Budget 2023 /2024

Report by the Clerk / Responsible Finance Officer after consultation with the Finance Working Group.

Introduction.
I would like to remind all councillors as the Responsible Finance Officer for Corfe Castle Parish Council, it is my legal duty to advise council on what I believe is the true forecast running cost for 2024/2025, however Councillors have no legal duty to accept / approve the recommendations. Please note, any recommendation within the report is duplicated at the end for administration ease.

National Economic Context
The most recent major fiscal event was the Spring Budget in March 2023. There were few measures of any major impact on local government. The Chancellor set out policies designed to promote growth and to shore up the public finances. He provided further support to consumers and businesses for energy costs. He committed to the target of halving inflation by December 2023, which would likely entail further rises in interest rates, as has subsequently been the case. Since the Spring Budget the UK economy has continued to face a volatile and uncertain path.

The UK economy grew by 0.1% in quarter 1 and 0.2% in quarter 2 of 2023, and while concerns of a deep recession have largely gone away, there are still concerns over the economy's weak performance and renewed signs of stress. High interest rates, policy uncertainty before a general election and low productivity will likely act as a drag on economic growth, with latest forecasts showing little to no growth in the second half of the year. The latest forecasts are for growth at 0.4% in 2023 and 0.3% in 2024.

In September the Bank of England paused its run of consecutive interest rate rises, the first time in nearly two years. After 14 consecutive increases the rate, currently at 5.25%, is at its highest level for 15 years. While inflation is reducing, there does not yet appear to be any signs of interest rates starting to fall at the moment. With the Bank of England Governor stating that interest rates are close to their peak, but they may still have further to rise. Forecasters do not anticipate the Bank to start contemplating cuts until at least late 2024.

In terms of inflation, CPI fell to 10.5% in December 2022 and 10.1% in January 2023, down from the peak of 11.1% in November 2022 – the highest rate of increase in 41 years. However, in February 2023 CPI rose again to 10.4% and then in March fell back to 10.1%, illustrating the volatility that persists in the economy. Although CPI has dropped by 3.4% to its current rate of 6.7% in August, it remains stubbornly high, with issues including strong pay growth meaning that it is not likely to return to the Government's target rate of 2% until early 2025.

Against this backdrop the Office of Budget Responsibility will be taking the latest economic data into account in its economic and fiscal forecasts to be published alongside the Autumn Statement on 22nd November. While there is some optimism with higher wages pushing up tax income, the higher than budgeted interest rates will have increased the cost of government borrowing although total borrowing is less than expected, creating some potential headroom for new spending pledges ahead of the upcoming general election.

The Government may also want to consider some tax reductions.

<u>Corfe Castle Parish Council Accounts.</u>

The Parish Council agreed a larger than average precept increase for FY 2022/23 to ensure we covered day to day spend with money raised from Precept rather than "dipping" into reserves, plus to enable us to start working towards a minimum level of reserves held. The precept for 23/24 had no increase as inflation elsewhere had ballooned. At the time of writing this report we are seven months through FY2023/24 and the budget used to date is 45.5% (£2,359.81 under spend)

General reserves are still below the agreed level of 50% average Precept, and it will take a couple more years to reach the agreed level, but as a whole the Parish Council is financially secure for day-to-day operations.

CCPC to discuss

1. Car Park Permit cost:
   This financial year the income from the Car Park will be placed into Car Park earmarked reserves for future maintenance work. The addition to the earmarked reserves is approx. £7,500. (Noting there is currently no earmarked reserves within this fund).
   Dorset Council offer a Residents Flexi-Stay Car Parking Permit at a cost of £260 per year or £25 per month.
   Recommendation: To leave the Corfe Castle Parking Permit fee at current levels. (Residents £450 (inc VAT), second homes owners £750 (inc VAT)).

2. Contributions.
   The Finance Working Group would like to recommend the donation to the Citizens Advice be increase to £300 as they now offer a mobile service in Corfe Castle.

   Recommendation: To re-affirm the current contributions made to various organisations:
   Citizens Advice: £150 increased to £300
   Air Ambulance: £150
   Litter Free Purbeck: £100
   Corfe Valley News: £750
   Other: £200 (For use throughout the year if help requested and agreed)

3. Memberships.
   Recommendation: To re-affirm the current subscriptions made to various organisations:
   DAPTC (£525), SLCC (£175) & CPRE (£36)

4. Gods Acre fees
   Recommendation: To increase all fees by 5% (rounded to nearest £5 or £10).

5. All Councillors to let the Clerk now if there are any special projects they would like to see included in the proposed budget next month. Councillors to email the clerk the project title. Description and amount requested.

