



# East Dean & Friston P a r i s h C o u n c i l

**Date:** 22<sup>nd</sup> January 2019

**Title:** Report Item 3 – Medium Term Financial Plan 2019/20 to 2021/22

**By:** Councillor Kevin Godden, Lead Member for Finance  
K Larkin (Parish Clerk)

**Purpose:** To set out the Budget, Capital Programme and Precept for 2019/20

**Recommendation: Members are asked to:**

- a) Approve the Revenue Budget for 2019/20
- b) Approve the Capital Programme for 2019/20
- c) Approve the Precept for 2019/20
- d) Note the financial impact on subsequent years

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## Introduction

1. The budget has been prepared in accordance with Financial Regulations dated 7<sup>th</sup> June 2018. These regulations provide that in preparation for the budget, the Council will meet to consider the main issues that it wants to address and agree its objectives for the next year and for the medium term.
2. The Council must consider the performance in the current year, identify any problem areas that need to be addressed and any changes that it wants to make during the following financial years.
3. In terms of capital projects, the financial implications need to be considered for those projects approved and are in progress and those which are planned for the forthcoming within the medium term financial plan.
4. Under Financial Regulation 2.4, the Council must consider and approve the detailed budget in the January preceding the commencement of the new financial year., including the resources available to it, including grants and reserves, and set the precept for the next year.
5. Unlike the current year, the inclusion of an item in the budget will grant the approval of that item, unless that item is a capital project when it will be required to be approved by the Council prior to its commencement and the capital project must have approved a clear project plan including cashflows and procurement.

## **Changes in Accounting Arrangements in 2018/19**

6. During the current financial year, the Council has made changes to its accounting function. These changes include:
  - a) Introduction of a new accounting system that includes data analysis functions, reporting tools and bank reconciliation
  - b) Separation for budgetary reporting purposes of capital projects and revenue income and expenditure
  - c) Introduction of a Budget Working Group to make recommendations on the budget for 2019/20 and subsequent years.

## **Budget Working Group (BWG)**

7. On the 16th October 2018, the Council approved the development of a Budget Working Group, consisting of all Members to make recommendations for the budget for 2019/20.
8. A key differentiator for 2019/20 budget setting is that the Council will obtain the General Powers of Competence which provides the opportunity for the Council to reconsider its vision, priorities and direction of travel for the next three years.
9. On this basis, this BWG have taken the opportunity to undertake a review of the current revenue budget, taking into account current performance, statutory functions, contractual commitments, areas of service growth, budgets that may no longer be required and capital investment commitments and plans.

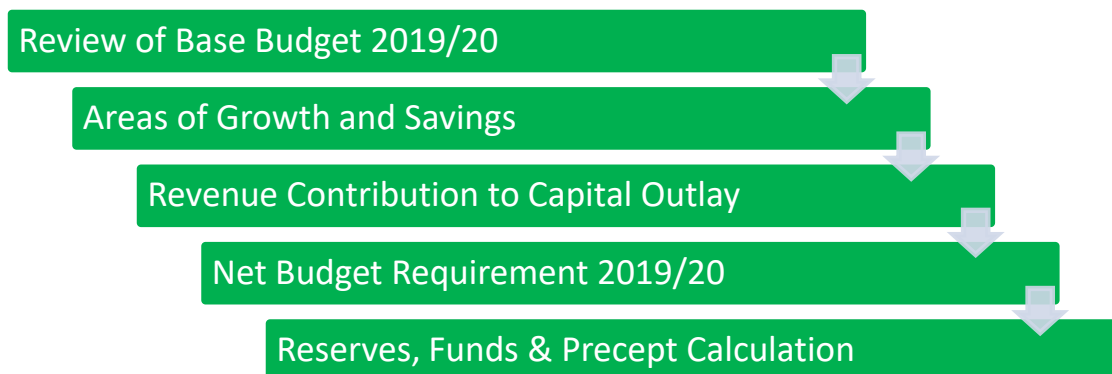
## **General Powers of Competence**

10. The General Power of Competence (GPC) was introduced by the Localism Act 2011 and took effect in February 2012. It gives the Council the power to do anything an individual can do provided it is not prohibited by other legislation. The GPC replaces the wellbeing powers that were provided under the Local Government Act 2000.
11. The scope and some limitations of the GPC are set out in sections 1 to 6 of the Localism Act 2011. In summary, the GPC enables the Council to do things an individual may generally do, anywhere in the UK or elsewhere for a commercial purpose or otherwise, for a charge or without a charge, without the need to demonstrate that it will benefit the Council, its area or persons resident or present in its area.
12. For the Council to be eligible to hold the GPC, at least two thirds of its Members must be elected, which will be achieved in the May 2019 elections.

