

Council Meeting 18th November 2013.

Ditchingham Parish Council:		6 Months	BUDGET	F'CAST	BUDGET
Budget forecast & Precept estimate 2013-14 (14-15)		13-14	13-14	13-14	14-15
Actual		OUTTURN	BUDGET	F'CAST	BUDGET
YR Ended		6 Mths Ended	YR Ended	YR Ended	YR Ended
31/03/2013		30/09/2013	31/03/2014	31/03/2014	31/03/2015
Fin Yr12-13		Fin Yr 13-14	Fin Yr 13-14	Fin Yr 13-14	Fin Yr 14-15
15,000	Precept	20,000	15,000	20,000	20,000
	Increase in Precept	0	3,000	0	3,000
	New Strategies	0	2,000	0	2,000
	General reserve increase	0		0	0
	SN Transition monies	2,091	2,000	2,091	0
3	Interest	4	5	4	5
1,644	Burial fees	1,500	2,000	2,500	2,200
216	Allotments	216	250	216	275
1,165	Recreation Grounds	826	1,200	1,166	1,300
100	Honorarium	0	0	0	0
	Miscellaneous	598	0	250	0
300	Recycling	300	300	300	200
1,497	VAT	3,279	1,735	3,929	2,000
19,925	Income	28,814	27,490	30,446	30,980
868	General Reserve	1,305	2,431	1,305	11,434
3,000	Play Area	3,000	2,458	3,000	0
3,868	Reserves B/ Forward	4,305	4,889	4,305	11,434
23,793	Available Resources	33,119	32,379	34,751	42,414
1,850	General Admin	2,276	2,100	2,728	2,500
4,964	Clerks Employment Costs	2,005	5,100	5,005	5,000
	Clerks home office	0		0	1,000
	Section 137	0	0	0	0
750	Parishionner	0	500	500	750
120	Allotments	0	150	150	150
3,578	Burial Grounds	2,595	3,600	3,615 v	3,800
2,222	Village Tidy	2,238	2,000	3,158 v	3,000
100	Honorarium	0	0	0	0
2,700	Recreation Grounds	1,383	2,600	2,213 v	2,800
0	Increase Play reserve	1,500	1,500	1,500	2,500
	New Strategies	0	2,000	0	2,000
	Charge Against reserve		0		0
620	Play area maintenance	700	1,000	1,200 v	1,000
250	Bus Shelter	126	250	256	500
412	Miscellaneous	0	1,000	1,000 v	1,000
	Transfer to reserves	0		0	0
	Other estimated costs	0	0	0	1,000
1,923	VAT	1,547	2,000	1,992	2,000
19,489	Expenditure	14,370	23,800	23,317	29,000
4,304	Reserves C/ Forward	18,749	8,579	11,434	13,414
1,305	General Reserve	18,749	4,079	11,434	10,914
3,000	Play Area	4,500	4,500	4,500	2,500
	New Strategies	-4,500		-4,500	
4,304	Reserves (as above)	18,749	8,579	11,434	13,414
1,923	VAT receivable (following year)	0	2,000	0	0
6,227	Total Reserves	18,749	10,579	11,434	13,414
1,305	General Reserve	18,749	4,079	11,434	10,914
3,000	Play Area Reserve	0	4,500	0	2,500
0	New Strategies	0	0	0	0
4,305		18,749	8,579	11,434	13,414

The Finance and Resources (F&R) ADVISORY Committee including the Chairs of the Environment, Community, and Planning & Highways ADVISORY Committees, has reviewed the Council's income and expenditure forecasts for the remainder of the current year, and in the context of continuing the Council's strategy and policies recommend to Councillors the above noted budget for 2014-15; this budget being the key driver in establishing the requirements in the setting of the precept for 2014-15.

This budget should be read in the context of the following notes:

Julian Green

Chair Ditchingham Parish Council (15/11/2013)

Process

- This paper builds on the process established in 2012-13 where each budget line is examined for realism and adequacy. The objective of this paper before this meeting is to determine the level of precept necessary for 2014-15 considering:
 - What level of services and amenities DPC wishes (or can afford) to deliver to the village and the community on a 'status quo' basis?
 - What new initiatives (if any) should DPC support?
 - What is the impact of this 'per household'?