6. The RFO & Finance Working group recommends reserve option 4 which would see the Precept increase by 4.77% (Band D Tax band of approx. £80.70; £0.31 per month per household)

Explanation by Cost Centre / Nominal Code (NC)
All forecast budgets for most nominal codes see a generic increase by 5%, unless specifically stated below. The Grass Cutting N/C are under tender.

Cost Centre - Administration

1. **Nominal Code (NC) 5002 - Clerks Hours.** This NC allows for the Clerks contracted hours, some additional hrs, the possible contractual increment, but not Gods Acre as this is accounted for under the Gods Acre Cost Centre.
   The 5% provision for 2023-4 pay (which of course is only used if a national award is at that level), can be adjusted before final budget setting if there is clearer national advice.
2. **NC 5004 – Expenses**. Based on £60 per month + extra for other expenses (Clerks Conference)
3. **NC 5008 – Pension Contributions**. All employers must automatically enrol an employee into a pension scheme and make contributions to their pension if they're eligible for automatic enrolment. This NC is based on a 3% contribution from the employer and 5% contributions from the employee, which are the lowest contributions levels.
4. **NC 5012 - National Insurance Contributions & Income Tax**. This NC is based on national rates.
5. **NC 5038 – Training Course Costs.** This NC sees a increase to cover the Clerks Community Governance Training

   ALL Councillor are encouraged to attend general refresher training / general training this coming FY.
6. **NC 5040 - Vat Refund.** This NC is based on the expected VAT refund amount expected, on contractual agreements already in place.

Caretaker

7. **NC 5506 – Hours.** There is a contractual agreement in place which enables the Caretaker to increase the rate he charges at the CPI rate. This NC allows for 260hrs per year (5 hrs per week) plus an additional 50 hrs for special projects.

Grants & Subscriptions

8. **NC 5204 – Subscriptions**. This NC is not for administrative purposes and therefore covers subscriptions such as CPRE, & Swanage Defib Partnership (Service cost).
9. **NC 5206 – Contributions**. This NC covers the contributions previously awarded to the Citizens Advice, the Air Ambulance, Litter Free Purbeck, CVN, plus also sees a small amount set aside for other requests such as gardening club requirements.

Toilet

10. **NC 7010** – **Cleaning & Maintenance Toilet Block.** This NC covers the contracted agreement.

Car Park

11. **NC 7300** – **Car Parking Permit**. This budget is set assuming everyone who currently holds a permit will wish to renew next year.

Precept Calculations

The Precept amount is worked out on a simple calculation of forecast expenditure – forecast Income + Reserve Requirement = Precept.

For example:

Forecast Expenditure	£69,080.00	
Forecast Income	£17,681.92	-
	£51,399.08	
Reserve Requirement	£2,000.00	+
Precept	**£53,399.08**	

The exact amount per band D property cannot be worked out exactly until Dorset Council releases the taxbase figures for 24-25, which is usually early to mid-December, however taxbase numbers for 23/24 stand at 683.8.

Budget Options

The following identifies 5 possible budget options:

1 -11.60% increase: (Band D Tax band of approx. £68.09; -£0.74 per month per household) Precept set to only cover forecast spend – income.

2. 0.02% increase: (Band D Tax band of approx. £77.04; £0.02 per year per household) Precept set to cover forecast spend – income + a reasonable amount added to the General Contingencies although General Contingencies would still not be at agreed hold levels.

3. 3.82% increase: (Band D Tax band of approx. £79.96; £0.24 per month per household) Precept set to cover forecast spend – income + a small amount added to both General Contingencies & a small amount added to playground reserves.

4. 4.77% increase: (Band D Tax band of approx. £80.70; £0.31 per month per household) Precept set to cover forecast spend – income + a small amount added to General Contingencies & a reasonable amount added to playground reserves. (If reserves were to increase the same next financial year the other items of equipment in need of replacement are within target).

5. 11.41% increase: (Band D Tax band of approx. £85.81; £0.73 per month per household) Precept set to cover forecast spend – income + a small amount added to General Contingencies & a sizable amount added to playground reserves, this is likely to cover all equipment in need of replacing.

