

NLPC Budget 18-19

30 December 2017

All Parish Councillors
County Council Normanton Ward Councillors
Parish Clerk – For publication with PC Meeting Papers

**NORTH LUFFENHAM PARISH COUNCIL (NLPC)
REVIEW OF BUDGET FY 18/19**

Reference:

A. Discussion Paper - NLPC Budget 18-19 dated 28 Nov 17

BACKGROUND

1. Reference A was discussed by NLPC at its meeting on 5th Dec, it was then referred to the Finance Working Group which met on 13th Dec for further review. The revised budget is attached at **ANNEX A**.

AIM

2. The aim of this paper is to provide a short briefing document to enable NLPC to consider the options available and to set the precept required to meet an agreed budget for FY 18/19.

PROJECTED FY17/18 OUTTURN

3. The projected NLPC Budget Outturn for FY 17/18 is currently:

- Forecast Income to 31 Mar 18 is: £14,083
- Forecast Expenditure to 31 Mar 18 is: £12,799
- Forecast of Surplus of Income/Expenditure: £1,284

4. Projected income and expenditure indicates that there will be no requirement to draw upon Reserves in FY17/18. This is compared to an initial budget projection of a surplus of expenditure over income of £4,787.

5. The impact upon the worth of the fund at 31 Mar 18 is

Opening Balance – 1 Apr 17:	£14,493
Projected Closing Balance – 31 Mar 18:	£15,777

SIGNIFICANT CHANGES TO INCOME / EXPENDITURE IN FY 17/18

6. The most significant changes to the FY17/18 budget are:

Income:

Item	Budget	Projected
Bonfire Night	£2,300	£3,878
VAT Refund	£0	£736

Expenditure:

Item	Budget	Projected
Street Lighting	£0	£433
Clerk Expenses	£300	£200
Training	£600	£486
Defibrillator	£100	£38
Bonfire Night	£2,800	£2,512
IT Costs	£150	£40
Play Area Maintenance / Safety	£4,500	£1,306

PROPOSED NLPC BUDGET FOR FY18/19.

5. The proposed NLPC budget for FY18/19 is attached at **ANNEX A**. The proposed expenditure requirement is: **£20,126**. This is compared to the FY 17/18 projected outturn of £12,799, an increase in expenditure of £7,327.

Proposed expenditure includes the following items of 'one-off expenditure:

Serial	Item	Cost
17	Street Lighting Costs for FY17/18	£551.78
34	Play area maintenance costs	£3,200
39	Speed Limit Costs (Signs/Labour)	£2,639
41	CiCLA Registration	£250
42	Purchase of a Generator	£200
TOTAL		£6,840.78

6. **VAT**. In the FY18/19 budget, all costs are shown **net of VAT**, this will avoid future confusion in budgetary terms. It is proposed that within the financial accounts, expenditure will be shown net of VAT and VAT will be shown in a separate column. By ensuring that the Clerk on behalf of the Parish Council manages all financial purchases, VAT should be recovered wherever possible. This will be reported at each PC meeting as usual.

7. Significant changes between actual income / expenditure in the FY17/18 outturn and the FY 18/19 budget as shown at ANNEX A are:

INCOME:

Serial	Item	FY18/19 Provision	+/- FY 17/18 Outturn	Notes
1	Precept	£12,406	+£3,203	To be confirmed as a result of review
2	Bonfire Night	£3,500	-£378	
3	PAYE	£217	-£217	One Off

EXPENDITURE

Serial	Item	FY18/19 Provision	+/- FY 17/18 Outturn	Notes
16	Insurance	£500	£78	Change of insurer – potential increase
17	Street Lighting	£1,112	+£679	Increase reflecting change in RCC Billing process (One-Off Cost) and increased costs for FY18/19
28	Bonfire Night Insurance	£1000	+£564	New insurer – cover not known. Could be taken from Reserves if necessary
29	Notice Boards	£250	-£184	Reflects condition of Notice Boards
30	Data Protection Fees	£135	+£100	Potential additional costs arising from GDPR
31	Village Day	£500	+£500	Reflects wish of Villagers for an event in 2018
32	IT Costs	£200	+£160	Depreciation of existing eqpt
33	Publications	£200	+£200	
34	Play Area	£3,200	+£1,894	C/F from FY17/18 could be taken from Reserves if necessary.
38	St George's Barracks Working Group	£500	£0	New requirement
39	Speed Limit costs (Signs / Labour)	£2,639	+£2,639	One-Off requirement to meet specific project costs not covered by RCC
40	CiCLA Registration	£250	+£250	
41	Purchase of a Generator	£200	+£200	One-Off Requirement

S106 GRANT (ROSEWOOD DEVELOPMENT) PLAYGROUND EQUIPMENT

8. Monies relating to the S106 Grant for the purchase of additional play equipment have been accounted for separately. The initial grant + interest was £40,633. To date expenditure of £15,667 (Net of VAT) has been committed. This leaves a balance of £24,966 in the account.