## Budget Setting for 2019/20

13. In setting the three year financial plan, the Council has used the following process model which is set out in Figure 1 below.

**Figure 1 – Budget Setting Process**



### Review of Base Budget 2019/20

14. A detailed review has been undertaken on a budget by budget basis of the current year income and expenditure. The outcome of this review is set out in the budget forecasts included at Appendix 1 to this report. The budgets included are shown net of VAT.
15. Set out below is the supporting information, explanation and justification of the key income and expenditure budgets that have been included within the medium terms financial plan.

#### a) Statutory Services

16. A list of statutory services for a Parish Council are set out in Appendix 2 to this report. A review of the current budget provides a list of areas of expenditure that the Council incurs each year are listed in the table below.

**Table 1 – List of Council Statutory Services**

Account Code	Account Type	Projected Outturn 2018/19	Original Budget 2019/20	Forecast Budget 2020/21	Forecast Budget 2021/22
100 - Clerk's salary	Statutory	14,635	13,511	12,094	12,094
101 - Employer's NICS	Statutory	760	544	212	212
200 - Insurances	Statutory	1,219	1,341	1,341	1,341
201 - Audit fees	Statutory	417	500	500	500
202 - Village Hall rent	Statutory	375	1,080	1,080	1,080
205 - Election expenses	Statutory	0	750	0	0
300 - Councillors course fees	Statutory	375	375	375	375
301 - Chair's expenses	Statutory	100	281	281	281
302 - Councillors expenses	Statutory	300	1,304	1,304	1,304
652 - Public Relations/Services	Statutory	554	582	582	582
653 - PC Website	Statutory	925	925	925	925

17. The budget includes a 2% provision for a pay award next year and this has impacted on the Employers National Insurance contribution. We have included savings from a reduction in hours of the Parish Clerk which we have assumed for budgeting purposes will commence in October 2019 and is linked to new clerical support that will be in place in February 2019 and will be trained and settled within 6 months or starting with the Council.
18. In 2018/19, the Council were successful in testing the market for its insurances which managed to reduce insurance costs by circa £400 a year but we have prudently increased our budget provision by 10% for general increases in this market for 2019/20. Audit fees have been set at the same level as the current year.
19. The village hall rent cost is set as the current cost but we have included rent for our future meetings as required by the Village Hall Trust.
20. Election expenses have been included to cater for the May 2019 elections but are removed for the forecast years.
21. Councillor training courses have been set at the same level as the current year.
22. The budget for the cost of the Annual Village meeting and Annual Report are included in the budget this year under Public Relations/Services.
23. The cost of the website and email system is estimated to cost £925 per annum.

### ***b) Contracted Commitments***

These areas of expenditure are subject to contractual commitments. A summary of these are set out in the table below.

**Table 2 – Contracting Commitments**

Account Code	Account Type	Projected Outturn 2018/19	Original Budget 2019/20	Forecast Budget 2020/21	Forecast Budget 2021/22
102 - Clerical support	Contract	391	2,540	2,591	2,591
103 - Travel expenses	Contract	553	1,489	1,489	1,489
104 - Office phone/broadband/power	Contract	270	466	466	466
107 - Post/stationery/officeprint	Contract	130	490	490	490
504 - Fire extinguisher mtce	Contract	100	102	102	102
505 - Utilities	Contract	638	525	525	525
600 - PC owned land - Friston Green	Contract	717	1,178	1,178	1,178
601 - Recreation and Sports Ground and Play Area	Contract	0	1,714	1,714	1,714
658 - Dog/litter bins	Contract	775	2,118	1,418	1,418

24. The main cost is the new clerical support to the Council which will commence at 1<sup>st</sup> February 2019. The role covers 5 hours per week initially and will be part funded from a reduction in hours provided by the Parish Clerk. Although no dates have been finalised, we have assumed for budgeting purposes that this will take affect on 1<sup>st</sup> October 2019, once the clerical support is trained and settled in to the role. These

savings are reflected in the travel expenses and office phone etc budget above. The savings in the Parish Clerk costs are shown within the Statutory Duty budgets shown earlier in this report.