Administration

Code	Title	Last Year Receipts Actual	Last Year Payments Actual Not inc VAT	Current Year 2023 - 2024 Receipts Budget	Receipts Actual	Receipts Forecast	Payments Budget Not inc VAT	Payments Actual Not inc VAT	Payments Forecast Not Inc VAT	Payments Actual (inc VAT)	Payments Forecast Inc VAT	Next Year Receipts Budget (Inc VAT)	Next Year Payments Budget Rounded (Inc VAT)
1100	Interest	509.98		0.00	674.86	800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1102	Precept			0.00	52,669.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1104	Grants			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1106	Miscellaneous			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5002	Clerk's Hours (Inc Additional Hrs.)		13,744.09	0.00	0.00	0.00	15,000.00	9,234.67	14,850.00	9,234.67	14,850.00		15,025.00
5004	Expenses		607.90	0.00	0.00	0.00	720.00	655.09	1,123.01	655.09	1,123.01		1,125.00
5008	Pension Contributions		742.86	0.00	0.00	0.00	975.00	461.38	790.94	461.38	790.94		1,000.00
5012	National Insurance Contributions & Income Tax		2,928.26	0.00	0.00	0.00	1,749.00	1,231.66	2,250.00	1,231.66	2,250.00		1,800.00
5026	Stationary / Postage / Copying	7.76	497.00	0.00	32.10	55.03	350.00	282.97	485.09	339.57	582.12	112.00	600.00
5028	Audit - Internal & External		940.00	0.00	0.00	0.00	900.00	540.00	765.00	603.00	828.00	75.00	850.00
5030	T-phone /B-band /Comp S-ware (domain & hosting)	15.58	369.73	0.00	122.99	210.84	600.00	311.49	533.98	352.42	604.15	479.50	710.00
5032	Equipment (Asset)		294.16	0.00	0.00	0.00	0.00	8.32	8.32	9.99	9.99		0.00
	Equipment (Asset) (Reserves)			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5034	Sundry Items		58.33	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00		0.00
5036	Admin Subscription		1,149.89	0.00	14.56	24.96	600.00	995.61	1,501.61	1,061.85	1,633.61	180.00	1,805.00
5038	Training Course Cost		274.88	0.00	0.00	0.00	500.00	510.00	650.00	585.00	750.00		1,250.00
5040	VAT Refund	3,115.58		1,292.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Total		**3,648.90**	**21,607.10**	**1,292.00**	**53,513.51**	**1,090.83**	**21,494.00**	**14,231.19**	**22,957.95**	**14,534.63**	**23,421.82**	**846.50**	**24,165.00**

Caretaker

Code	Title	Last Year Receipts Actual	Last Year Payments Actual Not inc VAT	Current Year Receipts Budget	Receipts Actual	Receipts Forecast	Payments Budget	Payments Actual	Payments Forecast Not Inc VAT	Payments Actual (inc VAT)	Payments Forecast	Next Year Receipts Budget	Next Year Payments Budget Rounded
5506	Hours		3,914.23	0.00	0.00	0.00	5,500.00	3,267.46	5,601.36	3,267.46	5,601.36		6,050.00
5508	Repairs & Maintenance			0.00	0.00	0.00	200.00	6.99	6.99	8.39	14.38		0.00
Total		**0.00**	**3,914.23**	**0.00**	**0.00**	**0.00**	**5,700.00**	**3,274.45**	**5,608.35**	**3,275.85**	**5,615.74**	**0.00**	**6,050.00**

Environment Group

Code	Title	Last Year Receipts Actual	Last Year Payments Actual Not inc VAT	Current Year 2023 - 2024 Receipts Budget	Receipts Actual	Receipts Forecast	Payments Budget	Payments Actual	Payments Forecast Not Inc VAT	Payments Actual (inc VAT)	Payments Forecast	Next Year Receipts Budget	Next Year Payments Budget Rounded
5600	Donations	21.25		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5602	Miscellaneous Costs		614.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Environment Group Reserves			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total		**21.25**	**614.33**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

