

Sonning Common Parish Council

Minutes of the meeting of the FINANCE COMMITTEE held in the Parish Office on 4th January 2012 commencing at 7.30pm.

Present: Miss Hunt (Chairman), Mr Stoves, Mr Kedge, Mrs Phillips-Tilbury, Mr Greenwood.

F12/86 Apologies for absence: None.

F12/87 Declarations of Interest: None.

F12/88 Public Question Time: No members of the public present.

F12/89 **Budget Review:** The committee carried out a line by line review of the previously circulated Budget Briefing making a number of changes to arrive at a proposed Precept for proposal to the Precept Meeting. The table below summarises the decisions made unanimously by the Finance Committee.

Description	Proposed	Resolution	Minute
To agree the budget for Income other than Precept	£12,404	Agreed Unanimously	F12/89.1
To agree the budget for Cost Centre 101	£40,903	Agreed Unanimously	F12/89.2
To agree the budget for Cost Centre 201	£20,894	Agreed Unanimously	F12/89.3
To agree the budget for Cost Centre 301	£10,000	Agreed Unanimously	F12/89.4
To agree the budget for Cost Centre 401	£19,700	Agreed Unanimously	F12/89.5
To agree the budget for Cost Centre 901	£40,000	Agreed Unanimously	F12/89.6
To agree Guidelines for Reserves to be held	Half of the precept	Agreed Unanimously	F12/89.7
To agree the Precept for 2012/13	£66,000	Agreed Unanimously	F12/89.8

The detailed working paper that was then produced for the Precept meeting on 5 January is attached as the appendix to these minutes. Note that some changes were made in the Precept meeting that are reflected in the minutes of that meeting.

F12/90 Arrangements for Precept meeting on 5 January 2012: Miss Hunt to introduce and Mr Stoves to brief council on detail.

F12/91 Matters for future consideration: None.

Date of next Meetings: Thursday 5 January 2012 (Precept) at 19.30
Wednesday 11 January 2012 (Finance) at 19.30

Chairman:

Dated:

SONNING COMMON PARISH COUNCIL PRECEPT WORKING PAPER 2012/13

The table below summarises the decisions made unanimously by the Finance Committee at its meeting on 4 January 2012.

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POSITIONING THE BUDGET AND PRECEPT

In the current financial year the Parish Council left the Precept unchanged at £55,000 which equates to £33.34 per annum or 64p per week for a Band D home. Sonning Common has a Tax Base (Number of Band D equivalent properties) of 1,648.

Other Large Villages in South Oxfordshire have the following profiles:

Village	Tax Base	Precept	Band D Tax	Cost/week
Benson	1,703	£118,169	£69.38	£1.33
Chalgrove	1,096	£90,000	£82.06	£1.58
Chinnor	2,285	£233,220	£102.06	£1.96
Cholsey	1,370	£75,821	£55.34	£1.06
Goring	1,685	£87,800	£52.12	£1.00
Sonning Common	1,648	£55,000	£33.34	£0.64
Watlington	1,190	£80,767	£67.82	£1.30
Wheatley	1,668	£94,619	£56.74	£1.09

Across all of South Oxfordshire the average Parish Precept is £40.25 and the median is £37.36. The average for the Villages listed is £72.36 – 117% higher than Sonning Common.

NARRATIVE SUMMARY OF THE BUDGET

This budget is proposed for the year 2012/13. It draws on the experience of the current year plus Committee and public comments received during the year. The projected total expenditure is £131,947 against an income of £67,404 (based on no change to the current Precept).

Even with the increased Precept proposed, if all new projects included in the budget are completed in the year it will be necessary to draw on reserves to the tune of £53,093 which would reduce the amount held to £26,907 which at 41% of the proposed Precept is below the level set by the Finance Committee.

BUDGET ESTIMATES AND COMMENTS BY COST CENTRE
THE FOLLOWING NOTES SHOULD BE READ IN CONJUNCTION WITH THE
BUDGET SPREADSHEET IN WHICH EACH LINE ITEM IS SHOWN IN FULL.

100 - INCOME

This is shown with an increase of the precept to £66,000.