25. Following the approval of the Neighbourhood Plan in 2018/19, the new clerical role will cover the support needed to the delivery of the Plan for the Council.
26. Most of the other contracted expenditure has been rounded up from the projected outturn position in 2018/19. We have reduced the utility costs compared to the previous year as in this current year the contractor used our utilities from the Pavilion. Given this was a one off cost, we have taken the original budget 2018/19 of £500 and applied 5% inflation.
27. A comprehensive review has been undertaken of the mowing contract and the budget reallocated to provide clarity for Members and taxpayers in this area expenditure identifying costs for PC owned land, verges, the recreation ground, private land and extras. We have also included 5% for inflation to this contract. For clarification we have set out the details of the mowing costs in the budget below.

**Table 3 – Village Mowing Costs**

Accounting Code	Area	Total Payments in 2018/19	Total Payments in 2019/20	Notes
600 - PC Owned Land	Friston Pond	408	428	Parish Council land
600 - PC Owned Land	Footpaths (9)	510	536	Highways Authority but Council also undertakes works within this budget
600 - PC Owned Land	Downlands Precinct	204	214	This is PC land, but not road on far side from shops
601 - Recreation Ground	Recreation Ground	1,632	1,714	Parish Council land
602 - Private Land	East Dean Green	612	643	Private owned land by Gilbert Estate
602 - Private Land	Greensward	1,734	1,821	Private owned land but company Dormant
603 - Verges	Lower Street	62	65	Grass banks - nobody claims ownership of these
603 - Verges	Micheldene Road	50	53	Grassed strip behind Downlands Way Shops 150m long - limbo land
603 - Verges	Verges	1,422	1,493	Contribution from ESCC was £341 in 19/20
603 - Verges	The Fridays	510	536	0
604 - Extras	Cricket Club	240	252	4 x £60 per Cut but Club donated materials and labour to cover liability
<b>Totals</b>		<b>7,384</b>	<b>7,753</b>	

28. It may be noted that the Council is currently incurring expenditure on private land which has an opportunity cost to the Council of circa £2,464 per annum. It is noted that:
  - the Greensward is owned by East Dean Greensward Limited but this company is dormant and has no assets or revenue transactions.
  - the Green in East Dean is owned by the Gilbert Estate but historically the Council appears to have paid for grass cutting.

29. In light of ESCC cuts, this service will be kept under review.
30. The Council intends to continue and extend its successful bin purchases in East Dean to Friston to meet the demands placed upon the Village from tourism. The Council will procure two additional litter bins in 2019/20 at £350 each plus £225 per annum for each bin to be collected by Wealden District Council.
31. We have also applied 5% inflation to the current cost of dog and litter bin costs, including the collection of the new bin we purchased in 2018/19.

**c) Base Services**

32. Details of the services provided which form the base level of service, excluding the statutory functions and contractual commitments are set out below.

