

## **SOUTH SWINDON PARISH COUNCIL**

**Budget Review – December 2017**

**Finance & Staffing Committee – 23 January 2018**

### **1. Introduction**

The Parish Council is required to undertake a review of the budget at the end of every quarter and this is the report to the end of December 2017.

### **2. Report Details**

**2.1** This report looks at the budget review and the amount income and expenditure within the Precept. Some of the expenditure will not take place in this financial year and 2 new columns have been added to indicate whether this will be an underspend in the budget or whether the underspend will be carried forward into an Earmarked Fund in the next financial year.

**2.2** The reports indicate that from the budgeted income there will be additional income of £13,650 in excess of the budget and less expenditure of £25,600. In total this means that there will be a surplus of £39,250 on budgeted income/ expenditure.

The budget included funds for the renewal of play areas, maintenance of parks and open spaces and maintenance of buildings. All these budgeted amounts will be carried forward into the next financial year and this amounts to £622,250.

**2.3** In respect of income, there is income of £10,268 received from the Parish Councils for the work of the Clerk and an income forecast of £13K. The allotment income will be considerably less that was indicated by Swindon Borough Council and is estimated at a reduction of £11K. The income from Broadgreen was budgeted at £20K, but the income within the budget has been increased by £11,150. The overall income will be increased by £13,650.

For expenditure, the cost of staffing has been reduced as the full complement of staff payroll will not be employed for the whole year. There will be a reduction in administration costs due to insurance being less because the Parish Council has not yet taken on assets, computer costs have been less than budgeted and the rent has been reduced. The expenditure for Broadgreen is budgeted to be in excess of the budgeted figure with an overspend of just over £20K. The overall underspend against the budget will be approximately £25,600.

The reports indicate that there will be a surplus of £39,250 at the end of the financial year based on the current income and expenditure.

The reports also indicate that £583,000 of the budget will be carried over into the next financial year to be placed in funds for such expenditure as the refurbishment of play areas, parks and community centres. The first year of the Parish Council will be different from future years and these funds will be used once the assets are passed to the Parish Council.

**2.4** The Parish Council has also received sums from Swindon Borough Council to allow them to set up as a Parish Council. This included Transitional Funds of £485,374 and a Start up Reserve of £97,075. The Parish Council has agreed start up funds as shown on the Balance Sheet of £150K for Play Areas and Open Space and £250K for buildings. That leaves £32,449 for a General Fund. As this is first year of the operation of the Parish Council the income will be different from future

years. The Transitional will be half the figure next year and there will be no Start up Fund.

The Parish Council has received £72,242 for the Council Tax Support Grant, but this amount will be reducing and will eventually stop. There has also been CIL receipts of £66,650, but these funds have to be set aside and used for the benefit of the parish.

With these additional sources of income identified the Parish Council has received £721,341, but it has to be borne in mind that £550K been already been earmarked. The amount in the General Fund and not allocated amounts to £104,691 and this will increase by £39,250 at the end of the year to £143,941.

### **3. Recommendations**

- 3.1** That the budget report be noted.