monies left at year end into an EMR. Decrease on last year's budget.
3140. Pitch: this covers any expenses related to the football pitch. It is proposed to transfer any monies left at year end into an EMR. Decrease on last year's budget.
3141. Court every day costs: this covers maintenance, electricity bills for the lights etc. Decrease on last year's budget.
3145. Basketball pitch: this is an EMR for the Basketball pitch. Decrease on last year's budget.

3154. Tree works: this is for tree inspections and works needed at the Lloyds Rec. It is proposed to transfer any monies left at year end into an EMR. No increase on last year's budget.
4991. Transfer from EMR: to be transferred back into an EMR.
2177. Grants received: this is the money received for the youth club build. It is proposed to transfer any monies left at year end into an EMR. This money could then be a reserve for any works to the youth club or transferred to the Scout and Guide build.
3151. Scout & Guide Build: this is costs for the building ie planning and solicitor fees. This is refunded by NFDC S106 monies. No budget implications.
5180. Income court hire: this shows the estimated income from the courts. Decrease from last year as income has fallen.
5181. Income pitch hire: this shows the estimated income from the football pitch. Decrease from last year as income fell due to bad weather.
5182. Scout Hut lease: this is the ground rent form the Scouts. No increase from last year.
5183. Misc. income: this is the income from car boot sales, other hires and uses. Small increase to last year as car boot sales may resume.
3184. Key deposit: this is the money taken from users of the courts that are key holders. This is returned when the key is returned.
3186. Youth Club rent: this is the rent payable for the use of the youth club. No increase on last year as rent remaining the same.

Movement on last year's (2016/17) budget

Cost centre	Description	Decrease, increase, same
1101	Salaries	Increase
1108	Training	Same
1109	Employee expenses	Decrease
1111	Office rent & rates	Increase
1113	Hall rental	Same
1114	Electricity	Same
1121	Telephone	Same
1122	Postage & Misc expenses	Same
1123	Office supplies	Decrease
1124	Subs / publications / licences	Decrease
1125	Insurance	Same
1132	Village news	Decrease
1134	Chairman's allowance	Same
1135	Councillor's expenses	Same
1138	Service contracts	Decrease
1150	Office equipment	Decrease
1155	Accountancy fees	Stopped
1156	Legal fees	Same
1157	Audit	Decrease
1158	Public relations	Same
1163	Youth worker	Increase
1175	Precept support grant	Stopped
1361	Other grants	Same
1112	Mchwd Vill hall car park	Same
1426	Elections	Same
1439	Replacements	Same
1536	General maintenance	Same
1540	Tools & safety equipment	Same
1541	Fuel	Decrease
1543	Vehicle maintenance	Increase
1544	Road tax	Same
2135	Play area maintenance	Same
2137	U12 play area	Same
2138	Over 12's play area	Same
2139	Open space maintenance	Same
2141	Public seating	Same
2142	Dog bins	Same
2144	Tree Mgt	Same
2145	Litter bins	Same
2146	Skate park	Same
2147	Admiralty Quay play area	Same
2148	Noticeboards	Same
2150	Bridge at Oaklands	Same
2170	War memorial restoration	Same

Cost centre	Description	Decrease, increase, same
3101	Salaries	Decrease
3125	Insurance	Increase
3136	Pavilion	Same
3137	Play area	Same
3138	Courts	Same
3139	General maintenance	Decrease
3140	Pitch	Decrease
3141	Court every day costs	Decrease
3145	Basketball pitch	Decrease
3154	Tree works	Same
5180	Income courts hire	Reduction
5181	Income pitch hire	Reduction
5182	Scout hut lease	Same
5183	Misc. income	Increase
3186	Youth Club rent	same