**Table 4 – Base Services Budgets**

Account Code	Account Type	Projected Outturn 2018/19	Original Budget 2019/20	Forecast Budget 2020/21	Forecast Budget 2021/22
105 - Office equipment	Base	600	200	200	200
203 - Subscriptions	Base	622	635	635	635
204 - Other fees/clerk's training	Base	500	500	500	500
502 - Cleaning Services	Base	526	550	550	550
503 - Winterisation	Base	40	100	100	100
528 - Tennis court equipment	Base	500	0	0	0
553 - Downlands Way Mtce	Base	500	200	200	200
555 - Bus shelters- cleaning, mtce	Base	1,226	600	600	600
557 - Minor asset replacement	Base	50	50	50	50
558 - Other/provision/project - new bins	Base	350	0	0	0
602 - Private - Greensward and East Dean Green	Base	587	2,463	2,463	2,463
603 - Verges (incl Fridays)	Base	2,174	1,788	1,788	1,788
604 - Extras	Base	800	0	0	0
650 - Donations	Base	2,302	2,000	2,000	2,000
651 - Commercial printing	Base	190	200	200	200
654 - Cuckmere Bus	Base	3,249	2,800	2,800	2,800
655 - Tree Maintenance	Base	500	250	250	250
656 - Village Events	Base	416	350	350	350
659 - Footpath Maintenance	Base	410	0	0	0
660 - Path & Highway Signs	Base	485	0	0	0
661 - General ROW Maintenance	Base	750	1,000	1,000	1,000
662 - Other	Base	200	100	100	100

33. In terms of office equipment, this includes replacement ink cartridges, replacement IT hardware and software for the Parish Clerk. In the current year the budget of £600 has been earmarked for the new administrative assistant post which was requested to be considered by Budget Working Group by Council in October 2018 and recently advertised.
34. We have also prudently included £200 per annum to support the Parish Clerks requirements (ink, laptop provision etc) during each of the financial years within the MTFP period.

35. We have continued to budget for subscriptions including East Sussex Association of Local Authorities, National Association of Local Council's and our Data Registration with the Information Commissioners Office.
36. We have continued to budget at the same levels for training, bus shelter cleaning, commercial printing and cleaning systems.
37. We have included £100 provision for the hanging baskets in the village during the summer months.
38. Set out below are some background information relating to some of the larger budgets to aid clarity for Members and taxpayers.
- **Private Mowing Costs** – the large change in budgets against the current 2018-19 year budgets result from the review of the mowing contract and the allocation of budgets to provide clarity on expenditure for Members and taxpayers.
  - **Verges** – the change in costs results from the review of the mowing contract and the allocation of budgets to provide clarity on expenditure for Members and taxpayers. There is a verge that has been identified at the junction of the A259 and Downs View Lane and the lane itself that may require cutting and is not currently in the mowing contract. The land is currently owned by Eastbourne Council, but they have stated that this will not be cut in future. The Council will keep the impact of this under review.
  - **Donations** – the level of donations in the current year 2018/19 was approved at £2,000 although the projected outturn includes the proceeds from the village fete (£381.72) which was included in the payment to the Council's awarded charity for 2018/19 alongside its agreed donation below. This year grant allocations were awarded to the following organisations:
    - Bowling Club (£600)
    - Hedgehog Street (£50)
    - Parish Magazine (£250)
    - Table Tennis Club (£100)
    - RNLI - Council Charity 2018/19 (£500)
    - Churchyard Maintenance (£400)
    - Community Watch (£100)

The Council has agreed to increase the donations scheme in 2019/20 and for the following two years by £1,000 per annum.

- **Cuckmere Bus** – the previous forecast set as part of the 2018/19 budget process approved in January 2018 was for £2,800 per annum and this budget has been maintained over the term of the Council's MTFP.

Historically, the Council has underwritten the cost of providing the weekly bus service at £80 per week, which is reduced by those users that pay (£3.20 per

journey), and the income leveraged from ESCC Concessionary Bus Pass Scheme (£2.40 per journey)

In the quarter ending 31<sup>st</sup> December 2018 there were 158 journeys, the equivalent of potentially 7 return journeys a week. These are all concessions, so the Parish Council receives the benefit of the concessionary bus pass funding from ESCC resulting in a subsidy of £50 per week. The second bus service which has been introduced the CBC may have impacted on the Council supported bus service (Tuesday).

It is the intention of the Council to keep under review its level of support and the opportunity cost of these resources against the backdrop of current demand for the service from the Villages. The Council is keen to encourage more use of this service in order to reduce the subsidy payable by the Council.

- **Rights of Way Maintenance** – we have included an increased provision from an estimated outturn in the current year of £750 to £1,000 to also take into account footpath maintenance.

