Ettington Parish Council

Report to Council

Date: 9 January 2018

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| **14 appendix 5** | Precept and Budget 2019-20 |

# Background

This is the first stage of precept setting for 2019-20. It is anticipated that Stratford District Council will require the precept request by 31 January 2018

# Budget – Key Factors

1. The Precept for 2018-19 was £32,500 together with a precept support grant of £200
2. There are currently 425 households
3. Anticipated Occupancy Rates For Authorised Planning Applications are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| Development | Total Granted | Anticipated at 1 April 2019 | Anticipated at 31 March 2020 |
| \*Spitfire | 32 | 1 | 32 |
| Rogers Lane | 6 | 3 | 6 |
| White Horse (commencement of marketing anticipated Spring 2020) | 4 | 0 | 0 |
| Old Warwick Road Self Builds  | 8 | 0 | 0 |
| Total | 50 | 4 | 38 |
| %age increase on current households | 11.75 | 1% | 9% |

\*23 properties are sold/allocted. The Electoral Register (as at December 2018) indicates one property is occupied. Spitfire are holding a site meeting w/c 7 January and will provide any update available.

The attached budget is a "first cut" at establishing a budget for 2019-20 upon which the precept requirement can be established.

1. Columns for preceding years are the actual budget **not** outturn;
2. The column “spend to date” in respect of the current year includes payments made up to 30 November 2018;
3. The column “projected spend” is calculated by:

a. Actual cost where known; b) Uplifting ‘spend to date’ amounts by proportionate for spend to date; c) anticipated spend where neither “a” or “b” are known/appropriate;

1. The proposed budget column is based on various factors and each is summarised in the ‘comments’ column and **excludes** appropriate uplift in respect of occupation of new properties. The Clerk has sought estimated occupancy from developers (other than that for Old Warwick Road) at 1 April 2019 and 31 March 2020.
2. The spend in the cells highlighted in yellow need to be checked for coding (to ensure spend is correctly attributed).

# Action Required

1. To consider the proposed budget lines taking account of comments and notes below spreadsheet
2. To make a resolution in respect of the **principle** that the overall precept be uplifted (refer to 2.4 above by a) anticipated %age increase in households at 1 April 2019; or b) 50% of the anticipated %age increase in households as at 31 March 2020; c) other methodology

**4 Next Steps**

A final budget report will be presented at the February or March 2019 meeting in order that adjustments can be agreed.