Budget Detail - By Centre

Note: (-) Net Expenditure means Income is greater than Expenditure

Note : Preliminary Budget Calculation 2016/17

	<u>Last Year 2015/16</u>		Agreed Budget	<u>Current Year 2016/17</u>			Projected Actual	<u>Next Year 2017/18</u> Next Year Budget
	Budget	Actual		Net Virement	Revised Budget	Actual YTD		
101 Administration								
1101 Salaries	94,900	95,458	95,800	0	95,800	49,438	0	95,700
1102 Salaries/Tax/NI	27,700	26,696	29,900	0	29,900	15,816	0	30,500
1103 Salaries/Pensions	25,400	25,361	25,500	0	25,500	13,083	0	29,850
1108 Training	750	580	750	0	750	0	0	750
1109 Employees Expenses	1,100	725	700	0	700	159	0	300
1111 Office Rent and Rates	9,200	8,100	9,200	0	9,200	4,725	0	9,600
1113 Hall Rental	750	567	750	0	750	314	0	750
1114 Electricity	900	723	850	0	850	281	0	850
1121 Telephone	1,500	1,585	1,600	0	1,600	551	0	1,600
1122 Postage & Miscellaneous Exps	500	212	250	0	250	106	0	250
1123 Office Supplies	400	241	400	0	400	137	0	300
1124 Subs/Publications/Licences	1,700	1,702	1,800	0	1,800	1,251	0	1,700
1125 Insurance	2,900	2,799	2,900	0	2,900	2,834	0	2,900
1132 Village News	5,000	5,002	5,000	0	5,000	2,480	0	4,100
1134 Chairman's Allowance	200	120	200	0	200	174	0	200
1135 Councillors Expenses	200	65	200	0	200	0	0	200
1138 Service Contracts	3,000	2,388	2,800	0	2,800	1,505	0	2,500
1140 2 yr Fixed Rate Term Deposit	0	50,000	0	0	0	0	0	0
1141 CCLA LA Property Fund	0	0	0	0	0	50,000	0	0

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Budget Detail - By Centre

Note: (-) Net Expenditure means Income is greater than Expenditure

Note : Preliminary Budget Calculation 2016/17

		<u>Last Year 2015/16</u>		<u>Current Year 2016/17</u>			<u>Projected</u>	<u>Next Year 2017/18</u>	
		<u>Budget</u>	<u>Actual</u>	<u>Agreed Budget</u>	<u>Net Virement</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Next Year Budget</u>	
						<u>Actual YTD</u>			
1150	Office Equipment	900	835	600	0	600	46	0	500
1155	Accountancy Fees	400	265	400	0	400	0	0	0
1156	Legal Fees	2,500	786	1,500	0	1,500	1,512	0	1,500
1157	Audit	1,500	1,130	1,500	0	1,500	-75	0	1,300
1158	Public Relations	1,000	15	1,000	0	1,000	1,300	0	1,000
1159	Circus Expenditure	0	0	0	0	0	-1,617	0	0
1161	Damage refunds	0	90	0	0	0	0	0	0
1163	Youth Worker	9,800	7,667	10,000	0	10,000	0	0	12,000
1361	Other Grants	0	0	0	0	0	500	0	0
4991	Transfer from EMR	-6,000	0	-6,000	0	-6,000	-6,000	0	0
	OverHead Expenditure	186,200	233,113	187,600	0	187,600	138,520	0	198,350
1175	Precept Support Grant	5,458	5,458	2,729	0	2,729	0	0	0
1176	Precept Received	209,942	209,942	213,371	0	213,371	108,050	0	230,750
1177	Miscellaneous Admin Income	0	143	0	0	0	-80	0	0
1178	Stellar Power Com Ben grant	0	0	0	0	0	15,000	0	0
1180	Village News Income	5,000	3,795	4,800	0	4,800	1,852	0	3,900
1196	Interest Received	500	157	200	0	200	60	0	700
1197	LA Property Fund Dividends	0	0	0	0	0	400	0	200
	Total Income	220,900	219,496	221,100	0	221,100	125,282	0	235,550
101	Net Expenditure	-34,700	13,617	-33,500	0	-33,500	13,238	0	-37,200

