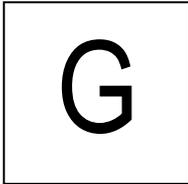




**BRIXWORTH**  
Parish Council



# **Brixworth Parish Council 2018/19 Finance Budget Report**



# Finance Working Group – 2018/19 Budget Report

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## Summary

As the Finance Working Group we are charged with the responsibility of producing a budget for the forthcoming fiscal year 2018/19 for full Council approval.

Each year presents its own challenge and this year has been no exception, the aim being to provide facilities and amenities that the village requires as it continues to grow whilst being aware of residents' income.

The following pages reflect the result of our deliberations, and we trust that you will find these proposals fair.

It is proposed to keep the Community Grant, and an amount of £2,500 has been included within this year's budget. The allocation of grants to be as last year. Likewise the Village Project remains and an amount of £2,500 has been allocated.

Consideration has also been given to the items contained within our four year plan, however we feel items like a dedicated PCSO for the village are not sustainable. Council has also been approached regarding the sponsorship of an ANPR vehicle for the police, again it is felt that this is also not sustainable for the village at present. However we are mindful of the parking problems within the village and will be looking into entering into an agreement with the appropriate Local Authority for the provision of additional visits by a Traffic Warden.

We would also recommend continuing with the Living Wage. These rates are reviewed each November. These increases will be incremental over the next three years to bring the Living Wage and Minimum Wage in line.

The Working Group continues with its appraisal of the various headings used for Budget Allocation and has made further adjustments to these headings for the coming year, which will lead to greater understanding of where monies are spent in the future.

The 'accrual' column introduced last year in the Rolling Budget has proved its worth and the Working Group would recommend that this be continued.

Our proposal will increase the Band D rate (other band rates will vary) by £10.93 per year, approximately 21p per week.

Finally the Working Group believe that the Finance Working Group should continue to monitor expenditure throughout the year and work towards the production of the 2019/20 budget.

## Scope

In October 2014 Brixworth Parish Council set up a Finance Working Group to complete a set of tasks to prepare a budget for the following year. They were again asked to prepare a budget for the fiscal year 2018/19 to put before the council for their approval in January 2018.

## Task

- Review the current status of restricted and earmarked reserves
- Project 2017/18 year end budget result
- Prepare proposal for 2018/19 budget
- Propose 2018/19 precept

## How the Budget is formatted

The budget is broken down into two criteria:

- Income
- Expenditure

Within the Expenditure section there are now 11 subsections:

- Staff Costs
- Subscriptions and Fees
- Expenses and Allowances
- Administration
- Projects and Grants
- Legal Costs
- Earmarked Reserves
- Highways and Environment
- Maintenance
- Recreation
- Aspirations

## **Reserve Terminology**

### **Earmarked Reserves**

Earmarked reserves are reserve funds that have been put aside by Brixworth Parish Council for use on a specific project or task, e.g. money put aside to build up sufficient funds to replace a vehicle when it reaches end-of-life. This however can be reallocated should the need arise.

### **Restricted Reserves**

Restricted reserves are funds that have been provided to Brixworth Parish council for a specific purpose and must not be used for any other purpose. A typical example of this would be a S106 restricted fund that is provided from a developer contractor for an agreed purpose such as playing field maintenance.

### **General Reserves**

General reserves are the money held by the Parish Council to pay for the operational needs of the village and to protect the village when an urgent or emergency event occurs. Brixworth Parish Council strives to maintain a general reserve of at least three months' operating costs.

## **Finance Working Group Members**

Councillors Stephen James, Kevin Parker, Justyna Pittam, Peter Saxton (from November 2017), and Parish Council Clerk Peter Rowbotham

The group had meetings on the following dates:

19<sup>th</sup> June 2017  
20<sup>th</sup> July 2017  
14<sup>th</sup> September 2017  
16<sup>th</sup> October 2017  
9<sup>th</sup> November 2017  
12<sup>th</sup> December 2017  
16<sup>th</sup> January 2018  
22<sup>nd</sup> January 2018

## The Living Wage

Following the introduction of the Living Wage during 2015/16, it is the Finance Group's recommendation that we continue with this scheme.



It is Government's intention to increase the Living Wage by yearly increments until the rate of £9.20/hour is met in 2020, at which time the Living Wage will replace the current Minimum Wage.

It is also a condition of our accreditation that all contractors we employ pay the Living Wage. This is something we should include within our tendering process and ensure that this will be met prior to entering into any contracts.

## The Budget Plan

### Staff Costs

As this section of the report relates to employee remuneration rates, it is considered confidential and will not be reported in detail.

The overall salaries, wages and associated employee cost (NI, pensions etc.) represent the largest budget area in financial terms, down from 48.75% to 45.66% of the total budget.

As the largest village within the Daventry district more pressure is being applied to the admin side of the Council, it is therefore proposed following the Personnel Working Groups recommendations that consideration is given to strengthen this department. The options available are to increase the Clerks hours, employ a part time assistant or outsource some of the work to an adjacent Council who have the capacity.