Income 2011/12: £66,902 Budget 2012/13: £78,404 Change: +£11,502

Reserves at the start of the 2012/13 financial year will be approximately £80K after allowing for in-year expenditure on the Neighbourhood Plan and notice boards.

FROM THAT INCOME OF £78,404, SPENDING IS BUDGETED AS FOLLOWS:

101 – ADMINISTRATION

Budget 2011/12: £41,264 Budget 2012/13: £40,903 Change: -£161 or 0%

Commentary: This cost centre is primarily concerned with the basic costs of running the Parish Council office and its services to councillors, residents and other interested parties.

The most notable Budget to Budget change is the provision of £3,000 (+£2,046) for anticipated legal costs associated with identifying and registering all land and property owned by the Parish Council.

The budget for office staff salaries has increased by a net £800. The Parish Clerk is the Executive Officer of the Parish Council and the Responsible Finance Officer. The Parish Clerk's salary is set by the National Agreement on Pay and Conditions of Service (the Green Book) last amended in September 2009. This budget is based on the present hourly rates pre any appraisal or job evaluation review and an average working week of 27 hours.

Included in this cost centre are the Tax and NI applicable to the Street Cleaner whose actual wages are included in cost centre 201.

After this expenditure there would remain £37,501.

201 – FOOTPATHS AND HIGHWAYS

Budget 2011/12: £12,509 Budget 2012/13: £20,894 Change: +£8,385 or +67%

Commentary: This cost centre, as its name suggests, is concerned with the maintenance of the basic appearance and tidiness of the Village. The Budget-to-Budget changes include an extra £1,500 in Street Cleaning that allows for another year of having the roadside gutters cleaned and sprayed to prevent weed growth; +£500 for the replenishment of winter salt and equipment stocks; +£737 for hedge and fence maintenance; +£500 for seats, bins and signs; +£1,500 for a new bus shelter +£1,000 for Brinds Close & the Triangle.

After this expenditure there would remain £16,607.

301 – PROVISIONS

Budget 2011/12: £12,990 Budget 2012/13: £10,000 Change: -£2,990 or -23%

Commentary: This cost centre brings together expenditures that provide facilities widely used by residents. Budget to Budget changes include increased provisions for Footpaths Maintenance (+£2,000); Allotments (+£600); Play Areas Equipment and Maintenance (+£2,000); the Village Hall Car Park (+£200). These are offset by reductions in provisions for Village Hall works (-£6,740); Contingency (-£1,500) and the removal of the Ad Hoc provision (-£1,048).

After this expenditure there would remain £6,607.

401 – AMENITIES

Budget 2011/12: £18,513 Budget 2012/13: £19,700 Change: +£1,187 or +13%

Commentary: This cost centre brings together expenditures that will or may be incurred to preserve or to protect the future of amenities valued by the residents. There are no planned Section 137 payments. £14,000 of the budgeted amount is made up of £9,000 provisioned for the production of the Neighbourhood Plan and £5,000 as a possible contribution to the Public Library.

Adding this expenditure would result in a DEFICIT of £13,093.

901 – RESERVES

Budget 2011/12: £23,450 Budget 2012/13: £40,000 Change: +£16,550 or +70%

Commentary: This cost centre is that for reserves that may be deployed for specific projects of benefit to residents. The major items allowed for are £20,000 towards a possible Youth Facility, assuming that a suitable site can be found, and £15,000 towards a project to renovate Brinds Copse.

Adding this expenditure would result in a DEFICIT of £53,093.

The proposed increase in the Precept takes it a little nearer to that of the other Large Villages to have the resources necessary to be more effective in providing for local needs.

OPTIONS CONSIDERED:

- A. Based on the current inflation rate for goods and services, to stand still the precept should be raised by £1.67 per annum per Band D house to £35.01 (67p per week) This would bring a total of £57,692 and reduce the call on reserves by c. £2,750.
- B. Raising the precept by £3.33 per annum per Band D household to £36.67 (71p per week) would bring in £60,439 and reduce the call on reserves by c. £5,500.
- C. Raising the precept by £5.00 per annum per Band D household to £38.34 (74p per week) would bring in £63,186 and reduce the call on reserves by c. £8,250.
- D. Raising the precept by £6.67 per annum per Band D household to £40.01 (77p per week) would bring in £65,933 and reduce the call on reserves by c. £11,000.