Income

- Currently the only sources of income that DPC can directly influence are:
 - The Precept: This will be decided through the process of this decision. It must be determined at a level adequate to 'balance the books'
 - Cemetery (Burial fees): The Council's policy is to review these fees annually in line with national levels with local adjustments.

Expenditure

- In considering expenditure there is very little opportunity for discretion. Identified below are the core cost pressures reconciling the 2013-14 forecast outturn with the recommended budget 2014-15:
 - General admin. Insurance. +£1k
 - Clerk's home office, allowance in lieu of purchase new equipment & software. +£1k
 - Grounds contracts & amenities. +£1k
 - Village handyman. +£1k
 - New strategies (community engagement). +£2k
 - Play area reserve and maintenance. +£1k
- Less one time costs 2012-13:
 - Unbudgeted amenities spend. -£1k

The Finance & Resources ADVISORY committee recommend a 2014-15 budget of £29,000.

To support this budget recommendation the Finance & Resources ADVISORY committee recommend that this Council determine a precept of £25,000 for the financial year 2014-15.

Notes

Play Area Reserve

- The play area reserve was fully drawn-down in 2013-14. While much new kit has been acquired, this reserve must fund renewals & emergencies in two locations, the Thwaite Road play area, and the Dip. The F&R ADVISORY Committee recommend that the Council provide for these costs at £2,500 per annum; this being the minimum figure necessary to generate an adequate reserve (on a recurring basis) for works considered likely within a 5 year time horizon.

Maintaining the status quo

- To support a continuation of existing strategy the F&R ADVISORY Committee recommend that the core precept must increase from the current level of £20,000 to £23,000.

New Strategies

- Councillors are aware that we are pursuing a number of new strategies particularly around young people; this involves requesting significant grant funding from third parties; however many grant givers require that the applicant 'pump prime' the initiatives... ie requiring that DPC introduce their own contribution. Councillors are therefore requested to support the inclusion of an additional line in the precept as an enabler of £2,000. This initiative had been intended for 2013-14, but was not proceeded with as funds were vired in favour of essential maintenance works to core amenities.

Cost per Household

- The proposed precept of £25,000 equates to an average £34.72 per household (£0.67 per week), and an annual increase of £6.75 (just 13p per week). Clearly averages must be explained, the tax base on which the actual precept is calculated makes allowance for varying reliefs (eg for the least able to pay and empty properties) and for adjustments between Council tax bands... the effect being that the increase for properties in band A will be less and in band H more.

SN Grant & Transition monies

- In 2012-13, in addition to the precept the Council received a grant of £2,091 from SN arising from reorganisation of national government funding. An equivalent (albeit lesser) grant may be available for 2014-15. The Council are reminded of their concerns for 2013-14 that the Secretary of State for Communities and Local Government, had indicated a preference for capping local precepts and Councillor's should again be concerned with regard to this for 2014-15 or the following year. The F&R ADVISORY Committee recommend that in the event that a grant is available this year that this is used to support reserves and not to reduce the underlying precept which could have serious ramifications for future years in terms of a [reduced] capped precept.

Summary Proposal

	BUDGET 13-14 £	BUDGET 14-15 £
Precept		
2012-13 Actual	15,000	20,000
Increase to maintain Status Quo	3,000	3,000
New Strategies	2,000	2,000
Reserves	0	0
2013-14 Proposed	20,000	25,000
# of Households (estimate)	715	720
£ per Year	£27.97	£34.72
£ per Week	£0.54	£0.67
# of Residents (estimate)	1,680	1,714
£ per Year	£11.90	£14.59
£ per Week	£0.23	£0.28
Impact of increase		
Baseline		
Current		£27.97
Proposed (as above)		£34.72
Increases		
Per Household per Year		£6.75
Per Household per Week		£0.13
Per Resident per Year		£2.84
Per Resident per Week		£0.05