

GLAPTHORN PARISH COUNCIL

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Budget Report for 2016-17 Rev 1

The text below refers to the two spreadsheets entitled 'Budget for Precept – 01 April 2016 – 31 March 2017' and '5 Year Plan' – pages 4 and 5. It is recommended the Precept for 2015-16 remains at £7,800.

1. S137 payments - Section 137 of the Local Government Act 1972 enables Parish Councils to spend a sum, per elector, on activities or projects not specifically authorised by other powers. The S137 rate for 2015-16 is £7.36 per elector. As at December 2014 there were 230 electors, therefore the limit for Glapthorn Parish Council for the period 2015-16 is £1,692.80. However, the allocation of this fund is not mandatory and should only be given if the money is available. There is no precedent for S137 payments in Glapthorn; consequently there is no provision in this budget for either. (This may vary when the December 2015 electoral register is published).
2. Clerk's Salary - The Clerk's salary and terms of employment were radically reviewed after Cyril Jones retired. Subsequently the hours of work were revised from 13 to 17 hours a month from 1st April 2015. The Clerk's salary is presently based on current Spinal Column Point (SCP) 17 (£9.03/hr). For a small council such as Glapthorn, this is deemed by NCALC and other bodies, as satisfactory for a trainee or less competent Clerk. NCALC advice says it would be appropriate to award a salary based on SCP 20 (£9.90). This budget plans for incremental increases from SCP 17 to 20 over four years. However, this is coupled with an increase in working hours for the Clerk from 17 to 20 hours per month to cater for the extra time required to administer the website, which is now a statutory requirement under the new 'Transparency Code'.
3. Expenses – No change.
4. Pension - Parish and town councils will shortly be required to offer pensions to certain staff. For Glapthorn this will apply from 2017-18. The minimum employer's contribution for opted-in employees is 1% of gross salary.
5. Admin/Stationery – This is primarily for the trading account at Colemans. No change.
6. Village Hall rent – Same as 2015-16.
7. Insurance – No change expected.
8. NCALC & SLCC membership fees – Membership of the Northamptonshire County Association of Local Councils (NCALC) and the Society of Local Council Clerks (SLCC) provides significant benefits to Glapthorn. Examples of the benefits include, model

policy docs, a member enquiry service, legal service, HR advice, financial advice and training. Both organisations provide information and interpretation on new legislation in a timely manner, send out regular briefings. NCALC manage a panel of internal auditors. SLCC offers a county based branch network providing local support and resources, with the opportunity to network and meet other professionals, as well as a wealth of advice notes.

9. Lighting – In May 2015 E.on increased their charges for unmetered supply by 50%. After many months of research and consultation I am satisfied there is not a better alternative therefore I recommend we continue with E.on on a non-contract basis and review from time to time.
10. Audit – In 2015-16, unusually the council had to pay an External Audit fee because the funds for the new noticeboard, albeit a grant, passed through our books. This meant the council failed to qualify for a free service. In 2016-17 there should be no such fee; only the charge for the Internal Auditor.
11. Website – The website domain name and hosting fees are paid annually and no significant change is envisaged. However, there will be a new annual charge for technical support of the new website software. The cost of year one, 2015-16, is expected to be covered by a grant, decision pending.
12. NVN delivery – This initiative, introduced during 2014-15 will continue at the same cost. No change.
13. Grit/salt for bins – The Parish Council has a responsibility for the two red bins on Main Street and therefore a provision has been made in the budget for the purchase of road salt/grit.
14. Training – This nominal sum has been reduced by £50; the money allows for Clerk and/or Councillor training.
15. Election – There are no known elections in 2016-17.
16. Contingency Sum – Set at 5% of the total budget, excluding the drainage loan (see below).
17. Drainage Loan - In March 2007 the Glapthorn Parish Council was advanced a loan by East Northamptonshire Council for a Drainage Improvement Scheme. The loan value was £31,486.00 and is to be repaid, interest free, over a ten year period. The final payment will be 31st March 2017.