There is a table analysing the effect of these options by tax band on the next page.

Band D now:		33.34		Current position					
Band	Homes	Factor	Year	Week	Month	Homes		Homes	%
A	85	0.67	22.23	0.43	1.85	5.3%	Bands A-D	739	46%
B	125	0.78	25.93	0.50	2.16	7.8%	Bands A-E	1168	73%
C	139	0.89	29.64	0.57	2.47	8.7%	Bands F-H	426	27%
D	390	1.00	33.34	0.64	2.78	24.5%			
E	429	1.22	40.75	0.78	3.40	26.9%			
F	311	1.44	48.16	0.93	4.01	19.5%			
G	114	1.67	55.57	1.07	4.63	7.2%			
H	1	2.00	66.68	1.28	5.56	0.1%			
1594						Base	1648	Precept:	54,944
Band D @		35.01		Option A		Adds	Adds	Adds	
Band	Homes	Factor	Year	Week	Month	+week	+month	+Year	
A	85	0.67	23.34	0.45	1.94	0.02	0.09	1.11	
B	125	0.78	27.23	0.52	2.27	0.02	0.11	1.30	
C	139	0.89	31.12	0.60	2.59	0.03	0.12	1.48	
D	390	1.00	35.01	0.67	2.92	0.03	0.14	1.67	
E	429	1.22	42.79	0.82	3.57	0.04	0.17	2.04	
F	311	1.44	50.57	0.97	4.21	0.05	0.20	2.41	
G	114	1.67	58.35	1.12	4.86	0.05	0.23	2.78	
H	1	2.00	70.01	1.35	5.83	0.06	0.28	3.33	
						Base	1648	Precept:	57,692
Band D @		36.67		Option B		Adds	Adds	Adds	
Band	Homes	Factor	Year	Week	Month	+week	+month	+Year	
A	85	0.67	24.45	0.47	2.04	0.04	0.19	2.22	
B	125	0.78	28.52	0.55	2.38	0.05	0.22	2.59	
C	139	0.89	32.60	0.63	2.72	0.06	0.25	2.96	
D	390	1.00	36.67	0.71	3.06	0.06	0.28	3.33	
E	429	1.22	44.82	0.86	3.74	0.08	0.34	4.07	
F	311	1.44	52.97	1.02	4.41	0.09	0.40	4.82	
G	114	1.67	61.12	1.18	5.09	0.11	0.46	5.56	
H	1	2.00	73.35	1.41	6.11	0.13	0.56	6.67	
						Base	1648	Precept:	60,439
Band D @		38.34		Option C		Adds	Adds	Adds	
Band	Homes	Factor	Year	Week	Month	+week	+month	+Year	
A	85	0.67	25.56	0.49	2.13	0.06	0.28	3.33	
B	125	0.78	29.82	0.57	2.49	0.07	0.32	3.89	
C	139	0.89	34.08	0.66	2.84	0.09	0.37	4.45	
D	390	1.00	38.34	0.74	3.20	0.10	0.42	5.00	
E	429	1.22	46.86	0.90	3.91	0.12	0.51	6.11	
F	311	1.44	55.38	1.07	4.62	0.14	0.60	7.22	
G	114	1.67	63.90	1.23	5.33	0.16	0.69	8.33	
H	1	2.00	76.68	1.47	6.39	0.19	0.83	10.00	
						Base	1648	Precept:	63,186
Band D @		40.01		Option D		Adds	Adds	Adds	
Band	Homes	Factor	Year	Week	Month	+week	+month	+Year	
A	85	0.67	26.67	0.51	2.22	0.09	0.37	4.45	
B	125	0.78	31.12	0.60	2.59	0.10	0.43	5.19	
C	139	0.89	35.56	0.68	2.96	0.11	0.49	5.93	
D	390	1.00	40.01	0.77	3.33	0.13	0.56	6.67	
E	429	1.22	48.90	0.94	4.07	0.16	0.68	8.15	
F	311	1.44	57.79	1.11	4.82	0.19	0.80	9.63	
G	114	1.67	66.68	1.28	5.56	0.21	0.93	11.11	
H	1	2.00	80.02	1.54	6.67	0.26	1.11	13.34	
						Base	1648	Precept:	65,933

