

BARTHOMLEY PARISH COUNCIL DRAFT BUDGET PROPOSALS 2019-2020

MEETING: 15 JANUARY 2019

1 INTRODUCTION

The Parish Council is invited to give initial consideration to budget proposals for 2019-2020. Cheshire East Council will require precept requests in January 2019. The Parish Council considered the budget at its November 2018 meeting and can now finalise the details of the budget at the January 2019 meeting.

Documents enclosed comprise –

- Receipts and Payments Statement for the period 1 April - 31 December 2018
- Schedule showing
 - Budget monitoring for the current financial year to 31 December 2018
 - Variation between budget for 2018-2019 and expected spend;
 - Draft budget proposals for 2019-2020

2 DECISIONS REQUIRED

At its January 2019 meeting, the Parish Council will be asked to RESOLVE –

- (a) That a budget of **£6,454.00** for 2019-20 be approved; and
- (b) That the Clerk be authorised to request precept of **£3,000** from Cheshire East Council;

3 BUDGETING APPROACH

The preparation of an annual budget is one of the key statutory tasks to be undertaken by a Parish Council, irrespective of its size. The budget has three main purposes:

- (a) So that the Parish Council can set the precept for the year (i.e. the amount requested from Cheshire East to fund the shortfall between available funds on 1st April 2019 and the amount required to fund the budget proposals for 2019-20);
- (b) Subject to the Financial Regulations, to give the Clerk overall authority to make spending commitments in accordance with the plans approved by Members; and
- (c) To provide a basis for monitoring progress during the 2019-20 year by comparing actual spending against planned spending

The budget is essential and Members should understand how it is put together and how it should be used in the operation of the Council. At its simplest, the budget compares what the Council would like to spend in the forthcoming year, with the amount of income expected, with the excess of planned spending over income being made up by the precept.

Review of the current year budget and spending

The budget process starts by examining the current year figures with the three main purposes: -

- To identify activities which are being carried out this year and will also be carried out in the next year and therefore, need to be budgeted for again;
- To identify items which feature in the current year but will not feature next year and there is, therefore, no need for a budget; and
- To identify items, such as new schemes, which are not an activity in the current year but should be added to next year's budget

All of the above is “incremental budgeting” as it builds on the decisions which the Parish Council has taken in the past. An alternative approach to incremental budgeting is zero-based budgeting which is a “clean sheet” approach and is not constrained by what has happened in previous years. This approach to budgeting encourages

4 BUDGET PROPOSALS – 2019-2020

The draft budget proposals for 2019-20 amount to **£6,454.00** and will require a precept of **£3,000**.

The budget proposals include the following: -

- Proposed increase in the amount budgeted for the Parish Clerk's salary from £1,310.00 in 2018-10 to £2,052.00. This reflects the national pay awards for 2018 and 2019 and also takes into account a review of the Clerk's existing grade;
- To counteract the above, the amount budgeted for Clerk's expenses has been reduced to £0.00 (from £100.00 in 2018-19);
- The amounts budgeted for internal and external audit in 2019-20 are now £0.00 (from £50.00 for each in 2018-19). This reflects the move to a different audit regime for smaller councils; and
- An amount has been budgeted, as per the decision at the November 2018 meeting of the Parish Council, to support the development of a 'village day' in Barthomley during 2019. This amount is listed under 'miscellaneous' and is set at £500.00

The tax base for 2019-20 will be 95.48 – meaning that a Band D property will pay £31.42 in 2019-20.

Listed below are the precept requests for the last five years.

Precepts requested in previous years are:

2014-2015	£2,000
2015-2016	£2,000
2016-2017	£2,000
2017-2018	£3,000
2018-2019	£3,000

5 CALCULATION OF PRECEPT

The precept is calculated as follows and has been included on the detailed schedule attached to this report

	£
Forward year budget proposals (includes unallocated reserves of £500)	£6454.00
<u>LESS</u> Balance available on 1 April 2019	£2,974.00
<u>Precept required = £3,000.00</u>	

Mark Bailey
Clerk
11 January 2019