#### **d) Budget Reductions**

Following a detailed review of the overall budget, the Council has removed budgets from the following areas in order to reinvest these in other priorities or service growth areas:

**Table 5 – Budget Reductions**

Area	Description
Tennis Court equipment	Replacement nets etc are likely to be a capital project rather than day to day expenditure and should be considered as part of new capital schemes.
Minor Asset Replacement	All maintenance of Council assets should be allocated a specified identifiable budget and any additional expenditure on asset maintenance that exceed these budgets must be approved by Council in accordance with Standing Orders and Financial Regulations.
"Extras"	This relates to the mowing contract where we incurred additional grass cutting for the cricket club this year on our recreation ground and which was funded from maintenance and refurbishment costs incurred directly by the Cricket Club. Any further extra cuts will be passed on to the user in 2019/20 and subsequent years or negotiated as a barter transaction with the cricket club.
Footpath Maintenance	In the current year Footpath 8 and 25 incurred maintenance. Budget provision for footpath maintenance is accounted for under Account 661 - General Rights of Way Maintenance based upon current levels of expenditure.



Area	Description
Path and Highway Signage	These are the responsibility of East Sussex County Council. However, the highways finger boards are not compliant with current standards and therefore these are maintained by the Council. There are no plans for any further levels of expenditure in the MTFP.

### **e) Asset Maintenance**

The maintenance of the Council's assets is important to ensure that each asset can achieve its projected economic life, ensure that it remains fit for purpose and is safe to use. The table below sets out details of our maintenance provisions over the MTFP.

**Table 6 – Asset Maintenance Budgets**

Account Code	Account Type	Projected Outturn 2018/19	Original Budget 2019/20	Forecast Budget 2020/21	Forecast Budget 2021/22
500 - Pavilion - refurb	Council Asset	0	0	0	0
501 - Pavilion - general mtce	Council Asset	879	500	500	500
525 - General Mtce	Council Asset	500	500	500	500
526 - ROSPA inspection	Council Asset	88	100	100	100
527 - Safety Surface	Council Asset	0	0	0	0
550 - War Memorial	Council Asset	100	100	100	100
551 - Other Village green assets	Council Asset	200	0	0	0
552 - Public seats	Council Asset	515	200	200	200
554 - Friston Pond Mtce	Council Asset	500	1,000	0	0
556 - Notice Boards	Council Asset	100	100	100	100

39. No provision has been made in the base budget for the refurbishment of the Pavilion as any works of this nature would now be classified as a capital project and this capital expenditure needs to be considered under the Financial Regulations relating to the reporting and approval of such projects. We have approved a capital scheme for the refurbishment of the pavilion in 2019/20.
40. General provision for day to day maintenance has been set at £500 per annum which will support any new refurbishment programme for the pavilion. The increased cost in the current year relates to the plumbing works of the pavilion and electrical testing.
41. We have kept a general maintenance provision of £500 per annum and marginally increased the play area (ROSPA) annual safety inspection to £100 per annum. The maintenance of the war memorial general repairs and cleaning and the maintenance and provision of village notice boards at £100 respectively.
42. The "Other Village Green assets" budget relate to the maintenance of the flag pole. We do not see any need to set aside any budget provision in the MTFP for this cost centre.

43. In terms of public seats, we removed a seat in 2018/19 but again, similar to the flag pole, we do not anticipate the need for specific budget requirement over the MTFP. The Council will in future, when considering the acceptance of a wooden bench for the Villages, request a small provision of £300 to be held in order to contribute towards the future maintenance of the assets in perpetuity.
44. We have included a budget of £500 for the clearance of Friston Pond in 2019/20 although there was a similar provision in 2018/19 but has not been used.

**f) Income**

45. The Council receive income from several sources, including rent from the Pavilion, contribution to mowing costs by East Sussex County Council, bank interest, VAT refunds and rent from the Village Hall. The table below sets out a summary of the income that is projected to be received for each year.