18. Allocated reserve –

- a. Lighting replacements – In Glapthorn mercury street lamps, a common lamp in use since the 1950's, remain in use. Under an EU directive the sale of this type of lamp will be banned in 2015. The replacement of the lamps will be the responsibility of the parish and this will be a substantial expense. I am therefore recommending that once the drainage loan has been repaid in 2017, the Parish Council do not reduce the precept but continue at the same level (subject to other budget constraints) in order to provide the new street lights. (It should be noted that modern street lighting, of the LED type for example, will lead to decreased energy costs (>50%) and zero maintenance bills). With a target project cost of £9,750 I have proposed NOT to add to the reserve this year.
- b. Temporary Employee – In 2012 the Parish Council was placed in a situation of requiring an Acting Clerk (twice). Fortunately a Parish Councillor was willing and able to take on the role but if this ever happened again the Parish may not be so fortunate. With this in mind a sum has been allocated to the reserve to cover the cost of employing a 'temporary clerk', to cover whilst the members set about recruiting a full-time replacement.
- c. Maintenance Fund – A provisional sum in case of need.

19. Unallocated Reserve – In the opinion of BDO Stoy Hayward LLP, the External Auditor appointed by Central Government, Parish Council reserves should not be more than twice the precept, unless the Council is saving for something in particular. However, a Parish Council should hold sufficient reserves to cover unforeseen expenditure. To this end I recommend a sum, equal to approximately two thirds of the annual budget, remains unallocated.

20. 5 Year Plan – The 5 year plans takes the council past the next election year in 2019-20 and under the headings above most sums are marginally increased, to cater for inflation. The replacement lighting target should be reached by the spring of 2019. Thereafter the council may review the precept in line with any further likely projects. Consequently, there is every possibility that the precept could be reduced in 2020-21.

Alan Tresadern
Clerk to the Parish Council

BUDGET FOR PRECEPT - 01 APRIL 2016 - 31 MARCH 2017			
21/01/2016 00:19	2015-16	2016-17	Notes
	Actual	Estimate	
S137 payments	0.00	0.00	2014-15 rate is £7.20 per elector. Electorate is 231. Equals £1,663.20
Clerk's salary (gross)	1,995.97	2,395.00	Review 2016-17. Increased hours for website management and increased pay band.
Expenses	300.00	300.00	
Pension provision from 1 April 2017	0.00	0.00	
Colemans Admin/stationery	100.00	100.00	
Village Hall Rent	100.00	100.00	
Insurance	340.08	350.00	Assumes a 2.5% increase.
NCALC & SLCC membership fees	297.08	300.00	
Lighting (power)	580.00	675.00	Increased by E.on May 2015. Now £165/qtr. Assumes further 2% increase
Lighting (Maintenance)	174.24	180.00	Assumes a 2.5% increase.
Audit	275.00	282.00	Assumes a 2.5% increase.
Website hosting	97.67	100.00	Includes website domain name, hosting and SMTP access for email.
Website support	0.00	125.00	Technical support for website software
NVN delivery	288.00	288.00	£23.84/month
Grit/salt for bins	0.00	50.00	
Training	150.00	100.00	Nominal sum for Councillor's and Clerk's training
ENC Election	69.42	0.00	
Dog litter bin cleansing	0.00	50.00	New charge for extra dog litter bin installed at footpath MZ6 by Village Hall
Other	181.18	0.00	
Sub Total	4,948.64	5,395.00	
Contingency	494.86	269.75	Now 5%. Was 10%.
Drainage Loan payment	3,149.00	3,149.00	This will be paid in March 2017 and will be the final payment.
Total	8,592.50	8,813.75	
Opening balance	13,633.46	8,818.29	
Income - VAT refund	177.33	824.00	Estimated includes VAT on notice board
Other income	0.00	0.00	
Precept	7,800.00	7,800.00	No change.
Total funds	21,610.79	17,442.29	
Budgeted Expenditure	8,592.50	8,813.75	
Other expenditure (Notice Board)	4,200.00		
Other expenditure	0.00		
Estimated year end balance (Total Reserve)	8,818.29	8,628.54	
Reserve allocations			
Reserve Lighting replacement	3,750.00	3,750.00	Planned savings for a total lamp replacement 2018/19.
Contingency sum for temporary clerk(2015-16 only)	750.00	0.00	
Maintenance Fund	800.00	1,650.00	Any unscheduled maintenance. E.G.drains, street lights, general maintenance
Total allocated to reserve	5,300.00	5,400.00	
Unallocated reserve	3,518.29	3,228.54	
Percentage of annual costs sub-total above	71%	60%	