**BUDGET SPREADSHEETS
INCOME**

		Last Year		Current Year			Next Year		
		Budget	Actual	Agreed	Revised	Actual	2012-13	Change	Change
				Budget	Budget	YTD	Budget	+/-	%
100	Income								
1000	OCC Grass Verges	0	1,414	1,414	1,414	1,414	1,414	0	0%
1005	Private Grass Verges	1,421	2,082	3,932	3,932	21	3,932	0	0%
1010	Street Cleaning	2,537	3,011	5,156	5,156	3,062	5,156	0	0%
1015	Allotments	599	972	600	600	60	870	270	45%
1020	Bank Interest	1,218	1,158	500	500	296	500	0	0%
1025	Precept	55,000	55,000	55,000	55,000	55,000	66,000	0	0%
1030	Waste Wheeler	386	287	300	300	0	522	222	74%
1040	Miscellaneous Income	0	6	0	0	36	10	10	N/A
100	Total Income	61,161	63,930	66,902	66,902	59,889	78,404	502	1%

**BUDGET SPREADSHEETS
EXPENDITURE**

		Last Year		Current Year			Next Year		
				Agreed	Revised	Actual	2012-13	Change	Change
		Budget	Actual	Budget	Budget	YTD	Budget	+/-	%
101	Administration								
4101	Clerk Salary - Net	14,210	10,159	13,000	13,000	9,232	16,000	3,000	23%
4102	Assistant Office Staff - Net	3,045	2,648	5,200	5,200	2,434	3,000	-2,200	-42%
4103	PAYE/NI expenses - all staff	0	3,185	6,000	6,000	3,897	6,000	0	0%
4104	Staff training	0	0	1,600	1,600	970	1,400	-200	-13%
4105	Stationery	305	267	500	500	377	300	-200	-40%
4106	Printer consumables	0	0	0	0	624	800	800	0%
4110	Postage	203	69	100	100	98	100	0	0%
4115	Petty Cash	200	0	300	300	18	300	0	0%
4120	Telephone/Broadband	840	585	881	881	411	500	-381	-43%
4122	Website costs	0	0	1,800	1,800	1,749	880	-920	-51%
4123	Alpha Accounting System	0	0	657	657	657	104	-553	-84%
4125	Office/Meeting/Rent	3,045	2,825	3,892	3,892	2,035	2,800	-1,092	-28%
4130	Legal/Audit/Bank	954	686	954	954	3,187	3,000	2,046	214%
4135	General Insurance	4,500	4,456	5,100	5,100	4,315	4,315	-785	-15%
4145	Chairman's Expenses	152	0	100	100	40	100	0	0%
4150	Memberships	0	772	700	700	779	800	100	14%
4155	Neighbourhood Watch	300	0	0	0	0	0	0	0%
4170	Office Equipment/Exp	203	124	280	280	2,009	400	120	43%
4180	Allotments software	0	0	0	0	439	104	104	N/A
101	Expenditure	27,957	25,776	41,064	41,064	33,271	40,903	-161	0%
Remaining Income available:						26,618	37,501		