Budget Detail - By Centre

Note: (-) Net Expenditure means Income is greater than Expenditure

Note : Preliminary Budget Calculation 2016/17

		<u>Last Year 2015/16</u>		<u>Current Year 2016/17</u>				<u>Next Year 2017/18</u>	
		<u>Budget</u>	<u>Actual</u>	<u>Agreed Budget</u>	<u>Net Virement</u>	<u>Revised Budget</u>	<u>Actual YTD</u>	<u>Projected Actual</u>	<u>Next Year Budget</u>
102	Grants								
1361	Other Grants	1,500	1,050	1,500	0	1,500	300	0	1,500
4991	Transfer from EMR	-500	0	-500	0	-500	-500	0	-500
	OverHead Expenditure	1,000	1,050	1,000	0	1,000	-200	0	1,000
	102 Net Expenditure	1,000	1,050	1,000	0	1,000	-200	0	1,000
104	General Funds								
1112	Mchwd Vill Hall car park	1,400	1,400	1,400	0	1,400	385	0	1,400
1426	Elections	1,000	133	1,000	0	1,000	0	0	1,000
1427	Contingencies	0	258	0	0	0	-31	0	0
1439	Replacements	3,350	646	3,350	0	3,350	9,626	0	3,350
4990	Transfer to EMR	0	0	0	0	0	3,571	0	0
4991	Transfer from EMR	-3,350	0	-3,350	0	-3,350	-3,350	0	0
	OverHead Expenditure	2,400	2,437	2,400	0	2,400	10,201	0	5,750
	104 Net Expenditure	2,400	2,437	2,400	0	2,400	10,201	0	5,750
105	Council Property								
1536	General Maintenance	1,000	133	300	0	300	10	0	300
1540	Tools	750	1,464	800	0	800	585	0	800

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Budget Detail - By Centre

Note: (-) Net Expenditure means Income is greater than Expenditure

Note : Preliminary Budget Calculation 2016/17

		<u>Last Year 2015/16</u>		<u>Agreed Budget</u>	<u>Current Year 2016/17</u>			<u>Projected Actual</u>	<u>Next Year 2017/18</u>
		<u>Budget</u>	<u>Actual</u>		<u>Net Virement</u>	<u>Revised Budget</u>	<u>Actual YTD</u>		<u>Next Year Budget</u>
1541	Fuel	3,500	2,034	3,300	0	3,300	1,606	0	2,800
1543	Vehicle Maintenance	1,200	1,342	1,200	0	1,200	1,207	0	1,500
1544	Road Tax	450	450	500	0	500	436	0	500
1545	Vehicle Insurance	1,750	1,625	1,700	0	1,700	1,679	0	1,900
	OverHead Expenditure	8,650	7,047	7,800	0	7,800	5,523	0	7,800
	105 Net Expenditure	8,650	7,047	7,800	0	7,800	5,523	0	7,800
201	<u>Amenities</u>								
2135	Play Area Replacements	1,000	0	1,000	0	1,000	0	0	1,000
2137	Under 12 Play Area	2,200	600	2,200	0	2,200	2,059	0	2,200
2138	Over 12 Play Area	1,000	0	1,000	0	1,000	0	0	1,000
2139	Open Space Maintenance	2,000	638	2,000	0	2,000	-880	0	2,000
2141	Public Seating	250	0	250	0	250	35	0	250
2142	Dog Bins	750	605	750	0	750	264	0	750
2144	Tree Management	6,000	4,501	6,000	0	6,000	77	0	6,000
2145	Litter Bins	250	0	250	0	250	0	0	250
2146	Skate Park	250	0	250	0	250	0	0	250
2147	Admiralty Quay Play Area	250	0	250	0	250	0	0	250
2148	Notice Boards	500	0	500	0	500	1,457	0	500
2150	Bridge at Oaklands	1,000	0	1,000	0	1,000	0	0	1,000