Gods Acre

Code	Title	Last Year Receipts Actual	Last Year Payments Actual Not inc VAT	Current Year 2023 - 2024 Receipts Budget	Receipts Actual	Receipts Forecast	Payments Budget	Payments Actual	Payments Forecast Not Inc VAT	Payments Actual (inc VAT)	Payments Forecast	Next Year Receipts Budget	Next Year Payments Budget Rounded
6004	Refuse Collection		241.92	0.00	0.00	0.00	270.00	156.56	268.39	156.56	268.39		280.00
6006	Grass Cutting - GA		3,060.00	0.00	0.00	0.00	4,050.00	2,510.00	4,050.00	2,972.00	4,860.00	833.33	5,000.00
6008	Miscellaneous Costs		2,758.32	0.00	0.00	0.00	300.00	9.14	9.14	10.97	10.97		0.00
6010	National Non-Domestic Rates (NNDR)		179.20	0.00	0.00	0.00	280.00	118.48	203.11	118.48	203.11		205.00
6012	Grounds Maintenance (Grave Digging)	960.00	1,200.00	0.00	0.00	80.00	0.00	240.00	0.00	240.00	240.00		0.00
6014	Sundry			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
6016	Donation			0.00	25.00	25.00	0.00	0.00	0.00	0.00	0.00		0.00
6400	Deeds / Rights	1,905.00		0.00	1,000.00	1,000.00	0.00	0.00	0.00	0.00	0.00		0.00
6402	Interment	7,465.00		0.00	2,010.00	2,010.00	0.00	0.00	0.00	0.00	0.00		0.00
6404	Memorial Rights	705.00		0.00	300.00	300.00	0.00	0.00	0.00	0.00	0.00		0.00
6406	Memorial Installation / Re-engraving	905.00		0.00	210.00	210.00	0.00	0.00	0.00	0.00	0.00		0.00
6410	Clerks Hours & Expenses - GA		1,311.16	0.00	0.00	183.70	800.00	107.16	183.70	107.16	183.70		0.00
6412	GA Admin Income	1,360.00		0.00	260.00	260.00	0.00	0.00	0.00	0.00	0.00		0.00
Total		**13,300.00**	**8,750.60**	**0.00**	**3,805.00**	**4,068.70**	**5,700.00**	**3,141.34**	**4,714.34**	**3,605.17**	**5,766.17**	**833.33**	**5,485.00**

Grants & Subscriptions

Code	Title	Last Year Receipts Actual	Last Year Payments Actual Not inc VAT	Current Year 2023 - 2024 Receipts Budget	Receipts Actual	Receipts Forecast	Payments Budget	Payments Actual	Payments Forecast Not Inc VAT	Payments Actual (inc VAT)	Payments Forecast	Next Year Receipts Budget	Next Year Payments Budget Rounded
1200	Donations			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5202	Grants (Not Inc S137)			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5204	Subscriptions & Memberships (No Admin related)		545.94	0.00	0.00	0.00	1,010.00	0.00	410.00	0.00	410.00		410.00
5206	Contributions		1,450.00	0.00	420.34	420.34	1,350.00	500.00	1,800.00	500.00	1,800.00		1,650.00
Total		**0.00**	**1,995.94**	**0.00**	**420.34**	**420.34**	**2,360.00**	**500.00**	**2,210.00**	**500.00**	**2,210.00**	**0.00**	**2,060.00**

		Last Year		Current Year 2023 - 2024									Next Year	
Toilets		Receipts	Payments	Receipts			Payments						Receipts	Payments
Code	Title	Actual	Actual Not inc VAT	Budget	Actual	Forecast	Budget	Actual	Forecast Not Inc VAT		Actual (inc VAT)	Forecast	Budget	Budget Rounded
7002	Sanitary Bin Collection		329.32	0.00	0.00	0.00	362.00	361.70	500.00		434.04	744.07	112.00	672.00
7004	Water Supply & Removal		862.53	0.00	0.00	0.00	1,054.00	928.07	1,200.00		1,031.25	1,767.86	198.00	1,540.35
7006	Electricity		595.37	0.00	0.00	0.00	2,600.00	592.62	1,015.92		622.23	1,066.68	65.00	1,200.00
7010	Cleaning & Maintenance Toilet Block		6,560.08	0.00	0.00	0.00	8,297.00	4,548.12	7,500.00		5,457.73	9,356.11	1,559.35	9,356.11
7012	Sundry Items			0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00		0.00
	VAT			1,545.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00		
Total		0.00	8,347.30	1,545.00	0.00	0.00	12,313.00	6,430.51	10,215.92		7,545.25	12,934.71	1,934.35	12,768.46