**Table 7 – Income Projections**

Account Code	Account Type	Projected Outturn 2018/19	Original Budget 2019/20	Forecast Budget 2020/21	Forecast Budget 2021/22
901 - Support grant	Income	-198	-78	0	0
902 - Pavilion hires	Income	-163	-180	-180	-180
903 - ESCC verge cutting	Income	-1,500	-341	-341	-341
904 - Downlands Way Mtce	Income	0	0	0	0
905 - Village Hall rent	Income	-375	-375	-375	-375
906 - Bonfire	Income	0	0	0	0
907 - Grants	Income	0	0	0	0
908 - Other	Income	-475	0	0	0
909 - Bank Interest	Income	-28	-50	-50	-50
910 - VAT on receipts/reclaims	Income	-8,982	-6,700	-4,700	-4,700
702 - Refunds of VAT	Income	-864	0	0	0

46. In terms of the rent from the Pavilion, we have prudently estimated that we will hire the pavilion on average 12 times per annum at a discounted rate. Bank interest is negligible but at circa £2.50p per month and we receive rent from the Village Hall Trust of £375 per annum to allow the Council to discharge its responsibilities under the head lease to the freeholder Wealden District Council.
47. The Council carries out mowing services for the Council and on behalf of the County Council, but they have reduced the number of cuts required, and therefore their contribution has reduced from £1,500 per annum to £341 in the financial year 2019/20.
48. Other income includes a small amount of Revenue Support Grant from the Government in 2019/20 of £98 and this will be the final year of this support to the Council.
49. In terms of VAT repayments, there are special rules that apply to a Parish Council in that it may claim VAT on expenses relating to their exempt activities as well as

the recovery of VAT on taxable supplies or services. However, HMRC limit the recovery of VAT the Council can claim relating to expenses relating to exempt activities to £7,500 in any one financial year. All budgets are shown net of VAT.

### Growth Approved

50. The Council has approved a number of capital and revenue budgets to reflect the likely commitments as required by Financial Regulations and opportunities to enhance the services for the village. The level of approved growth budgets has been included within the Net Budget Requirement 2019/20 which impacts on the use of cash reserves and the precept calculation.
51. A summary of these approvals are included in Appendix 3 and the detailed financial implications of the Neighbourhood Plan proposal is included in Appendix 5 to this report.

### Revenue Contribution to Capital Outlay (RCCO)

52. One of the key changes to the budget reporting in this current year have been to differentiate between day to day operating income and costs (revenue) and capital projects (where the benefit of the expenditure extends beyond a financial year).
53. In order to calculate the impact on the net budget requirement, it is necessary to consider any revenue contribution to capital expenditure (capital costs after taking into account external grants, contributions and debt costs). To do this, it is necessary to consider the capital project commitments and new capital projects for the MTFP.
54. On this basis, the Capital Programme funded by RCCO is shown in the table below. This excludes the capital projects shown under Growth Items in this report.

**Table 8 - Revenue Contribution to Capital Outlay**

Cost Centre	Account Code	Account Type	Original Budget 2019/20	Original Budget 2020/21	Original Budget 2021/22
ED - Major Projects	400 - War Memorial	Capital	2,500	0	0
ED - Major Projects	403 - Friston Build-out	Capital	12,000		
	<b>Total Major Projects Expenditure</b>		<b>14,500</b>	<b>0</b>	<b>0</b>
	Capital Grants		-6,000		
	Other Funding				
	<b>Revenue Contribution to Capital Outlay</b>		<b>8,500</b>	<b>0</b>	<b>0</b>

55. **Project 400 – War Memorial scheme** - is estimated to cost £2,500 and was planned to be undertaken in 2018/19 but has now been deferred to 2019/20 but will be subject to a final business case before final approval in accordance with Financial Regulations.

56. **Project 403 – Friston Build Out** - the capital grant is from ESCC to support the project which was approved in November 2019. The value of this works and the ESCC capital grant has been estimated, and the value and terms of the grant needs to be confirmed. This project has been included in the Capital MTFP but is subject to a business case prior to approval by the Council.

### Net Cost of Services 2019/20

57. The Net Cost of Services including the Revenue Contribution to Capital Outlay (RCCO) includes all statutory costs, contracted costs, base services and inflation but excludes the agreed growth items. Following a review of the previous performance, adjusting for growth, budget reductions and capital projects the Net Budget Requirement for 2019/20 is shown in the table below.