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Budget Detail - By Centre

Note: (-) Net Expenditure means Income is greater than Expenditure

Note : Preliminary Budget Calculation 2016/17

		<u>Last Year 2015/16</u>		<u>Current Year 2016/17</u>			<u>Next Year 2017/18</u>		
		Budget	Actual	Agreed Budget	Net Virement	Revised Budget	Actual YTD	Projected Actual	Next Year Budget
2170	War Memorial Restoration	500	0	500	0	500	38	0	500
4990	Transfer to EMR	0	0	0	0	0	5,958	0	0
	OverHead Expenditure	15,950	6,344	15,950	0	15,950	9,009	0	15,950
	Total Income	0	0	0	0	0	0	0	0
201	Net Expenditure	15,950	6,344	15,950	0	15,950	9,009	0	15,950
301	<u>Lloyd Recreation Ground</u>								
1125	Insurance	0	0	0	0	0	110	0	0
3101	Salaries	2,200	845	1,900	0	1,900	125	0	1,200
3125	Insurance	2,000	1,892	1,950	0	1,950	1,986	0	2,000
3136	Pavilion	4,000	5,488	4,000	0	4,000	4,219	0	4,000
3137	Play Area	500	175	500	0	500	0	0	500
3138	Courts	1,000	0	1,000	0	1,000	0	0	1,000
3139	General Maintenance lrg	1,000	82	1,000	0	1,000	80	0	750
3140	Pitch	500	220	500	0	500	0	0	400
3141	Courts Everyday Costs	600	235	600	0	600	16	0	500
3145	Basketball Pitch	200	0	200	0	200	0	0	100
3154	Tree Works	500	0	500	0	500	0	0	500
	OverHead Expenditure	12,500	8,936	12,150	0	12,150	6,536	0	10,950
	Total Income	0	0	0	0	0	0	0	0
301	Net Expenditure	12,500	8,936	12,150	0	12,150	6,536	0	10,950

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Budget Detail - By Centre

Note: (-) Net Expenditure means Income is greater than Expenditure

Note : Preliminary Budget Calculation 2016/17

		<u>Last Year 2015/16</u>		<u>Agreed Budget</u>	<u>Current Year 2016/17</u>			<u>Projected Actual</u>	<u>Next Year 2017/18</u>
		<u>Budget</u>	<u>Actual</u>		<u>Net Virement</u>	<u>Revised Budget</u>	<u>Actual YTD</u>		<u>Next Year Budget</u>
302	<u>Marchwood Youth Project 2012</u>								
	OverHead Expenditure	0	0	0	0	0	0	0	
2177	Grants Recieved	0	7,622	0	0	0	0	0	
	Total Income	0	7,622	0	0	0	0	0	
	302 Net Expenditure	0	-7,622	0	0	0	0	0	
303	<u>Scout & Guide Build</u>								
3151	Scout & Guide Build	0	876	0	0	0	0	0	
	OverHead Expenditure	0	876	0	0	0	0	0	
	303 Net Expenditure	0	876	0	0	0	0	0	
500	<u>Lloyds Recreation Ground Trust</u>								
5180	Income - Court Hire	3,200	971	1,400	0	1,400	297	0	1,000
5181	Income - Pitch Hire	1,550	1,680	3,300	0	3,300	319	0	2,000
5182	Scout Hut Lease	350	350	350	0	350	0	0	350
5183	Miscellaneous Income	350	360	400	0	400	0	0	400
5184	Key Deposit	0	20	0	0	0	20	0	0
5186	Youth Club Rent	350	383	350	0	350	166	0	500
	Total Income	5,800	3,764	5,800	0	5,800	802	0	4,250
	500 Net Expenditure	-5,800	-3,764	-5,800	0	-5,800	-802	0	-4,250

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Budget Detail - By Centre

Note: (-) Net Expenditure means Income is greater than Expenditure

Note : Preliminary Budget Calculation 2016/17

	<u>Last Year 2015/16</u>		<u>Agreed Budget</u>	<u>Current Year 2016/17</u>			<u>Projected Actual</u>	<u>Next Year 2017/18</u>
	<u>Budget</u>	<u>Actual</u>		<u>Net Virement</u>	<u>Revised Budget</u>	<u>Actual YTD</u>		<u>Next Year Budget</u>
Total Budget Expenditure	226,700	259,803	226,900	0	226,900	168,809	0	239,800
Income	226,700	230,882	226,900	0	226,900	126,084	0	239,800
Net Expenditure	0	28,921	0	0	0	42,725	0	0