

## PROPOSED Budget & Precept 2019/20 (24 January 2019)

The Assistant Director of Finance at Wigan Council has confirmed that the Council Tax Support grant for 2019/20 will be £8,813 (as in 2018/19) and will review the position for 2020/21 at the end of this year.

We have been told that the Council Tax Base for the Parish has increased from 3,315 for 2018/19 to 3,336 for 2019/20. This means that the Parish Council could set a precept of £69,889 (an increase of £440 on 2018/19) without increasing the precept for each individual household.

The figures below were considered by the Finance Committee in conjunction with the figures in the proposed budget document (*which has been updated*) and the document 'Precept by Bands' that accompany it.

<b>ESTIMATED INCOME</b>	<b>£</b>	<b>NARRATIVE</b>
Allotment Rent	1,372	Exact figure
Bowling Green fees	1,310	Estimate based on FY2018 usage
Rent for Field	2,000	Exact figure based on agreement with sports clubs
Interest	100	Estimate based on increase in % rate in mid-FY2018
<b>TOTAL:</b>	<b>4,782</b>	
<b>EXPENDITURE</b>		
Administration	18,650	This total includes all office expenses, insurance, audit and training fees and community engagement. It is 130.95% more than in last year's budget, because of the increased travel expenses allocation and the inclusion of estimated election costs. Amounts in most cost centres in this section have proved over several years to be very realistic approximations w.r.t. expenditure. Even though the Chair has chosen not to take her allowance, this cost centre cannot be removed entirely, as it covers expenditure on civic duties.
Employees	20,630	This is a gross figure and includes employer's NIC and superannuation. A 6.34% increase on last year due to staff pay award for FY2019.
Community	8,880	The funds allocated to grant funding, Christmas decorations and CCTV. Included also in this is the cost of general risk management. A 57.2% increase on last year's figures due to additional commitments agreed in 2018/19.
Maintenance	31,710	As the heading suggests: the maintenance costs of all properties, other than Caretaking salaries. 42% of cost centres have been increased resulting in a net increase of 6% on FY2018.
Projects	30,636	Expenditure on all special projects. This section includes the loan repayment for the land purchase. A 188% increase on FY2018 due to the addition of £20,000 for Memorial Park Drainage.
Expenditure Contingency	5,000	The same as in 2018/19
<b>TOTAL:</b>	<b>115,506</b>	
<b>FORECAST NET EXPENDITURE:</b>	<b>110,724</b>	

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<b>FINANCED BY:</b>		
Precept	<b>69,889</b>	Increase of 0.63% on last year – no impact on individual households due to increase in council tax base.
Reserves	40,835	734.31% more than in 2018/19
<b>TOTAL:</b>	<b>110,724</b>	
<b>RESERVES 1/4/2019:</b>		<i>(estimated)</i>
Car Park/fence	6,000	As in 2018/19
Planning, Legal, etc Fees	2,500	As in 2018/19
Election reserve	0	
Precept Buffer reserve	8,684	£10,000 of the reserve from 2018/19 have been allocated towards Memorial Park Drainage. The remainder from 2018/19 has been used to off-set the loan repayment.
Loan Repayment reserve	0	
Xmas Decorations reserve	502	Ring-fenced for use in FY2020.
Play Area reserve	3000	
General reserve	21,483	Un-earmarked reserves (including expenditure contingency) = <b>23.96% of gross expenditure</b> . The level recommended by the advisory bodies for a parish council of Shevington's size & activity is a minimum of 25% of gross expenditure. <i>(see below)</i>
<b>TOTAL:</b>	<b>42,169</b>	This is an estimated projected figure.

### **Extract from Governance & Accountability for Local Councils (A Practitioners Guide 2014)**

2.26 Earmarked reserves, which are set aside for specific purposes and for savings for future projects, should be realistic and approved by the council. However, the amount of general reserve should be risk assessed and approved by the Council.

NALC/LALC/SLCC advisory:

It is generally accepted by auditors that general (ie un-earmarked) revenue reserves usually lie within the range of three (25%) to twelve months (100%) of gross expenditure.

The Finance Committee agreed a budgeted expenditure of £115,506 (including Expenditure Contingency) and a precept of £69,889 and recommended them to the Council for approval.

***Members are invited to approve the above budget and precept.***