Car Park		Receipts	Payments	Receipts			Payments						Receipts	Payments
Code	Title	Actual	Actual Not inc VAT	Budget	Actual	Forecast	Budget	Actual	Forecast Not Inc VAT		Actual (inc VAT)	Forecast	Budget	Budget Rounded
7008	Maintenance Car Park		40.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00		1,600.00
7012	Sundry Items			0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00		0.00
7300	Car Parking Permit	11,023.49	800.00	9,500.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	12,948.00	0.00
	VAT			0.00	0.00	0.00	1,900.00	0.00	1,200.00		0.00	1,200.00		2,158.00
Total		11,023.49	840.00	9,500.00	0.00	0.00	1,900.00	0.00	1,200.00		0.00	1,200.00	12,948.00	3,758.00

		Last Year		Current Year 2023 - 2024								Next Year	
Others		Receipts	Payments	Receipts			Payments					Receipts	Payments
Code	Title	Actual	Actual Not inc VAT	Budget	Actual	Forecast	Budget	Actual	Forecast Not Inc VAT	Actual (inc VAT)	Forecast	Budget	Budget Rounded
5402	Insurance		1,284.34	0.00	0.00	0.00	1,300.00	1,323.11	1,323.11	1,323.11	1,323.11		1,375.00
5404	Highway Maintenance / Weeding			0.00	0.00	0.00	0.00	77.00	77.00	92.40	158.40		160.00
5406	Sundry Items		31.67	0.00	0.00	0.00	50.00	50.00	50.00	60.00	102.86		0.00
5408	Reserves - Elections		3,098.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5410	Youth Club		3,558.54	0.00	0.00	0.00	3,725.00	2,462.00	3,725.00	2,462.00	3,725.00		3,950.00
5412	Village & Town Hall Rent		105.00	0.00	0.00	0.00	450.00	154.00	264.00	154.00	264.00		300.00
5414	Legal			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5416	Reserves- Pavement Refurb			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5418	Reserves - Special Projects	1,000.00	550.00	0.00	0.00	0.00	0.00	790.38	790.38	808.46	1,385.93		0.00
5420	Reserves - Community Maintenance Fund			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5422	Reserves - Defibrillator Supplies			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5424	Reserves - General Contingency		30.00	0.00	0.00	0.00	0.00	1,878.21	1,878.21	2,253.85	2,353.85		0.00
5426	Reserve- Community Infrastructure Levy	0.00	0.00	0.00	633.99	633.99	0.00	0.00	0.00	0.00	0.00		0.00
Total		1,000.00	8,657.59	0.00	633.99	633.99	5,525.00	6,734.70	8,107.70	7,153.82	9,313.15	0.00	5,785.00

		Receipts	Payments	Receipts			Payments					Receipts	Payments
Playground & Sportsfield													
Code	Title	Actual	Actual Not inc VAT	Budget	Actual	Forecast	Budget	Actual	Forecast Not Inc VAT	Actual (inc VAT)	Forecast	Budget	Budget Rounded
5302	Rent		122.00	0.00	0.00	0.00	134.00	0.00	134.00	0.00	0.00		100.00
5304	Grass Cutting		2,150.00	0.00	350.26	350.26	2,950.00	1,760.00	2,950.00	2,112.00	3,540.00	590.00	3,540.00
5306	Repairs & Maintenance		1,458.42	0.00	0.00	0.00	200.00	288.29	271.08	325.71	558.36		0.00
6014	Reserves			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
Total		0.00	3,730.42	0.00	350.26	350.26	3,284.00	2,048.29	3,355.08	2,437.71	4,098.36	590.00	3,640.00

Grand Totals		28,993.64	58,457.51	12,337.00	58,723.10	6,564.12	60,176.00	36,360.48	58,369.34	39,052.43	64,559.95	17,152.18	63,711.46
	VAT		10,027.14		851.96			3,913.70					
		INC VAT	**68,484.65**							1,676.89			
	Year on Year % Budget Increase (Gross)		-										5.5%

Budget Option 1

This budget option sees the precept decrease by -11.6%. With margins tight on expenditure and no increase to ear marked reserves. With no increase in reserves this would mean most of our asset management will go into decline and we would have to think very carefully about which project we decided to proceed with as we would not be able to commit financially to several projects.

We are already aware there are several items in the playground which need replacing, one with a matter of urgency two within the next year or two, and then on within the next three to five years.. The playground ear marked reserve will cover the cost to replace 1 item immediately but does not cover the cost to replace all items in need of repair.

This year sees the Car Park have a reserve for surface maintenance work. The current surface is prone to pot holing and therefore it is expected that work will need to be carried out at least twice a year to repair the damage. A long-term surface solution may need to be considered.

