

2018/19 Budget Paper

Please see excel spread sheet of receipts and income. This projects anticipated expenditure to the end of the financial year and anticipates an excess of expenditure above the budgeted figure of £2,205.63.

This is because of unbudgeted expenditure under 'Administration' of £340 for Play Around the Parishes, under 'Recreation Ground' wood chip at £833, an extra £1,150 for pond clearance, £200 for an extra BCC grass cut and £130 for hedge cutting at 85 High St totalling £2,653.

The sum of £2,653 is then reduced by undrawn staff costs from the Transparency Fund of £283 and other smaller cost underruns on various budget categories.

Income and expenditure for 2018/19

The precept set for the year was £12,500 plus £1,522 for BCC grass cutting. As the cost of BCC grass cutting this is now £4,000 per year the grant is clearly inadequate albeit the grass is cut more regularly and the management is controlled by the Parish Council. In addition there has been a one off grant from the Transparency Fund has been received of £873.82, see below.

Neighbourhood Plan

At present NPC is waiting to hear regarding its grant application for £5,000.

If this is not forthcoming in whole or part NPC will need to decide whether to fund the remaining consultants costs itself (whether they would actually amount to £5,000 if NPC had to fund them would need to be discussed).

Nash Parish Council website

A grant for £873.82 was received. At the time of application no supplier had been selected. The grant was made up of £500 for the new website and £90 for other anticipated website costs, staff costs of setting up the website of £60 and ongoing additional staff costs in administering the website in 2017 through to March 2018 of £223.82.

£500 was paid to ICT for setting up the website and £104.62 for 2 year domain registration through Media2020 the original supplier. There is a £75 charge for telephone training but I am hoping this will not be necessary. There is an additional sum of £283.82 (£223.82 + £60) allowed for additional staff costs in complying with the Transparency Code. I am not proposing to request payment of this but rather suggest the amount is treated as paid leave, see below.

After the first year there is an annual fee of £125 payable to ICT plus the domain registration costs.

Grass-cutting

Both grass cutting contractors are willing to continue next year. Blackwells will increase their costs by inflation (an extra £60 has been added to the budget) and Walkers Ground Care's costs will remain the same.

Clerk's hours and remuneration

The Clerk's hours of work are reviewed up or down each January for the next financial year.

The hours worked in 2017 up to 9/12/17 averaged 8.35 hours after taking into account 4 weeks paid leave and leave above 4 weeks which is not paid. This is up on the previous year's weekly average of 6.95. The increase is due in part to work on the first Church Farm planning application and the Nash Park planning applications and the Transparency Code and website work for which there is separate funding as above.

In 2018 I will be away for 6 weeks from February to April. May I therefore suggest that 4 weeks of that is treated as paid leave rather than unpaid, the value of which is $£11.78 \times 6 \times 4 = £282.72$. This equates almost to the amount of website staff costs of £283.82 and that sum therefore will remain with the Parish Council.

Taking the above into account and the additional notional payment from the Transparency Fund (to be treated as above) I would suggest that the weekly hours remain 6 per week (with 4 weeks paid holiday as per the contract). The hourly rate paid remains at £11.78 although this may increase as a pay award is currently being discussed. I have therefore anticipated a 2% increase in the budget.

Anticipated works in 2017/18

Village pond clearance. This may not be required again next year but £700 has been set aside. The cost in the past has been around this figure but was much higher this year owing to the fact no work had been carried out for several years and there was more to do. It has been assumed that further waste will be deposited on the edge of the recreation ground (this can be considered further once the current waste is deposited there) so no waste disposal costs have been included.

External Audit

There are various changes to the legislation taking effect from 2017/18, most notably the potential for authorities where the higher of income or expenditure for the year was £25,000 or less, to declare themselves as 'exempt' from a limited assurance review by an external auditor if they meet certain qualifying criteria. However, all authorities, even if they declare themselves 'exempt', will still need to fully complete and publish an annual return and must still have a named appointed auditor to deal with questions or objections from local electors about the accounts.

I have proceeded on the basis that the Parish Council will be exempt and will not need to pay for an external auditor although whether there will be an external charge for the administration of the new arrangements has not been clarified at present.

Proposed Donations

In 2017 (2016/17 financial year) the following donations were made:

Village Hall Management Committee	£250
Nash Church PCC contribution towards churchyard maintenance	£150
Winslow Community Bus	£50
Buckingham Citizens Advice	<u>£50</u>
Total	£500

Councillors who will need to consider whether they wish to support these or other groups in the next financial year, and if so at what amount. In the 2017/18 budget calculations I have assumed that a similar amounts will be donated.

Summary and 2018/19 Precept

The amount in the current account as at 12/12/17 was £3,584 with £11,325 in the General Reserve and £3,016 in the Recreation Ground reserve, totalling £17,925.

The total of anticipated expenditure excluding VAT to pay for the remainder of this financial year is £4,488. Therefore some money will need to be transferred from the Reserves. If therefore £833 on account of the wood chip is transferred from the Recreation Ground reserve and £1,150 for the extra pond cost from the General Reserve this would leave the accounts as follows:

There will also be VAT coming back around February which will be over £1,600.

- a) Current account approximately £1,079 + VAT refund of around £1,600, total £2,679.
- b) Recreation Ground reserve £10,492.
- c) General reserve £2,434.

Total £15,605. This would be a little more than the anticipated 2017/18 running costs.

It is material to mention that the external auditor mentioned to me verbally this year that she thought the reserves were too high. There is no prescribed amount that one should hold as reserves but the general practice is to hold in reserve a sum equivalent to 6 – 12 months running costs. However, if a specific project is identified and reserves are for that then a higher amount can be held.

Councillors should also take into account that the S106 moneys are still available for use and time is running for such use. As such moneys could be spent on capital works in the recreation ground then a smaller reserve for the recreation ground might be appropriate.

Therefore, Councillors may be minded to not replace excess of expenditure of £2,205.63 above the budgeted figure of by an increase in the Precept. On the other

hand if Councillors consider there is major expenditure that may need to come from the reserves next year then they may want a higher level of reserves.

The projected budget expenditure for 2018/19 would create a shortfall if the precept is maintained at the present level of £12,500. Over half of this is accounted for from the extra cost of taking on Play Around the Villages for another year.

Therefore, if the precept is increased from £12,500 to £13,300 (a 6.4% increase) this should meet anticipated expenditure subject to the above comments. This would be the first increase in the precept for 4 years.

John Hamilton

12/12/2017 (and slightly revised on 2/1/18).