AREAS THAT REQUIRE FURTHER CONSIDERATION / CONFIRMATION TO ESTABLISH THE 2018/19 PRECEPT

9. **CLERK'S SALARY.** The issue of how many hours to fund for the Clerk remains a matter of concern to the Parish Council, which is being addressed by the Staffing Committee. It is hoped that the Committee will be able to advise an appropriate number of hours to be funded to ensure that this is included within the precept calculation. **The cost included in the budget at Annex A (£5143) represents funding for 10 Hrs / Week.** Each additional hour would cost £514 during the next FY. This would need to be added to illustrated precept

RESERVES

10. The projected FY17/18 outturn, suggests that at the end of the current FY the Reserves will be a strong position of £15,777. The Parish Council should consider utilizing some of these Reserves to offset the potential increase in precept. Suggestions for the use of Reserves have been included in the budget namely:

- a. Offset Bonfire Night Costs by £1,500 reflecting the 'profit' made at the FY17/18 event.
- b. Offset Play Area Maintenance Costs of £3,200 as this was included in the FY17/18 budget but not committed in year.

11. The proposed budget allocations at Annex A will reduce the Reserve by £4,700 to just over £11,000, which amounts to just over 6 months of gross expenditure.

PBG CUMMINGS
Chair North Luffenham Parish Council

Annexure:

Annex A – Proposed NLPC FY18/19 Budget

**NORTH LUFFENHAM PARISH COUNCIL
FORMAL REVIEW OF BUDGET FY18/19**

Serial	Income	Budget FY 17/18	Projected Income FY17/18	Budget Provision for FY 18/19	+ / -Income FY17/18	
(a)	(b)	©	(d)	(e)	(f)	
1	Precept (Received)	£9,203	£9,203	£12,406	£3,203	% Increase 34.80%
2	VAT Refund		£736		-£736	
3	Bank Interest	£30	£18	£20	£2	
4	Bonfire night Bucket Collection / Donations	£2,300	£1,922	£1,750	-£172	
5	Bonfire Night - Trading Income & Misc Costs		£1,956	£1,750	-£206	
6	Transparency Grant		£0	£0	£0	
7	HMRC: PAYE Refund		£217	£0	-£217	
8	Supplier Promotion Cashback		£30	£0	-£30	
9	Total Income	£11,533	£14,083	£15,926	£1,843	
10	Draw Down of Reserves			£4,700	£4,700	
11	Total Finance Required:		£14,083	£20,626	£6,543	

Serial	Expenditure (Net of VAT Where Appropriate)	Budget FY17/18	Projected Expenditure FY17/18	Budget Provision for FY 18/19	+/- Expenditure FY 17/18	Precept	Taken from Reserves	Notes
(a)	(b)	©	(d)	(e)	(f)	(g)	(h)	
12	Grants - S 137 / S214 (6)	£250	£250	£250	£0	£250		
13	S214 (6) - Churchyard Maintenance	£500	£500	£500	£0	£500		
14	LRALC NALC Subscriptions	£230	£230	£230	£0	£230		
15	SLCC	£90	£95	£100	£5	£100		
16	Insurance (Not Incl Bonfire Night)	£400	£422	£500	£78	£500		Change of Insurer
17	Lighting	£0	£433	£1,112	£679	£1,112		Covers FY17/18 and FY18/19
18	Audit fees	£200	£200	£200	£0	£200		
19	Payroll (D Malley)	£60	£67	£67	£0	£67		
20	Clerk salary @ 10 Hrs / Week (Addl Hrs @ £514)	£5,066	£5,066	£5,143	£77	£5,143		
21	Clerk expenses	£300	£200	£250	£50	£250		
22	Training	£600	£486	£450	-£36	£450		Reduce by £150
23	Election		£0	£0	£0	£0		
24	Defibrillator	£100	£38	£100	£62	£100		
25	Website	£100	£85	£150	£65	£150		
26	Bonfire Night Fireworks	£2,300	£1,200	£1,000	-£200	£500	£500	To be discussed
27	Bonfire Night Trading & Misc Costs		£876	£1,000	£124	£1,000		
28	Bonfire night insurance (Provisional Cost)	£500	£436	£1,000	£564	£500	£1,000	To be discussed
29	Notice board maintenance / repair	£500	£434	£250	-£184	£250		
30	Data protection fee	£35	£35	£135	£100	£135		Revised cost
31	Village Day		£0	£500	£500	£500		
32	IT costs	£150	£40	£200	£160	£200		
33	Publications			£200	£200	£200		
34	Play Area Maintenance/Safety Costs	£4,500	£1,306	£3,200	£1,894	£0	£3,200	CF from FY 17/18- From Reserve)

35	Legal Costs - S106 Agreement	£240	£240	£0	-£240	£0
36	Village Plan Costs	£200	£160	£0	-£160	
37	VAT				£0	£0
38	St George's Barracks Working Group Costs			£500	£500	£500
39	Speed Limit Costs (Signs / Labour)			£2,639	£2,639	£2,639
40	CiLCA Registration			£250	£250	£250
41	Provision for purchase of a generator for use by PC		£0	£200	£200	£200
42	Total Expenditure	£16,321	£12,799	£20,126	£7,327	£15,926

£20,626 Check

43	Opening Balance Excl S 106 Funding	£14,493	£14,493	£15,777
44	Surplus on Year (Excl S106 Expenditure)	-£4,788	£1,284	-£4,200
45	Closing Balance (Excl S106 Reserve)	£9,705	£15,777	£11,577

= Excludes VAT

	S106 - Play Equipment Grant			
46	Opening Balance		£40,633	£24,966
47	Play Equipment - S106		-£15,667	
48	VAT		-£3,361	
49	VAT Refund		£3,361	
50	Closing Balance		£24,966	