General Reserves forecast closing balance will see the reserve stand at approx. 28% of average Precept. The agreed aim is to have the General Reserves stand at 50%.

Earmarked	Opening Balance	Transfers	Spend	Receipts	Closing Balance	Proposed Addition start FY24-25	Balance after 1st April 2024
Toilet Block	0.00	14,696.21	6,519.44		8,176.77	0.00	8,176.77
Car Park	0.00				0.00	0.00	0.00
Community Maintenance	2,300.00				2,300.00	0.00	2,300.00
Defibrillator	648.40				648.40	0.00	648.40
Environment Group	3,242.42				3,242.42	0.00	3,242.42
General Contingency	13,077.50	3,048.00	1,878.21		14,247.29	0.00	14,247.29
Gods Acre (Long term Reserves)	12,037.23			25.00	12,062.23	0.00	12,062.23
Gods Acre (Working Funds)	4,285.00		3,161.12	4,010.00	5,133.88	0.00	5,133.88
Office Equipment	660.85	500.00	8.32		1,152.53	0.00	1,152.53
Parish Council Elections	3,100.00	2,000.00			5,100.00	0.00	5,100.00
Pavement Refurb	5,000.00				5,000.00	0.00	5,000.00
Playground Equipment	9,498.96	5,000.00			14,498.96	0.00	14,498.96
Special Projects	4,349.60	5,000.00	790.38		8,559.22	0.00	8,559.22
Total	**58,199.96**				**80,121.70**	**0.00**	**80,121.70**

Budget Option 2

This budget option sees the precept stand still. With margins tight on expenditure and little increase to ear marked reserves. With little increase in reserves this would mean most of our asset management will go into decline and we would have to think very carefully about which project we decided to proceed with as we would not be able to commit financially to several projects.

We are already aware there are several items in the playground which need replacing, one with a matter of urgency two within the next year or two, and then on within the next three to five years. The playground ear marked reserve will cover the cost to replace 1 item immediately but does not cover the cost to replace all items in need of repair.

This year sees the Car Park have a reserve for surface maintenance work. The current surface is prone to pot holing and therefore it is expected that work will need to be carried out at least twice a year to repair the damage. A long-term surface solution may need to be considered.

General Reserves forecast closing balance will see the reserve stand at approx. 39% of average Precept. The agreed aim is to have the General Reserves stand at 50%.

Earmarked	Opening Balance	Transfers	Spend	Receipts	Closing Balance		Proposed Addition start FY24-25	Balance after 1st April 2024
Toilet Block	0.00	14,696.21	6,519.44		8,176.77		0.00	8,176.77
Car Park	0.00				0.00		0.00	0.00
Community Maintenance	2,300.00				2,300.00		0.00	2,300.00
Defibrillator	648.40				648.40		0.00	648.40
Environment Group	3,242.42				3,242.42		0.00	3,242.42
General Contingency	13,077.50	3,048.00	1,878.21		14,247.29		6,120.00	20,367.29
Gods Acre (Long term Reserves)	12,037.23			25.00	12,062.23		0.00	12,062.23
Gods Acre (Working Funds)	4,285.00		3,161.12	4,010.00	5,133.88		0.00	5,133.88
Office Equipment	660.85	500.00	8.32		1,152.53		0.00	1,152.53
Parish Council Elections	3,100.00	2,000.00			5,100.00		0.00	5,100.00
Pavement Refurb	5,000.00				5,000.00		0.00	5,000.00
Playground Equipment	9,498.96	5,000.00			14,498.96		0.00	14,498.96
Special Projects	4,349.60	5,000.00	790.38		8,559.22		0.00	8,559.22
Total	**58,199.96**				**80,121.70**		6,120.00	**86,241.70**

Budget Option 3

This budget option sees the precept increase by 3.31%. With margins tight on expenditure and a minimal increase to ear marked reserves. With little increase in reserves this would mean most of our asset management will go into decline and we would have to think very carefully about which project we decided to proceed with as we would not be able to commit financially to several projects.

We are already aware there are several items in the playground which need replacing, one with a matter of urgency two within the next year or two, and then on within the next three to five years. The playground ear marked reserve will cover the cost to replace 2 items immediately but does not cover the cost to replace all items in need of repair.

This year sees the Car Park have a reserve for surface maintenance work. The current surface is prone to pot holing and therefore it is expected that work will need to be carried out at least twice a year to repair the damage. A long-term surface solution may need to be considered.