**BUDGET SPREADSHEETS
EXPENDITURE**

		Last Year		Current Year			Next Year			
		Budget	Actual	Agreed Budget	Revised Budget	Actual YTD	'12-13 Budget	Change +/-	Change %	
201	Footpaths and Highways									
4140	Street Cleaning Equip/Safety	0	440	200	200	268	250	50	25%	
4201	Grass Verges Pvt Landscaping	5,253	3,850	3,932	3,932	2,318	5,000	1,068	27%	
4203	Street Cleaning - Wages	0	0	0	0	1,094	6,800	6,800	N/A	
4205	Street Cleaning - Contract	8,120	4,089	5,156	5,156	5,051	1,500	-3,656	-71%	
4206	Winter works	0	0	0	0	1,196	500	500	N/A	
4210	Hedges and Fences	1,015	455	1,063	1,063	4,029	1,800	737	69%	
4215	Seats Bins and Signs	1,015	819	0	0	221	500	279	N/A	
4220	Wood Lane Close/Triangle	533	0	558	558	0	1,000	442	88%	
4225	Bus Shelter	508	540	0	0	0	1,500	1,500	N/A	
4230	Health Centre	507	376	300	300	108	300	0	0%	
4235	Dog Hygiene Bins	1,421	423	1,000	1,000	292	500	-500	-50%	
4240	Waste Wheeler	684	633	300	300	586	1,044	744	248%	
4245	Traffic Calming	0	0	0	0	98	200	200	N/A	
201	Expenditure	19,056	11,625	12,509	12,509	15,261	20,894	8,385	67%	
Remaining Income available:						11,357	16,607			

**BUDGET SPREADSHEETS
EXPENDITURE**

		Last Year		Current Year			Next Year		
		Budget	Actual	Agreed	Revised	Actual	'12-13 Budget	Change +/-	Change %
				Budget	Budget	YTD			
301	Provisions								
4301	Contingency	1,000	0	1,500	1,500	358	0	-1,500	-100%
4305	Footpaths Maintenance	5,000	937	0	0	1,780	2,000	2,000	N/A
4310	Allotments	1,000	891	0	0	465	600	600	N/A
4315	Lighting and Renewal	0	0	0	0	0	300	300	N/A
4320	Widmore Pond	500	0	524	524	0	250	-274	-52%
4325	Graffiti & Vandalism	0	410	0	0	22	100	100	N/A
4330	Millenium Field (ex SCOST)	0	672	500	500	0	500	0	0%
4335	Ad Hoc	1,000	0	1,048	1,048	0	0	-1,048	-100%
4340	Play Area Equipment	0	25,157	0	0	0	2,000	2,000	N/A
4341	Play Area Maintenance	0	540	0	0	4,003	1,000	1,000	N/A
4345	Village Hall	5,000	12,457	8,740	8,740	5,450	2,000	-6,740	-77%
4350	Village Hall Carpark	0	0	0	0	315	200	200	N/A
4370	Horticultural	0	0	0	0	300	400	400	N/A
4375	Miscellaneous Grants	647	1,125	678	678	450	650	-28	-4%
4376	S 137 Miscellaneous Payments	0	0	0	0	227	0	0	N/A
301	Expenditure	14,147	42,189	12,990	12,990	13,370	10,000	-2,990	-23%
Remaining Income available:						-2,013	6,607		

401	Amenities								
4360	Youth Club Grant	0	0	9,000	9,000	9,000	4,500	-4,500	-50%
4410	Library	0	0	0	0	0	5,000	5,000	N/A
4420	Public Conveniences	0	0	0	9,513	9,515	1,200	-8,313	N/A
4430	Neighbourhood Plan Prep	0	0	0	0	0	9,000	9,000	N/A
401	Expenditure	0	0	9,000	18,513	18,515	19,700	1,187	13%
Remaining Income available:						-20,528	-13,093		

**BUDGET SPREADSHEETS
EXPENDITURE**

		Last Year		Current Year			Next Year		
		Budget	Actual	Agreed Budget	Revised Budget	Actual YTD	'12-13 Budget	Change +/-	Change %
901	Reserves								
9000	Notice Boards	0	0	16,250	6,500	6,500	0	-6,500	-40%
9001	Reserves	0	0	7,200	0		5,000	0	0%
9002	Brinds Copse	0	0	0	0	0	15,000	15,000	N/a
9003	Youth Facility	0	0	0	0	0	20,000	20,000	N/A
901	Expenditure	0	0	23,450	6,500	6,500	40,000	28,500	122%
Remaining Income available:						-27,028	-53,093		
Total Budget Expenditure		61,160	79,590	99,013	91,576	86,917	131,497	39,519	
Budget Income		61,161	63,930	66,902	66,902	59,889	78,404	11,500	
Net Expenditure - Deficit		1	-15,660	-32,111	-24,674	-27,028	-53,093	-28,018	