**Table 9 – Net Cost of Service before Growth**

All £	Original Budget 2018/19	Original Budget 2019/20	Original Budget 2020/21	Original Budget 2021/22
Statutory	19,085	21,193	18,694	18,694
Contract	4,950	10,621	9,972	9,972
Council Asset	3,100	2,500	1,500	1,500
Base	18,345	13,786	13,786	13,786
Income	-3,073	-7,724	-5,646	-5,646
<b>Net Revenue Budget</b>	<b>42,407</b>	<b>40,376</b>	<b>38,307</b>	<b>38,307</b>
Capital	25,095	8,500	0	0
Net Cost of Services	67,502	48,876	38,307	38,307
Inflation	0	1,320	1,034	1,034
<b>Net Cost of Services (Indexed)</b>	<b>67,502</b>	<b>50,196</b>	<b>39,341</b>	<b>39,341</b>

58. The approval of the budgets and capital projects within the agreed Growth Areas set out in Appendix 3 will increase the Net Budget Requirement above.

### Precept Calculation

59. The precept is the made by the Parish Council on the collection fund maintained by Wealden District Council for local council taxpayers' contribution to its services. The Wealden District Council has confirmed our tax base is 1,000 and confirmation is set out in Appendix 4.

**Table 10 – Precept Calculation**

	Original Budget 2018/19	Original Budget 2019/20	Forecast Budget 2020/21	Forecast Budget 2021/22
<b>Precept Calculation</b>				
Net Cost of Services including RCCO	67,502	50,196	39,341	39,341
New Growth Areas	0	27,725	16,825	2,000
Use of Cash Reserves	-9,772	-17,688	4,067	18,892
<b>Net Budget Requirement</b>	<b>57,730</b>	<b>60,233</b>	<b>60,233</b>	<b>60,233</b>
Council Tax Base 2019/20 at Band D	984.80	1,000.00	1,000.00	1,000.00
Council Tax at Band D (Precept)	58.62	60.23	60.23	60.23

60. This represents an increase in Council Tax at 2.7% or £1.61 at Band D equivalent.

### Use of Reserves

61. Given that the level of the Net Budget Requirement level in 2019/20 is similar to that of the Original Budget 2018/19 and the impact of inflation, there is a continued requirement for using cash reserves in the next financial year to balance the budget.

**Table 11 – Cash Reserves**

	Original Budget 2018/19	Original Budget 2019/20	Forecast Budget 2020/21	Forecast Budget 2021/22
<b>Cash Reserves</b>				
Projected Level of Reserves 31 Mar 2019	£43,856			
Use of Reserves		-17,688	4,067	18,892
Net Reserves for Year		£26,168	£30,235	£49,127
Reserves as a % of the Precept		43%	50%	82%

### Summary and Conclusion

62. This budget process has allowed the Council to review line by line its current and forecast budgets in order to prioritise its resources to support new capital projects and revenue budgets that improve services to the residents of the villages.
63. The budget is based upon identifying the opportunity cost of its current spending and to invest in a new Neighbourhood Plan that we anticipate will provide vision, priorities and a mandate for the Council to contribute towards the outcomes identified in the new Plan.
64. Unlike previous years, the budget will provide authorisation to Members to incur expenditure on revenue items that have been approved within this budget and allow the Council to consider only those additional costs that are incurred during

- the year, that were not anticipated or budgeted for. This is classified as "reporting by exception" and will free Council up to look forward rather than backwards.
65. The separation of capital projects will allow improved control on resources and to ensure delivery. Each new capital project will require a business case to be prepared and procured through the provisions of Standing Orders and Financial Regulations.
  66. The Council has approved the contribution to other funding for the relocation of the cricket ground on the recreation ground which the Council owns. Although cognisant of the approval falling outside the budget process for 2019/20 it was recognised that the gearing impact of its investment would provide valuable resources into the village supporting Council assets.
  67. The Council has some exciting plans, including the development of a Neighbourhood Plan, increasing its grant scheme and additional administrative support to the Parish Clerk. However, some projects should also be deferred until the delivery of the Neighbourhood Plan in order that the Council does not fetter the outcome of that plan.

