

# Budget Notes

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## Budget 2017/2018

### **1.0 INTRODUCTION TO EXPENSES**

1.1 The comparison which is attached to these notes sets out the budget that was prepared 12 months ago for the current financial year, presents a budget for the next financial year alongside each of the categories. Because this budget has to be prepared when we are only 6 months into the current year, it is difficult to be exact in estimating what our needs may be so far ahead. The way that the budget has been created is to examine what we have spent in the *first 6 months of this year*, and add to that what was spent in the *last 6 months of last year*.

The comparison you have is therefore an estimate based on a mixed history of spending in the parish. However, although I am expecting our expenses to increase in the next financial year, the increase is 9% and can be accommodated within the precept I am recommending.

The sections below explain how the differences in previous and future budget have been calculated.

### **2.0 PARKS AND OPEN SPACES**

An increase in budget of 29% (£1348) due to tree survey work that is needed to be carried out every two years, and to compensate for an underestimate in the cost of ground maintenance in the parish. ( see also note 6 below). Although this last figure has been substantially increased, our proposed procurement scheme may be able to reduce the final expenditure.

### **3.0 GENERAL EXPENDITURE**

An increase of 16% (£1440) due to an incremental increase in salary costs and a one-off charge in May 2017 for election expenses.

### **4.0 ALLOTMENTS**

An increase of 180% (£180) by making provision for hedge trimming and rental. The full cost of maintaining the allotments is covered by rental income, so there is no net cost to the taxpayer.

### **5.0 PUBLIC TOILETS**

A decrease of 23% (£1182) due to an overestimate in costs in the previous budget.

### **6.0 HIGHWAYS & FOOTPATHS**

No budget has been included in this year because there have been no costs incurred for the past four years. Any minor charges can be included in Parks & Open Spaces above.

## **7.0 PUBLIC LIGHTING**

A marginal increase of £2 has been included to cover any change in electricity costs.

## **8.0 DONATIONS**

The budget for small and medium donations was agreed at your public meeting in November 2015, and remains fixed.

## **9.0 INCOME**

Income into the parish is expected to fall by approximately 3% (£919) in the coming year. Although our precept is recommended to remain constant (and all our revenue costs are covered by the precept), we expect to see a reduction in Council Tax Support grant of £477 (based on the 30% reduction last year), and in funds obtained via the Local Maintenance Partnership due to changes in the way that we maintain our footpaths and the reimbursement we receive from Cornwall Council.

If Cornwall Council support the changes to Planning Condition 11, originally granted in 2013 to Trehawke Solar Ltd, the parish council may receive a payment of s106 funding of at least £19,200. This one-off income has not been included in any of the calculations above.

## **10.0 Inflation forecast for 2017**

On 3 November 2016, the Governor of the Bank of England predicted that inflation could reach 2.7% in late 2017, up from the current rate of 1%. Increasing the whole of the council's budget by 2.7% is approximately £580, and can be accommodated within the precept that is recommended.

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Date: 4 November 2016

# MENHENIOT PARISH COUNCIL

## Budget Comparison

		2016/17 Budget	2017/18 Budget	Diff	Diff
<b>Gross Expenditure</b>		£	£	£	%
	<b>Parks &amp; Open spaces</b>				
	Contract	2514.00	4000.00	1486.00	
	Village cleaning	1000.00	500.00	-500.00	
	Other expenses	1138.00	1500.00	362.00	
	sub total	4652.00	6000.00	1348.00	29%
	<b>General Administration</b>				
	Salaries	6296.00	6890.00	594.00	
	Audit fees	500.00	400.00	-100.00	
	Other expenses	2284.00	2730.00	446.00	
	Fees & elections	0.00	500.00	500.00	
	sub total	9080.00	10520.00	1440.00	16%
	<b>Allotments</b>				
	sub total Expenditure	100.00	280.00	180.00	180%
	<b>Public toilets</b>				
	sub total Expenditure	5222.00	4040.00	-1182.00	-23%
	<b>Highways &amp; footpaths</b>				
	Expenditure	0.00	0.00	0.00	
	<b>Public lighting</b>				
	Electricity	308.00	310.00	2.00	
	Installation & repair	100.00	100.00	0.00	
	sub total	408.00	410.00	2.00	0%
	<b>Donations</b>				
	Donations	750.00	750.00	0.00	
	Community Grants	0.00	0.00	0.00	
	Grants	0.00	0.00	0.00	
	sub total	750.00	750.00	0.00	0%
	<b>Projects</b>				
	Projects	0.00	0.00	0.00	
	<b>TOTAL</b>	<b>20212.00</b>	<b>22000.00</b>	<b>1788.00</b>	<b>9%</b>
	<b>Precept &amp; Other Income</b>				
	Council precept	25168.00	25168.00	0.00	
	CTS Grant	1591.14	1114.00	-477.14	
	Allotment rentals	276.00	276.00	0.00	
	Parish paths grant	602.00	100.00	-502.00	
	Fees & Other Income	0.00	0.00	0.00	
	Bank interest	30.00	30.00	0.00	
	VAT recoverable	1000.00	1000.00	0.00	
	Miscellaneous	0.00	60.00	60.00	
	<b>TOTAL</b>	<b>28667.00</b>	<b>27748.00</b>	<b>-919.00</b>	<b>-3%</b>
	<b>SURPLUS /(DEFICIT)</b>	<b>8455.00</b>	<b>5748.00</b>		