

Saxby Parish Council

MEETING:	Parish Council Meeting
MEETING DATE:	Wednesday 16 th December 2015
SUBJECT:	Proposed Budget 2016/17
AGENDA ITEM No.	
REPORT BY:	Emma Thorpe: Clerk to the Council and Responsible Finance Officer

For Information?		For Action?		For Discussion?	X	For Decision	X
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1. WHAT IS THIS REPORT ABOUT?

This report follows on from the Finance Report in November and provides:

- An update on the 15/16 budget
- A proposed budget for 2016/17 for discussion and decision

Update on 2015/16 Budget

Attached is the budget monitoring for Saxby Parish Council detailing receipts and payments.

As of 1 December 2015, the Parish Council has total available financial resources of £1,760.

To note:

- the Parish Council started the financial year with an earmarked reserve of £1,767; this is currently forecast to reduce to **£1,200 by year-end**, providing there is no additional within-year spending beyond the existing fixed costs of administration
- total income to date within 2015/16 is £7,130; the Parish Council received an additional £3,302 in-year of Community Grant that was not budgeted for at the start of the year
- the 2015/16 budget setting allocated £3,700 of outgoings – in total, the Parish Council had spent a total of £7,140 by 1 December

Based on the pattern of spending, the Parish Council is operating within its overall resources.

Putting aside spending activity linked to the Community Grant, the monitoring report shows overspending against professional fees and an under-spend against training.

The Parish Council should consider the pattern of spending within the 2015/16 budget when setting the 2016/17 budget, alongside its current priorities, commitments and ambitions.

Precept calculation

For 2015/16, the 'precept total' of £3,828 was made up of £362 Council Tax Grant from North Lincolnshire Council and £3,466 of precept collected through Council Tax payments.

North Lincolnshire Council's indicative precept calculator shows total funding of **£3,900 for 2016/17**. This comprises a precept base of £3,557 and a grant from NLC of £343. These figures represent a nil increase to residents.

In conclusion, Saxby Parish Council can comfortably set a 2016/17 budget based on spending of £3,800. This will provide an in-year contingency of £100 that can be added to the reserve if unspent at year-end.

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The following budget proposal is based on total spending of £3,800 in 2016/17.

Proposed budget for 2016/17

Financial Heading	2015/16 Budget	2015/16 Spend (as of 1 Dec. 2015)	Proposed Budget for 2016/17
Parish Insurance	280	244	250
Subscriptions & membership fees	320	320	320
Professional fees	70	140	120
Venue hire	120	120	120
Office supplies	80	107	100
Training	80	0	50
Village grounds maintenance, repairs & renewals	200	1,602	500
Capital investments	150	0	150
Community projects	300	2,874	250
Section 137	400	404	200
Clerk's salary	1,500	1,230	1,600
Expenses and allowances	200	98	140
TOTAL	3,700	7,140*	3,800

*may not tally with above due to rounding

An in-year contingency of £100 be available – to be added to the reserve if unused at year-end.

2. WHY IS THIS IMPORTANT?

The Parish Council has a legal duty to ensure financial probity. Every Parish Council has to produce an Annual Return to meet the requirements of the Audit Commission, which includes verification by internal and external audit.

Setting a budget allows the Parish Council supports effective targeting of resources and financial monitoring.

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3. WHAT DO WE NEED TO DO NEXT?

The Parish Council needs to:

- consider the reported financial position of the 2015/16 budget
- consider, amend and approve the 2016/17 budget
- apply to raise the precept; proposed total funding to be £3,900; comprised of £3,557 precept and a £343 grant from North Lincolnshire Council

4. RESOURCE IMPLICATIONS	YES	X	NO
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The actions in section 3 are required to ensure the efficient and effective use of resources. Failure to act means that the Parish Council will not be able to discharge its obligations.

5. OTHER IMPLICATIONS	YES	X	NO
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This report should be included in the information made available to the internal auditor of Saxby Parish Council.

6. WHO HAVE WE CONSULTED?

N/A

7. RECOMMENDATIONS

That the Parish Council:

- a. notes the current financial position
- b. sets the budget for 2016/17 as set out in section 1
- c. applies for total funding for 2016/17 of £3,900; comprised of £3,557 precept and a £343 grant from North Lincolnshire Council

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Appendix A: Financial headings for setting, monitoring and reporting the Parish Budget

Financial Heading	This financial heading will include, but not be limited to:
HMRC	Refund of Valued Added Tax
Parish Insurance	Parish Council liability insurance
Subscriptions & membership fees	ERNLLCA membership, SLCC membership
Professional fees	Audit fees
Venue hire	Village Hall hire for Parish Council meetings
Office supplies	Stationery, postage, printer ink, etc
Training	For the Clerk and Councillors to maintain a level of competency to ensure the efficient and effective running of the Parish Council, including attending relevant conferences
Village grounds maintenance, repairs & renewals	Planting, grass cutting, maintenance of existing assets, seasonal requirements, etc
Capital investments	Planned investment in the assets of the Parish
Community projects	Aspects of the Neighbourhood Plan for the Parish not covered elsewhere. E.g. road safety
Section 137	Items covered by Section 137 of the Local Government Act 1972: Non-statutory expenditure in the interests of the Parish <i>up to a certain limit</i> . To include donations.
Earmarked reserves	Funds that the Parish Council plans to be carried forward to the next financial year for a specific planned purpose.
Clerk's salary	As defined by the Clerk's contract of employment. (Not including expenses and allowances)
Expenses and allowances	Allowable expenses for the Clerk (as defined in the contract of employment) and for Parish Councillors. E.g. tolls

Financial monitoring will track the VAT component of payments made.