As part of Government initiatives we began to offer pensions to our qualifying employees from November 2016. This was duly carried out and the necessary payment made into their pension account. We continue to make provision should any other member of staff wish to join the scheme.

### Subscriptions and Fees

The Finance Working Group wishes to continue with this section.

This section represents 1.84% of the Councils expenditure.

### Expenses and Allowances

This section covers the following areas of expense:

- Clerks Allowance
- Community Allowance
- Clerks telephone expenses
- Chairs telephone allowance
- Parish Councillors expenses

During this financial year no expenses have been claimed by the Chairman for any telephone expenses and minimal expenses by Councillors, but it is felt prudent to keep these allowances as last year.

This section represents 1.87% of the Council's expenditure.

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## **Administration**

This section like others has been overhauled for transparency and will include the following headings:

- Audit Costs
- Print Annual Report/Parish Newsletter
- Insurance – Parish and Vehicles
- Stationery & Postage
- Office Equipment/website
- Training Budget
- Legal Expenses
- Hall Hire
- Telephone costs to the Information Point
- General Data Protection Regulation

The Administration costs equate to 7.41% of the Council's budget.

The training budget has been maintained at the same level as previous year.

## **Projects and Grants**

The budgets for the Community Grant and Village Project are recommended to stay at last year's levels.

The budget for the Neighbourhood Plan has been increased following representation from the Steering Group to challenge Daventry District Council proposal to downgrade land around Brixworth and thereby increasing the possibility of further housing development being approved.

It has also been agreed to provide an annual grant towards the cost of producing the annual Brixworth calendar. Proceeds from the sales of the calendars will continue to go to a worthwhile cause within the village, proceeds from the 2018 calendar will be going to The First Responders.

## **Legal Costs**

As the Council moves towards the formation of a Sports Council to oversee the management of the playing fields allowance has been made for any legal fees in connection with this.

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## **Earmarked Reserves**

As with the Projects and Grants these have been maintained or increased slightly, items covered in this section are:

- Election Costs – reserves continue to fund future election charges from Daventry.
- Street Lighting.
- Kubota Replacement.
- Van Replacement.

Over the last year it has become evident that the Earmarked reserves list should be increased to cover the following items:

- St Davids Carpark
- Ashway Carpark

Following the introduction of the Community Infrastructure Levy (CIL) the Parish council will receive payment for new housing and retail developments that proceed within the village. These sums must be ringfenced within the Earmarked Reserves ready for expenditure in line with the CIL Guidelines

No further allowances have been made for the following as it is believed sufficient funds are now available for replacement of the following items

- Small Mower
- Strimmer

This section represents 3.91% of the Council's expenditure.

It is further recommended that during 2018 the council look to renew their van by taking out a lease agreement, which will reduce their overall costs going forward.

A similar solution will be considered for the Kubota.

## **Highways and Environment**

As mentioned in last years report the Council has a duty to inspect and maintain trees in its ownership. Previous years allowance has been increased to £2,000 to cover work to trees within the Pocket Park. Allowance towards the replacement of street lights within the councils ownership has been increased by £500.

This section represents 4.80% of the Council's expenditure.

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## **Maintenance**

The Maintenance section relates to maintenance, repair costs etc to the following facilities:

- Village Enhancement /Maintenance
- Ground Maintenance
- Plant Maintenance & Replacement
- Tennis Court Maintenance
- Mower, Van Running Costs
- Play Equipment & Safety Surfaces Maintenance/Renewal
- Millennium Garden Maintenance

Ground maintenance costs will be split between St Davids and The Ashway playing fields this year.

This section represents 12.26% of the Council's expenditure.

## **Recreation**

The Recreation section relates to ground maintenance, running costs etc to the following areas:

- Grass Cutting – split between the St David's and The Ashway Playing Fields
- Hedge/Fencing New/Repair – split between the St David's and The Ashway Playing Fields
- Plant Hire & other equipment
- Fuel - Van and Mowers
- Changing Rooms Running Costs
- Litter Bins
- Library Shrub Bed

We have also allocated funds within this section for repairs following any vandalism.

This section represents 8.93% of the Council's expenditure.

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## Aspirations

These have been generated from The Business Plan published in 2016

Whilst the Business Plan generated a substantial list it was felt at this time only the following aspirations should be taken forward.

High profile and cost aspirations such as stone entrance signs, contribution to PCSO and contribution towards an Automatic Number Plate Recognition vehicle are to be left for the foreseeable future.

Consideration will be given to contribution of the costs of further visits from Traffic Wardens to monitor the ongoing parking problems within the village.

Costs for a Village Festival could be sought from elsewhere i.e. sponsorship.