**REPORT END**

**Appendix 1 – Budget and Forecasts 2019/20 to 2021/22**

**[See Attached File]**

## **Appendix 2 – Statutory Services**

- Allotments
- Burial Grounds, Cemeteries, Churchyards and Crematoria
- Bus Shelters
- Bye-laws – the power to make bye-laws concerning: baths and washhouses (swimming pools), cycle parks, mortuaries and pleasure grounds
- Clocks – public clocks can be provided and must be maintained
- Community Centres, Conference Centres, Halls, Public Buildings
- Drainage – of ditches and ponds
- Entertainment and the Arts
- Footpaths
- General Spending – parish councils can spend a limited amount of money on anything they deem of benefit to the community that is not covered by the other specific responsibilities described in this list
- Gifts – parish councils may accept gifts
- Highways – lighting, parking places, right to enter into discussions about new roads and road widening, consent of parish council required for diversion or discontinuation of highway, traffic signs and other notices, tree planting and verge maintenance
- Land – acquisition and sale of
- Legal proceedings – power to prosecute and defend any legal proceedings in the interests of the community, power to take part in any public enquiry
- Litter - provision of litter-bins and support for any anti-litter campaigns
- Planning – parish councils may be notified of any planning applications for the area
- Postal and Telecommunication Facilities – power to pay a public telecommunications operator any loss sustained in providing services in that area
- Public conveniences – provision and maintenance of public toilets
- Recreation – provision of recreation grounds, public walkways, pleasure grounds, open spaces, village greens, gymnasiums, playing fields, holiday camps and boating ponds
- Rights of Way – footpath and bridleway maintenance
- Seats (public)
- Signs – danger signs, place names and bus stops signs
- Tourism – financial contributions to any local tourist organisations allowed
- Traffic Calming
- War Memorials
- Water Supply – power to utilise stream, well or spring water and to provide facilities for general use



### Appendix 3 – Approved Growth Areas (All £)

Area	Narrative	Type	Set Up Costs	Budget 2019/20	Forecast 2020/21	Forecast 2021/22
Churchyards Maintenance	<p>Reinstate the churchyards maintenance grant that was paid each year up to 2013. A sum of £1,000, together with the investment income that the church receives, would meet the anticipated total annual costs of around circa £2,500 per annum.</p> <p>If approved, the Council will seek assurances from the church treasurer that any donation from the Council would be used purely for maintenance of the two churchyards and not for the benefit of the church (this should be verified by inspection of the church accounts at the end of the year).</p>	Revenue Budget	0	1,000	1,000	1,000
Council Grant System	<p>Increase the provision for grant aid to local groups from last year's £2,000 to £3,000.</p> <p>This would provide flexibility in supporting our Sports Clubs who use our land and enabling the Council to make smaller awards to other village groups. Consideration to be given to providing support over a period of time which will allow our Sports Clubs taking out a loan to enable works to their playing facilities to be undertaken immediately.</p>	Revenue Budget	0	1,000	1,000	1,000

Area	Narrative	Type	Set Up Costs	Budget 2019/20	Forecast 2020/21	Forecast 2021/22
Asset Maintenance	The wooden bus shelters are showing some signs of rot and will probably need remedial work at £300 each. South side bus shelter needs a refurbishment at £500 plus VAT.	Capital Budget	0	500	600	0
Recreation Ground	Provide a contribution alongside Wealden District Council, EDF Cricket Club and the Gilbert Estate to relocate the cricket pitch away from the new housing development.	Capital Project	0	5,000	0	0
Recreation Ground	New fencing for the recreation ground	Capital Project	0	1,000	0	0
Neighbourhood Plan	The Council are considering the development of a Neighbourhood Plan for the village which will provide the opportunity to plan for the future and leverage community infrastructure levy contributions from the South Downs National Park Authority.	Capital Project	0	14,225	14,225	0
Refurbishment of the Pavilion	A major refurbishment of the sports pavilion.	Capital Project	0	5,000	0	0
	<b>Totals</b>		<b>0</b>	<b>27,725</b>	<b>16,825</b>	<b>2,000</b>

**Appendix 4 – Tax Base from Wealden District Council**

**[See Attached]**

**Appendix 5 – Financial Implications for Neighbourhood Plan Project**

**[See Attached]**