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Budget Item |  | Budget | Budget  | Budget  | Spend to 30 November 2018 | Projected Spend | Proposed Budget |  |  |  |  |  |  |  |  |
|  |  | 16/17 | 17/18 | 18/19 |  |  | 19/20 | Comments |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Clerk's Salary |   | 8000 | 8500 | 9,000 | 6228 | 9342 | 9400 | The increase is based on the NALC published payscales from April 2019 |  |  |  |  |
| Clerk's Training |   | 512 | 500 | 350 | 115 | 150 | 350 | Unchanged |  |  |  |
| Office Expenses |   | 1280 | 2500 | 2250 | 984 | 1476 | 2250 | unchanged |  |  |  |  |  |  |
| Audit Fees |   | 358 | 350 | 358 | 336 | 336 | 360 | Rounded up |  |  |  |  |  |  |
| Professional Fees |   | 3000 | 2600 | 1000 | 761 | 761 | 1000 | Arboricultural survey due |  |  |
| Subscriptions |   | 512 | 500 | 500 | 373 | 440 | 500 | Unchanged |  |  |  |  |  |  |
| Insurance |   | 1200 | 1200 | 1050 | 0 | 1250 | 1250 | Increase for mower insurance  |  |  |  |  |  |  |
| Newsletter |   | 512 | 600 | 600 | 0 | 600 | 600 | unchanged |  |  |  |  |
| Contingency |   | 2000 | 1000 | 940 | 109 | 109 |  800 | Working towards no contingency requirement by improved budget setting  |  |  |  |  |  |  |
| Community Centre |   | 1588 | 1600 | 1600 | 0 | 0 | 1600 | unchanged |  |  |  |  |  |  |
| Web/Wi Fi |   | 492 | 0 | 0 | 0 | 0 | 0 |  Not required |  |  |  |
| Grants |   | 1024 | 1200 | 1000 | 100 | 100 | 1000 | unchanged |  |  |  |  |  |  |  |
| Churchyard |   | 600 | 700 | 700 | 245 | 245 | 700 | unchanged |  |  |  |  |  |  |
| Cllr Training/Expenses |   | 308 | 300 | 200 | 35 | 35 | 200 | Consider increasing in anticipation of newly elected Councillors |  |  |  |  |  |  |  |
| Greens |   | 7,500 | 7200 | 9,000 | 2300 | 6000 | 9000 | Was raised in 18/19 to allow for hedge maintenance  |  |  |  |  |
| Mower Repair/Service |   | 1536 | 1600 | 1700 | 204 | 204 | 1700 | Unchanged |  |  |  |  |  |
| Street Lighting Power |   | 900 | 230 | 300 | 631 | 800 | 631 | need to check wither miscoded |  |  |  |  |  |
| Street Lighting Maintenance |   | 30 | 35 | 35 | 0 | 35 | 35 | unchanged |  |  |  |  |  |  |
| Playground Repairs |   | 1510 | 1500 | 1500 | 411 | 411 | 1700 | Increased to allow for increased EMR for skatepark |  |  |  |  |  |  |
| Software |   | 182 | 190 | 190 | 211 | 211 | 220 | Rounded up |  |  |  |  |  |  |
| Capital Expenditure |   | 1164 | 600 | 400 | 12336 | 12336 | 400 | Unchanged  |  |  |  |  |  |  |
| Neighbourhood Plan |   | 1000 | 1000 | 0 | 1624 | 1624 | 0 |  |  |
| Youth Project |   | 2000 | 1000 | 3000 | 12567 | 12567 | 3000 | Unchanged  |  |  |  |
| S137 |   | 0 | 0 | 0 | 0 | 0 | 0 | unchanged |  |  |  |  |  |  |
| Playground Investment |   | 1000 | 1000 | 1000 | 0 | 0 | 1000 | unchanged |  |  |  |
| Elections |   | 250 | 250 | 250 | 0 | 0 | 250 | unchanged |  |  |  |
| Bank Charges |  | 0 | 0 | 0 | 18 | 36 | 40 | Change of bank results in charges being incurred |  |  |  |
| Great War Cenenary |  | 0 | 0 | 2000 | 0 | 317 | 0 | Project closed |  |  |  |
| Chairman’s Allowance |  | 0 | 0 | 200 | 0 | 0 | 200 | unchanged |  |  |  |
| IT Investment  |  | 0 | 0 | 0 | 0 | 0 | 1000 | As agreed in principle agreed on 14 November to purchase laptop and printer for use by Chairman |  |  |  |
| Football Field Fence |  | 0 | 0 | 0 | 0 | 0 | 1000 | As per e-mail discussions |  |  |  |
|  |  | 38,458 | 36155 | 39,123 | 39588 | 49385 | 40186 |  |  |  |  |  |  |  |  |
|  |  |  |  |   |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Income** |  | 18/19 Budget | 18/19 YTD |  Proposed/anticipated |  |  |  |  |  |  |  |  |  |  |  |
| precept |  | 32500 | 32500 | \* |  |  |  |  |  |  |  |  |  |  |  |
| precept support grant |  | 200 | 200 | 80 |  |  |  |  |  |  |  |  |  |  |
| Interest |  | 300 | 6 | 150 |  |  |   |  |   |  |  |  |  |
| Courts Income |  | 500 | 400 | 300 |  |  |   |  |   |   |  |  |  |  |
| Allotment Income |  | 15 | 15 | 15 |  |  |  |  |  |  |  |  |  |  |  |
| Miscellanous Income |  | 0 | 13180 | 0 |  |  |  |  |  |  |  |  |  |  |  |
| VAT Refund |  | 2210 | 1572 | 1700 |  |  |  |  |  |  |  |  |  |  |  |
| Anticipted income |  |  |  | 2245 |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

\*shortfall of proposed budget (40,186) which is not finalised and which can be adjusted post agreement of precept requirement) against anticipated income (2245) is 37,941. To achieve this would require a precept increase of 5,500.

Applying an 11.75% (the housing stock increase resulting from habitation of all developments which **will not be** achieved by 31 March 2019) uplift would result in a precept of £36,320.

 Applying an uplift of 5.8% would result in a precept of £34,385.

A 3% increase would result in a precept of £33,500.

It should be noted, however, that applying such increases before new homes are occupied and subject to Council Tax will lead to an increase for current households.