

Backing Papers January 2019

HAVE YOU CONSIDERED BECOMING A PARISH COUNCILLOR?

WOULD YOU LIKE TO CONTRIBUTE TO YOUR LOCAL COMMUNITY?

Main Purpose:

Being a Parish Councillor means being part of the first-tier of local government and working together as a team at the heart of the community, taking the opportunity to make a difference by providing that vital grass roots voice on many parish issues.

Secondary Purpose – short summary:

- As part of the Parish Council you will have responsibilities for parish services which include open spaces, play areas, community property.
- Decide how much to raise through the council tax (precept) in order to deliver parish services and administration.
- Influencing and shaping the long-term development policy for the parish and as part of the planning process, comment on planning applications.
- Working as a team to identify and address issues or concerns through the Brough Council, appropriate organisations or agencies.

Commitment:

- To prepare for and attend one full Council meeting per month.
- To participate in committees or working groups as required or your personal time allows.

To be eligible to stand you must meet one of the following:

(a number of restrictions do apply)

- Be an elector of the Parish.
- In the preceding 12 months owned or rented house/land in the Parish
- During the previous 12 months your main place of work has been within the Parish.
- For the previous 12 months you have lived within 3 miles of the Parish.

INTERESTED?

CONTACT THE CLERK TO THE COUNCIL MJ STREATHER on

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Draft Budget

Introduction

I have attached a draft budget for next year assuming that the precept is increased by £2,000 to a figure £7,000 higher than 2 years ago which is intended to cover the previously advised annual additional costs re the maintenance costs for the Open Space.

Last year we budgeted for an additional £5,000 representing £1,500 to cover a fighting fund donation re Ruscombe and 50% of the open space expected annual costs of £3,500. The £1,500 was not called on but it is recommended that it is set aside in a separate fund to be drawn when called upon. The Open Space is 6 months behind expectation and therefore the £3,500 was unspent. Therefore rather than seek a further £1,500 this year it is recommended that the full £4,500 requested donation re Ruscombe is put aside in this year from the underspend so negating the need to raise the funds over the next 2 years.

I have also attached a breakdown of reserves between the General Reserve, a Capital Reserve, a War Memorial reserve (recognising expenditure every other year), a new Election Reserve split out from the General Reserve and a reserve to support the annual Open Space costs.

Background

Three years ago I highlighted that in my view the Parish was heavily reliant on burial fees to balance income and expenditure and that a prudent approach should be taken to expected income when setting the budget/precept. You will note that the burial ground income recently has been relatively low which emphasises the issue previously highlighted. This has been compensated for by lower than budgeted grounds maintenance expenditure, with less cuts undertaken in each of the last three years than expected within the contract, although we have undertaken some additional works this year on the war memorial.

To remind you, we require an expected consistent surplus to provide the resources to make capital investments. My attempt at a capital replacement programme suggests that we should be targeting a minimum underlying surplus of c£1,700 per annum, up from my previous suggested surplus of £1,300-£1,500 per annum. The reason for the increase is an allowance for expenditure on replacement/repairs to the Open Space play equipment.

Reserves

The Parish does have relatively large reserves. At the last accounts these were at approximately £32,000. The Parish is small and guidelines indicate that reserves of 6-12 months precept are advisable. As a smaller parish where an unexpected expenditure requirement (eg the Pound) could have a major impact on annual expenditure, it would be wise to hold 12 months of the annual precept. However with the increased annual expenditure to cover the Open Space **I have suggested that 9-12 months should still be prudent.** Part of the reason to hold the reserve is to tide the Council through the timing of the receipt of the precept together with unexpected requirements.

Currently we have capital reserves of £6,647 of which c£3,800 has been spent on the Pound this year and a further £336 on new Christmas lights. We also have a reserve for the Shurlock Road open space of

£5,000 and general reserves at March 2018 were £20,073.

Currently the precept is set at £22,500. Due to the underspend the General Reserve is higher than forecast as I suggested that we should target increasing it to the level of the precept over a period of 5 years given the relatively large increase in 2016. However the underspend has meant that our reserves are now at a level that are at 75%-100% of the annual precept including the Open Space.

Shurlock Road project

You will note that the Shurlock Road open space project first draft is estimated to cost £7,000 pa to manage. Without further information this has been included in the budget.

Recommendation

With the General Reserve and Open Space reserves at an acceptable level, the previous suggestion of gradually increasing these reserves is unnecessary. I would therefore suggest that we should be targeting an underlying surplus of £2,550 for the year made up of £1,700 for Capital Reserve, £400 put aside per year (4 years would raise £1,600) to cover election costs and £450 for a war memorial reserve.

The draft budget indicates an underlying deficit of £1,030 (after drawing the cost of capital expenditure from the Capital Reserve and election costs from a Reserve).

However in the last 3 years we have underspent the maintenance budget by c£2,000 and the budget is assuming the full 16 cuts. In addition it is assumed that we will incur one off costs in 2019/20 of c£1,250 in replanting the memorial garden (which is hopefully excessive), which is suggested should be drawn from reserves (it is arguably capital in nature).

In the last 3 years we have underspent against budget by c£9,600, mainly due to the maintenance savings but also the £5,000 last year on Ruscombe and the Open Space. It is suggested that this should be used to provide for the full £4,500 Ruscombe donation and to put £1,000 aside to bring the Open Space Reserve up to an acceptable level. £1,250 is provided to cover the refurbishment of the Memorial Garden. The underspend also replaced the unexpected election costs recharged in 2015 of c£2,600.

In 2019/20 we might assume that a base precept of £17,500 is required (assuming no inflation) plus £7,000 for the Open Space, a total of £24,500.

Resolutions proposed

1. That in 2018/19 £1,700 is transferred from General Reserves to the Capital Reserve
2. That in 2018/19 £470 is transferred from General Reserves to the War Memorial Reserve
3. That in 2018/19 £1,000 is transferred from the General Reserve to the Open Space Reserve

4. That in 2018/19 £4,500 is transferred from the General Reserve to the CPRW Reserve
5. That in 2018/19 £1,600 is transferred from the General Reserve to the Election Costs Reserve
6. That the expenditure on the replacement to the Pound be drawn from the Capital Reserve together with any other expenditure on capital equipment including the Christmas lights
7. That the War Memorial costs of £870 be drawn from the War Memorial Reserve
8. That the precept for 2019/20 be set at £24,500.

MJK