

Withersfield Parish Council

Draft Budget for 2017/18

Recommendation:

Councillors are asked to:

- i) approve the draft 2017/18 budget estimate for submission to St Edmundsbury Borough Council as set out on the attached sheet.
- ii) agree that the Parish Council should not seek an increase in Council Tax rate for 2017/18

Background:

Each November Parish Councils in Suffolk are asked to submit their estimated budget for the following financial year to their borough Council. The Borough Council details of the Parish Precept calculated on the basis of the number of inhabited properties with the Parish.

This is only the estimated or DRAFT budget as the final budget cannot be approved until the spring when the County and Borough Councils formally approve their overall budget.

The Precept and Council Tax support Grant:

This year sees the demise of the Parish Revenue Support Grant (£245) and the Local Council Tax Support Grant (£90)

However, this year's precept (the amount of funding the Parish Council gets from residents' Council Tax) has increased by £1,021 over 2016/17. This is due to more new homes at the Arboretum being completed and occupied. The number of occupied homes in the Parish has increased from 244 to 279, in addition to an increase of 40 homes in the previous year. As the Arboretum development will have 150 homes when complete, we can also anticipate further increases in precept in 2018/19.

The net impact of the loss in grants and the increase in precept is that the Parish Council has £686 extra to spend next year assuming an equal call on reserves and a 0% increase in Council Tax.

Estimated expenditure:

Having reviewed the current year's budget and projected spend, and taking account of known changes in costs in the coming year I have made the following estimates for expenditure next year:

Administration: £5,025 (a reduction of £24 over 2016/17)

Additional costs are being incurred for the website, insurance premiums to cover VAS and Defibrillator, Payroll.

There are savings through reduced costs of audit and an overprovision for insurances.

Admin hours are expected to be in line with the current year.

This represents a reduction in the proportion of the Parish Council budget that is spent on administration from 54% in 2016/17 to 50%

Other: £4,805 (an increase of £705 over 2016/17)

"Other" includes all other areas of expenditure incurred by the Parish Council, including environmental works (grass cutting) Parish projects (e.g. VAS) and maintenance of our assets.

Draft budget for "Other":

Environmental works budget	£4,000 (1)
Speedwatch/VAS – incidental costs	£ 100 (3)
Maintenance/repairs of Parish Council assets	£ 100 (4)
Parish projects including contribution to restoration of war memorial	£1,350 (5)
Total	£5,550
Funded from the precept	£4,805
Funded from other income (graveyard)	£ 695 (2)
Total	£5,500

- (1) It is proposed we increase the amount we budget for environmental works.
In the current year we budgeted for 14 grass cuts, 2 hedge cuts and strimming to the area at the bottom of Town Green – totalling £3,250
The proposed budget increases that sum to £4,000 which will give room for increasing the numbers of cuts if required and responding to other emerging needs for environmental works during the year.
- (2) The Parish Council also receives income from the sale of plots in the Parish Graveyard. The first call on this income is to fund the maintenance of the graveyard – and hence contributing towards the overall costs of grass cutting and environmental works.
- (3) A provision of £100 is included to cover any incidental costs incurred by Speedwatch volunteers
- (4) A provision is included to cover repairs to assets like notice boards or benches.
- (5) The provision for Parish Projects provides opportunity for the Parish Council to respond to issues raised by parishioners for initiatives during the year. With the decision that Hanchett End and the Arboretum are to remain within the parish, the Council will need to ensure that it is giving full attention to the needs of that part of the Parish when considering use of its project fund in 2017/18.

Use of Reserves & other income:

The proposed level of expenditure will require that the Parish Council once again draws upon its reserves to the tune of £2,000 in 2017/18.

In previous years external auditors have raised questions about the large level of reserves held by the Parish Council (£17,500 at the end of 2015/16). Whilst it may not be prudent to habitually spend reserves on administration and running costs, using our reserves to support projects and capital items like our VAS and defibrillator is an appropriate use of these funds.

If additional income is received from the Parish Graveyard the amount that the Council will need to call upon its reserved may well be less than the proposed sum.

Terry Rich
Chairman
09th November 2016