

# COLTON PARISH COUNCIL

## Proposed Budget and Precept for 2016/2017

For presentation at Council Meeting 30<sup>th</sup> November 2015

### 1. Introduction

Attached is a proposed budget and precept for 2016/2017 for consideration and adoption by members. It has been prepared by the Clerk in discussion with the Council's Finance Working-group, and is recommended to the Council.

### 2. Income and Expenditure to Date (30<sup>th</sup> November 2015)

Income: As anticipated, there have been no grants available for the Lengthsman Scheme this year. Having completed the Colton Community Plan, the Council received the remainder of its allocated grant (£259) from Action for Communities in Cumbria for publication of the Plan. A grant of £1500 for the Rusland Horizons Project was awarded from the Lake District National Park Authority and payment made for the same amount to 'Wood Matters' for running project training courses.

Expenditure: The figures in italics under the current year 'Forecast Outturn' column represent part payments under that sub-heading to date. The Community Plan has now been produced, but took longer than anticipated to complete. This has meant that the anticipated expenditure (£2000) for work under the Action Plan has not occurred during this financial year and has been allocated in this budget for next year.

### 3. Expected Outcome at 31<sup>st</sup> March 2016

There is an anticipated under-spend of about £2000, due mainly to Action Plan project allocation not being spent this year. It is advised that this under-spend be carried over to next year when the Action Plan should get underway.

### 4. Budget for 2016/2017

Particular financial issues for the next financial year are highlighted below:

4.1 Community Plan Action Plan: Colton's new Community Plan, published in 2015, contains an Action Plan for which an allocation of at least £2000 has been made.

4.2 Notice-boards: The allocation this year of £1000 for new notice-boards has not yet been spent pending sourcing of appropriate products. It is likely that c.£500 will be spent on a new notice board this year and the remainder carried over to 2016/17.

4.2 Bouth Village Green and Playground: The Council is responsible for the upkeep of the Village Green and Playground, its equipment and safety surface. Both the monthly and the annual formal inspection have raised an issue of wear of the chain links for the swings. Estimates are currently being sought for repairs, and funding sources being investigated. However, the Council keeps a contingency of £300 over and above the general expenses for essential repairs, and there may be flexibility within the balance brought forward to allocate further funds.

4.4 Office consumables and printing costs: The Clerk is gradually cutting down on office consumables costs, now that most work is dealt with electronically. A figure of £300 has been allocated this year, down from £350 last year. Newsletter printing costs are less now that the Council produces only 2 printed newsletters a year for every household (as well as submitting monthly news to 4 local newsletters). Many residents are now happy to gather information electronically, via the website. One of the Community Plan Actions is to draw up an Information and Communication Strategy next year, which will determine how the Council proceeds with newsletters, and therefore printing costs, in the future.

4.5 Sources of income: At present our only known income sources for next year are limited to the precept, plus return of VAT, since the Lengthsman grant scheme has

been terminated. However, we continue to look out for funding opportunities wherever appropriate.

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#### 4.6 Estimated budget for 2016/2017:

The gradual withdrawal of available grant funding and services from the principal authorities over the past 5 years or so has meant that the Council needs to look to the precept and other external sources to fund its responsibilities. In addition, the withdrawal of routine road maintenance from U-roads - 50% (c. 25 miles) of Colton's roads - has meant that our popular Lengthsman scheme is now regarded as an essential service. The Council is aiming to cover its essential costs year on year from the precept (including the Council Tax Support Grant), using other available funding sources for additional activities. The budget includes a calculation: 'Surplus/Deficit after Precept', which helps to assess the extent to which the Council is meeting its essential costs year on year.

Of the forecast expenditure for 2016/17, £2000 allocated but unspent this year for projects under the Community Plan Action Plan has been brought forward to 2016/17, and will be funded from this unspent balance. Disregarding this £2000, the forecast 'Surplus/Deficit after Precept' for 2016/17 with no precept increase would be £782. To reduce this deficit, the proposed budget includes a precept increase of 3% (reducing the deficit to £410).

The proposed statement shows an estimated budget for 2016/2017 based on the issues explored above, allowing for inflation under insurances and subscriptions. The Council is recommended to agree a budget as follows:

Precept and CTS grant:	£ 12771	(CTS: Council Tax Support Grant)
Grant income (anticipated):	£ 0	
Return of Vat (estimated):	£ 150	
<b>Total income:</b>	<b>£ 12921</b>	
Add balance brought forward	£ 8013	
<b>Total</b>	<b>£ 20934</b>	
Less Expenditure	£ 15331	
<b>Balance to carry forward</b>	<b>£ 5603*</b>	

\* The Council aims to maintain a minimum balance of 10% of the precept (and grant) year on year, to allow for contingencies, although with rising costs and less funding sources, it may well be necessary to increase this margin. The forecast balance brought forward from this financial year is at any rate considerably higher than forecast, mainly because of the delay in the completion of the Community Plan over the past 3 years and associated costs, delays to the renewal of the Council's 8 noticeboards whilst suitable products are assessed, and some accrual of contingency funds for Bouth playground.

Looking forward, the Finance Working Group will review at its Spring 2016 meeting the % contingency to be maintained year on year, and also the allocation of any remaining balance over and above this reviewed contingency which should be directed at specific projects.

#### 4.7 Precept for 2016/2017:

**The Council is asked to approve the recommendations of the Finance Working Group for a 3% increase in the precept this year to £12771 to underpin the proposed budget.**

Mandy Lane  
Clerk to Council