## Income

Brixworth Parish Council's income comes from four sources:

- The Precept.
- S106 draw down to meet maintenance costs on the Ashway (it should be noted that S106 funds for this are likely to be spent within the next 3 years)
- Contribution from Northamptonshire County Council towards the cost of grass cutting.
- Rent for use of Recreation grounds from the sports clubs.
- CIL Contributions – see note in Earmarked Reserves regarding these contributions

## Conclusion

The Finance Working Group would like to make the following proposals.

- **Accept Brixworth Parish Council 2018/19 Budget proposal.**
- **Accept the precept proposed by the Finance Working Group for year 2018/19**

The Finance Working Group believes the proposals within the report provide a good balance between fiscal responsibility and a progressive agenda for 2018/19. Our objective is to continue to provide the village with value for money and security for the future.

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## Appendix

### 2018/19 Brixworth Parish Council Budget Proposal – Expenditure

	Budget 2017 -2018 £	Projected 2017 - 2018 Budget £	Proposed 2018 -2019 Budget £	Increase on 2017-18 Budget £	% increase on 2017-18 Budget	% of total spend
1.00 Staff Costs	70,085	60,230	77,955	7,870	11.23%	45.66%
2.00 Subscriptions and Fees	2,590	2,655	3,140	550	21.24%	1.84%
3.00 Expenses & Allowances	3,750	2,260	3,190	(560)	-14.93%	1.87%
4.00 Administration	11,900	7,765	12,650	750	6.30%	7.41%
5.00 Projects & Grants	6,500	5,500	8,150	1,650	25.38%	4.77%
6.00 Legal Costs	-	2,300	1,500	1,500	0.00%	0.88%
7.00 Ear Marked Reserves	10,400	16,400	12,800	2,400	23.08%	7.50%
8.00 Highways & Environment	7,000	830	8,190	1,190	17.00%	4.80%
9.00 Maintenance	17,100	17,730	20,930	3,830	22.40%	12.26%
10.00 Recreation	11,270	11,905	15,240	3,970	35.23%	8.93%
11.00 Aspirations	3,100	4,400	7,000	3,900	125.81%	4.10%

<b>Total Expenditure</b>	143,695	131,975	170,745	27,050	18.82%	100.00%
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### 2018/19 Brixworth Parish Council Budget Proposal – Income

	2017 -2018 Budget £	Projected 2017 - 2018 Budget £	Proposed 2018 -2019 Budget £	Increase on 2017-18 Budget £	% increase on 2017-18 Budget	% of total Income
12.01 Precept	130,870	130,870	159,075	28,205	21.55%	93.17%
12.02 Bank Interest	20	10	10	(10)	-50.00%	0.01%
12.03 Sports Club	4,085	3,160	4,110	25	0.61%	2.41%
12.04 Community Hall (Cleaners money)	3,500	4,395	-	(3,500)	-100.00%	0.00%
12.05 Pocket Park Grass Cutting	250	250	250	-	0.00%	0.15%
12.06 106 Income (The Ashway)	3,750	5,000	6,000	2,250	60.00%	3.51%
12.07 Miscellaneous	-	-	-	-	0.00%	0.00%
12.08 NCC Grasscutting - verges	1,300	1,300	1,300	-	0.00%	0.76%
12.09 Contribution to Citizens Advice	-	-	-	-	0.00%	0.00%
12.10 CIL Contribution	-	6,000	-	-	0.00%	0.00%

<b>Total Income</b>	143,775	150,985	170,745	26,970	18.76%	100.00%
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## Brixworth Parish Council Earmarked and Restricted Reserves

### Restricted Reserves

	2017 /2018 Year end	2018/2019 addition/spend	2018/19 Balance
Pocket Park Maintenance (S106)	2,790	-	2,790
Crime Prevention Security (S106)	2,299	-	2,299
Ashway POS (S106)	7,880	-	7,880
Ashway/Ridings POS (S106)	20,712	(6,000)	14,712
CIL Contributions	6,000	-	6,000
Heritage Trail Fund	720	-	720
<b>Total Restricted Funds</b>	<b>40,401</b>	<b>(6,000)</b>	<b>34,401</b>

### Earmarked Reserves

	2017 /2018 Year end	Proposed addition/spend	2018/19 Balance
Legal Costs	-	1,500	1,500
Kubota	12,557	2,400	14,957
Van Replacement Fund	5,000	2,500	7,500
Small Mower Replacement Fund	1,200	-	1,200
Strimmer Replacement Fund	600	-	600
Projects	3,918	2,500	6,418
Community Grants	7,748	2,500	10,248
Election Costs	2,945	400	3,345
Street Lighting	3,620	1,500	5,120
Heritage Trail	721	-	721
St Davids car park	1,500	1,500	3,000
Ashway car park	1,500	1,500	3,000
Play Equipment	-	3,000	3,000
Neighbourhood Plan Pre approval	-	-	-
Neighbourhood Plan Post approval	(1,500)	2,500	1,000
<b>Total Earmarked Funds</b>	<b>39,809</b>	<b>21,800</b>	<b>61,609</b>