General Reserves forecast closing balance will see the reserve stand at approx. 35% of average Precept. The agreed aim is to have the General Reserves stand at 50%.

Earmarked	Opening Balance	Transfers	Spend	Receipts	Closing Balance		Proposed Addition start FY24-25	Balance after 1st April 2024
Toilet Block	0.00	14,696.21	6,519.44		8,176.77		0.00	8,176.77
Car Park	0.00				0.00		0.00	0.00
Community Maintenance	2,300.00				2,300.00		0.00	2,300.00
Defibrillator	648.40				648.40		0.00	648.40
Environment Group	3,242.42				3,242.42		0.00	3,242.42
General Contingency	13,077.50	3,048.00	1,878.21		14,247.29		4,120.00	18,367.29
Gods Acre (Long term Reserves)	12,037.23			25.00	12,062.23		0.00	12,062.23
Gods Acre (Working Funds)	4,285.00		3,161.12	4,010.00	5,133.88		0.00	5,133.88
Office Equipment	660.85	500.00	8.32		1,152.53		0.00	1,152.53
Parish Council Elections	3,100.00	2,000.00			5,100.00		0.00	5,100.00
Pavement Refurb	5,000.00				5,000.00		0.00	5,000.00
Playground Equipment	9,498.96	5,000.00			14,498.96		4,000.00	18,498.96
Special Projects	4,349.60	5,000.00	790.38		8,559.22		0.00	8,559.22
Total	**58,199.96**				**80,121.70**		8,120.00	**88,241.70**

Budget Option 4

This budget option sees the precept increase by 5.21%. With margins tight on expenditure and minimal increase to ear marked reserves. With this level of increase in reserves and only if we continue at this level of increase in reserves in future years our asset management would be stable, noting if there were any new items or further replacement items required, we would have to think carefully before committing to the project.

We are already aware there are several items in the playground which need replacing, one with a matter of urgency two within the next year or two, and then on within the next three to five years. The playground ear marked reserve will cover the cost to replace 2 items immediately but does not cover the cost to replace all items in need of repair, however with if this level of addition to reserve continues in future years we should be able to replace the items as and when required.

This year sees the Car Park have a reserve for surface maintenance work. The current surface is prone to pot holing and therefore it is expected that work will need to be carried out at least twice a year to repair the damage. A long-term surface solution may need to be considered.

General Reserves forecast closing balance will see the reserve stand at approx. 35% of average Precept. The agreed aim is to have the General Reserves stand at 50%.

Earmarked	Opening Balance	Transfers	Spend	Receipts	Closing Balance	Proposed Addition start FY24-25	Balance after 1st April 2024
Toilet Block	0.00	14,696.21	6,519.44		8,176.77	0.00	8,176.77
Car Park	0.00				0.00	0.00	0.00
Community Maintenance	2,300.00				2,300.00	0.00	2,300.00
Defibrillator	648.40				648.40	0.00	648.40
Environment Group	3,242.42				3,242.42	0.00	3,242.42
General Contingency	13,077.50	3,048.00	1,878.21		14,247.29	4,120.00	18,367.29
Gods Acre (Long term Reserves)	12,037.23			25.00	12,062.23	0.00	12,062.23
Gods Acre (Working Funds)	4,285.00		3,161.12	4,010.00	5,133.88	0.00	5,133.88
Office Equipment	660.85	500.00	8.32		1,152.53	0.00	1,152.53
Parish Council Elections	3,100.00	2,000.00			5,100.00	0.00	5,100.00
Pavement Refurb	5,000.00				5,000.00	0.00	5,000.00
Playground Equipment	9,498.96	5,000.00			14,498.96	4,500.00	18,998.96
Special Projects	4,349.60	5,000.00	790.38		8,559.22	0.00	8,559.22
Total	**58,199.96**				**80,121.70**	8,620	**88,741.70**

Budget Option 5

This budget option sees the precept increase by 12.80%. With margins tight on expenditure and a reasonable increase to ear marked reserves. With this level of increase in reserves and only if we continue at this level of increase in reserves in future years our asset management would be more secure.

We are already aware there are several items in the playground which need replacing, one with a matter of urgency two within the next year or two, and then on within the next three to five years. The playground ear marked reserve will cover the cost to replace 2 items immediately but does not cover the cost to replace all items in need of repair, however with if this level of addition to reserve continues in future years we should be able to replace the items as and when required.

