



MELTON PARISH COUNCIL

Chairman: Councillor GK Butterwick

MPC(08)P30.01

Budget Proposals for 2008/9 for Melton Parish Council

The attached tables show comparisons between the budget for 2006-2007, the current year 2007-2008 and that proposed for next year 2008-2009. Actual figures to 31st December 2007 have been used to predict the Outturn for the year end 2007-2008. They also show the impact of the proposed budget on reserve levels.

Income: Income from council's own resources for 2007/2008 has been based on previous year's income with a modest increase to arrive at the predicted outturn figure. The income from hire of the tennis courts continues at a low level due in the main to the change in the agency arrangements for handling the hire and the current state of the playing surface. The interest budgeted for 2008/2009 is reduced to reflect the reduction in reserves.

Expenditure: The following points of clarification should be noted:

- Salaries reflect the contractual arrangements for the clerk and park warden and the impact of the national agreements in 2007. The budget also allows for increased hours for the clerk
- Rent of office space reflects the new three year arrangement entered into with the Lindos Centre
- Insurance costs have risen by 150% to reflect proper cover for all the assets of the Council [previous cover excluded All Weather Play Surface and Play Equipment of approx £110,000] and a revised fidelity cover of £100,000 [previously £2,000]
- Subscriptions reflect the cost of subscriptions for the clerk in accordance with the agreed job description
- The Recreation Committee budgets for the playing field and woodland reflect the contractual arrangements for routine maintenance
- An allocation has been set to cover further development of the council website
- One-off expenditure on the playing field and Tennis Courts of £25,865 has been made from reserves to account for work agreed by council to bring the facilities up to a fully maintained level and to prepare a plan of action for the maintenance of the woodland.
- There is a forecast excess of expenditure over income of £10,279 in 2007/08. This is proposed to be funded by drawing down a similar sum from accumulated reserves, which stood at £68,695 on 1st April 2007.

Council approved a precept of £37,600 for 2008/09 at its meeting on 10th January 2008. Council is now asked to approve the budget set out in the schedule attached to this report. This proposes income of £40,888 and expenditure of £56,932; of which a one-off £10,000 has previously been agreed as a contribution to the expansion of the station car-park. There remains a forecast excess of expenditure over income of £6,044 in 2008/09, which again it is proposed to be funded by drawing down a similar sum from accumulated reserves.

It should be noted that, if this course of action is followed, reserves at 31st March 2009 are forecast to have reduced to £16,506. This is much less than the level of 100% of a year's precept (*i.e.* £37,600) recommended by Finance & Risk Management Committee last year. Council will need to consider the implications of this when decisions on the precept and budget for 2009/10 are being discussed.

Malcolm Green
Clerk to the Parish Council
17 January 2008