GLAPHORN PARISH COUNCIL BUDGET FOR PRECEPT - 5- YEAR PLAN										
	£		£		£		£		£	
	Payments 2015/16	Estimate	Budget 2016/17	Estimate	Budget 2017/18	Estimate	Budget 2018/19	Estimate	Budget 2019/20	Estimate
5137 payments	0	0	0	0	0	0	0	0	0	0
Clerk's salary (gross)	1996	2395	2,483	2,574	2,483	2,574	2,625	2,625	2,678	2,678
Expenses	300	300	308	315	308	315	323	323	331	331
Pension Provision	0	0	25	26	25	26	26	26	27	27
Colemans Admin/stationery	100	100	103	103	103	105	108	108	110	110
Village Hall Rent	100	100	103	105	103	105	108	108	110	110
Insurance	340	350	359	368	359	368	377	377	386	386
NCALC & SLCC membership fees	297	300	308	315	308	315	323	323	331	331
Lighting (power)	580	675	692	709	692	709	727	727	745	745
Lighting (Maintenance)	174	180	185	189	185	189	194	194	199	199
Audit	275	282	289	296	289	296	304	304	311	311
Website hosting	98	100	103	105	103	105	108	108	110	110
Website support	288	288	288	295	281	290	301	301	303	303
NVN delivery	0	50	51	53	51	53	54	54	55	55
Grit/salt for bins	150	100	150	150	150	150	150	150	150	150
Training	69	0	0	0	0	0	0	0	0	0
ENC Election	0	50	50	50	50	50	50	50	50	50
Dog litter bin cleansing	181	0	0	0	0	0	0	0	0	0
Other	4949	5395	5629	5794	5629	5794	6020	6020	6051	6051
Sub Total	495	270	281	290	281	290	301	301	303	303
Contingency 5% of annual costs	3149	3149	0	0	0	0	0	0	0	0
Drainage Loan payment	8593	8814	5911	6084	5911	6084	6321	6321	6353	6353
Total										
	2014/15	2015/16	2017/18	2018/19	2019/20	2019/20	2019/20	2019/20	2019/20	2019/20
Opening balance	13633	8818	8,629	10,598	12,394	12,394	13,953	13,953	13,953	13,953
Income - VAT refund	177	824	80	80	80	80	80	80	80	80
Other income	0	0	0	0	0	0	0	0	0	0
Precept	7800	7800	7,800	7,800	7,800	7,800	7,800	7,800	7,800	7,800
Total funds	21611	17442	16,509	18,478	20,274	20,274	21,833	21,833	21,833	21,833
Budgeted Expenditure	8593	8814	5,911	6,084	6,321	6,321	6,353	6,353	6,353	6,353
Street Lighting project - self funding	0	0	0	0	0	0	0	0	0	0
Other expenditure	4200	0	0	0	0	0	0	0	0	0
Other expenditure	0	0	0	0	0	0	0	0	0	0
Estimated year end balance (Reserve)	8818	8629	10,598	12,394	13,953	13,953	15,480	15,480	15,480	15,480
Reserve allocations at 1st April										
Reserve Lighting replacement - self funding	3750	3750	5,500	7,250	8,750	8,750	8,750	8,750	8,750	8,750
Contingency sum for temporary Clerk (up to 2015 only)	750	0	0	0	0	0	0	0	0	0
Maintenance fund	800	1650	1,750	1,750	1,750	1,750	1,750	1,750	2,000	2,000
Total allocated to reserve	5300	5400	7,250	9,000	10,500	10,500	10,500	10,500	12,000	12,000
Unallocated reserve	3518	3229	3,348	3,394	3,453	3,453	3,480	3,480	3,480	3,480
Percentage of annual costs sub-total above	71%	60%	59%	59%	57%	57%	58%	58%	58%	58%