This year sees the Car Park have a reserve for surface maintenance work. The current surface is prone to pot holing and therefore it is expected that work will need to be carried out at least twice a year to repair the damage. A long-term surface solution may need to be considered.

General Reserves forecast closing balance will see the reserve stand at approx. 35% of average Precept. The agreed aim is to have the General Reserves stand at 50%.

Earmarked	Opening Balance	Transfers	Spend	Receipts	Closing Balance	Proposed Addition start FY24-25	Balance after 1st April 2024
Toilet Block	0.00	14,696.21	6,519.44		8,176.77	0.00	8,176.77
Car Park	0.00				0.00	4,000.00	4,000.00
Community Maintenance	2,300.00				2,300.00	0.00	2,300.00
Defibrillator	648.40				648.40	0.00	648.40
Environment Group	3,242.42				3,242.42	0.00	3,242.42
General Contingency	13,077.50	3,048.00	1,878.21		14,247.29	4,120.00	18,367.29
Gods Acre (Long term Reserves)	12,037.23			25.00	12,062.23	0.00	12,062.23
Gods Acre (Working Funds)	4,285.00		3,161.12	4,010.00	5,133.88	0.00	5,133.88
Office Equipment	660.85	500.00	8.32		1,152.53	0.00	1,152.53
Parish Council Elections	3,100.00	2,000.00			5,100.00	0.00	5,100.00
Pavement Refurb	5,000.00				5,000.00	0.00	5,000.00
Playground Equipment	9,498.96	5,000.00			14,498.96	4,000.00	18,498.96
Special Projects	4,349.60	5,000.00	790.38		8,559.22	0.00	8,559.22
Total	**58,199.96**				**80,121.70**	12,120.00	**92,241.70**

Reserves Review

The Joint Panel on Accountability and Governance Practitioners Guide March 2023, item 5.38 states.

"There is, in practice, no upper or lower limit to EMR/CRRs save only that they must be held for genuine and identifiable purposes and projects, and their level should be subject to regular review and justification (at least annually and at budget setting), and should be separately identified and enumerated. Significant levels of EMRs in particular may give rise to enquiries from internal and/or external auditors."

Earmarked	**Reason for Reserve**	**Maximum hold Levels**
Toilet Block	Repair to roof, windows, and internal fittings.	50,000
Car Park	Repair to surface. Better surface	25,000
Community Maintenance	Asset Maintenance To include but not limited to (Bus Shelters, Benches Repair, & fencing).	5,000
Defibrillator	Repair to defibrillator cabinets. Replacement batteries and pads if device used.	1000
Environment Group	Used for EG projects (Trees for the Jubilee planned for 2024)	0 + Projects
General Contingency	Used for unexpected inflation, unforeseen events, and unusual circumstances	26,500
Gods Acre (Long term Reserves)	Repair to boundary walls, shed, landscaping when burial numbers are low. Plus, project seeing the addition of an area to scatter ashes.	10,000+ (increase at present for project)
Gods Acre (Working Funds)	Money received for Interments, to cover associated costs. Any excess transferred to long term reserves	at the end of the year 0. Move to Gods Acre Long term reserves
Office Equipment	To cover cost of new office equipment such as laptop and printer as required.	2000
Parish Council Elections	To cover cost of bi-election and general election costs.	3,100 + (£2,000 year of general election)
Pavement Refurb	Repair to heritage pavement throughout the Parish	A DC responsibility but contribution may be sought Could be substantial5,000
Playground Equipment	Repair and replacement of playground equipment and safety surfaces	45,000
Special Projects	Other Special Projects - 20mph	5,000

Duplicate Recommendation:

1. Car Park Permit cost: **Recommendation**: To leave the Corfe Castle Parking Permit fee at current levels. (Residents £450 (inc VAT), second homes owners £750 (inc VAT)).

2. Contributions.
   Recommendation: To re-affirm the current contributions made to various organisations:
   Citizens Advice: £150 increased to £300
   Air Ambulance: £150
   Litter Free Purbeck: £100
   Corfe Valley News: £750
   Other: £200 (For use throughout the year if help requested and agreed)

3. Memberships.
   Recommendation: To re-affirm the current subscriptions made to various organisations:
   DAPTC (£525), SLCC (£175) & CPRE (£36)

4. Gods Acre fees
   Recommendation: To increase all fees by 5% (rounded to nearest £5 or £10).

5. The RFO & Finance Working group recommends reserve option 4 which would see the Precept increase by 4.77% (Band D Tax band of approx. £80.70; £0.31 per month per household)