



ALSAGER TOWN COUNCIL
DRAFT BUDGET
FY2019/20

FINANCE MANAGER

TOWN CLERK AND RESPONSIBLE FINANCE OFFICER

5TH DECEMBER 2018

ALSAGER TOWN COUNCIL

DRAFT CAPITAL & REVENUE BUDGET 2019/20

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FY2019/20 BUDGET PROCESS TO DATE

The 2019/20 draft budget has been subject to consultation and scrutiny by the service committees and was considered by the Finance, Policy & Governance Committee at its meeting on 4th December 2018 for recommendation to Council.

FPG18/40 Draft Budget 2019/20

The Committee considered the Draft Budget 2019/20. Members raised queries, and clarifications were sought from the Town Clerk and Finance Manager on various points. A request was made to include a provision for Youth Activities.

Resolved: i) To recommend inclusion of £1,000 in the FY2019/20 grants budget for Youth Activities to be applied for via the grants procedure.

ii) To recommend to Council at its meeting on 15th January 2019 the budget for FY2019/20 with total net expenditure of £412,107 funded £6,739 from earmarked reserves, £8,153 from capital reserves, £11,750 from general reserves and a Precept request of £385,465 which represents an increase of 3% per annum per Band D equivalent from FY2018/19.

iii) To cancel the additional provisional meeting of Finance, Policy and Governance Committee scheduled for 8th January 2019.

The Town Council will consider and approve the budget for FY2019/20 at its meeting dated 15th January 2019.

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OVERVIEW

The Local Government Act 1992, Section 49A requires a Local Precept Authority (Alsager Town Council) to prepare a budget to calculate its Precept requirement.

The Budget must give details of planned expenditure for the following year ensuring that financial resources are aligned to the priorities of the Council and local community.

It should be noted that, in recent years, the Town Council has not received a Council Tax Support Grant from Cheshire East Council since the grants ceased in FY2016/17.

The Town Council is keen to preserve services for Alsager residents. The aim is always to try and achieve more with less and providing value for money for the council tax payer is the overriding aim.

During 2019/20 we will ensure the Council's financial resources are aligned to its priorities and by monitoring performance we will ensure that our resources are used effectively, in accordance with its Corporate Strategy, and that our business planning and financial decision making are made in the context of performance and meeting the needs of the community in terms of local service delivery, at Alsager Civic, Neighbourhood Planning and the general well being of the community.

Cheshire East Council will fix its Taxbase for the financial year 2019/20 by Resolution of the Council on the 13th December 2018.

Cheshire East Council have advised that the Taxbase for Alsager Town Council is likely to be 4,659.37 for FY2019/20.

ALSAGER CIVIC CAPITAL REFURBISHMENT PROGRAM

Following a comprehensive condition survey for Alsager Civic, a refurbishment program was undertaken during the summer months of 2017 which brought the building up to modern standards and expectations with regards to thermal efficiency, improved roofing and comfort levels. The scheme consisted of new boilers with digital controls, a new roof covering fully insulated with a 20 year guarantee, community kitchen upgrade, new windows and external doors, cavity wall insulation and improvements to the electrical installation and other elements of the building both internal and external. The refurbishment program was financed with external grant funding from WREN, Council reserves and a 20 year loan from the Public Works Loan Board ending in 2037.

ALSAGER NEIGHBOURHOOD PLAN

At a meeting of the Town Council held on 27th January 2015, it was resolved:

15/7 Neighbourhood Planning

Resolved: a) That, the factsheets as listed and referred to be received.

b) That, to agree in principle that the Town Council acts as a relevant body in the preparation of a Neighbourhood Plan.

Cllr W. Stevenson voting against this.

c) To agree that in progressing a Neighbourhood Plan a working group is constituted for its delivery comprising of six members to be chaired by the Chairman of the Planning and Community Services Committee.

d) That the Terms of Reference for the Working Group including its work plan, timelines for deliver and cost are approved by full Council

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The cost for Alsager Town Council to produce a neighbourhood plan has been estimated at £30,000. During the budget setting process for FY2016/17, an earmarked reserve was created totalling £30,434 as a source of funding, along with grant funding that is available for production of a Neighbourhood Plan.

A public consultation was held at the end of FY2015/16 and the Alsager Neighbourhood Plan Steering Group was established and begun the work involved in preparation of the neighbourhood plan. Total net expenditure incurred to the end of FY2017/18 was £12,043 (net of grant income received) and the balance of the earmarked reserve at the beginning of FY2018/19 was £18,391. External grant funding of £3,940 has been received during FY2018/19 with expenditure forecast for the year of £22,331, to fully utilise the balance remaining in the earmarked reserve.

The Alsager Neighbourhood Plan Steering Group are hoping to move to Regulation 14 in January 2019 and Regulation 15 before March 2019. Progress will then be halted due to purdah with an expected referendum in summer 2019.

No further funding is required from the Town Council: the level of funding already earmarked for the neighbourhood plan should be adequate for the requirements currently identified and nothing extra has been incorporated into the draft budget for FY2019/20.

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CENTRAL GOVERNMENT POLICIES IMPACTING UPON ALSAGER TOWN COUNCIL FINANCING

GOVERNMENT CONSULTATION ON LOCAL GOVERNMENT FINANCE SETTLEMENT FOR FY2017/18

A technical consultation paper has been issued on the Local Government Finance Settlement for FY2018/19 dated September 2017 which states the following:

4.2 Council tax referendum principles for town and parish councils

4.2.1 Last year, the Government issued a challenge to town and parish councils to demonstrate restraint when setting precept increases that are not a direct result of taking on additional responsibilities, and to make precept decisions more transparent to local tax-payers. The continuation of this position in 2018-19 is contingent upon the Government receiving clear evidence of how the sector is responding to this challenge. The Government expects parishes, in setting their precepts, to consider all available options to mitigate the need for council tax increase, including the use of reserves where they are not already earmarked for particular purposes or for “invest to save” projects which will lower on-going revenue costs. Any revised proposals will be set out at the time of the provisional local government finance settlement later in the year.

A briefing paper was issued in October 2018 which states the following:

Proposed thresholds for 2019-20

The Government’s technical consultation, published in July 2018, proposed the following thresholds for 2019-20:

- Local authorities with responsibility for social care (county and unitary authorities) must hold a referendum if council tax is to be increased by **5% or more**. Council tax for general spending requires a referendum if it rises by 3% or more, alongside a maximum 2% ‘social care precept’.¹² The setting of the social care precept must not exceed a rise of 6% over three years (see the section on 2017-18 below).*
- For district councils: if council tax is to be increased by **3% or more and more than £5.00** on a Band D property—i.e. an increase of more than 3% is permitted as long as it does not exceed £5.00 on a Band D property;*
- For Police and Crime Commissioners (PCCs): if council tax is to be increased by **more than £12** on a Band D property;¹³*
- For fire and rescue authorities, if council tax is to be increased by **3% or more**;*
- For the Greater London Authority: if council tax is to be increased by **3% or more** on a Band D property.*

No thresholds will be set for parish and town councils or for combined authorities.

CHESHIRE EAST COUNCIL PRE-BUDGET CONSULTATION 2019/22

Cheshire East Council have issued the Pre-Budget Consultation report for 2019/22.

The pre-budget consultation report is a matter for consideration by the Planning, Environment and Community committee meeting dated 20th November 2018.

The draft budget for FY2019/20 as contained within this report does not include any income streams or additional expenditure connected to the Cheshire East Council pre budget consultation.

NEW HOMES BONUS

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The New Homes Bonus is a grant paid by central government to local councils to reflect and incentivise housing growth in their areas.

Councils can decide how to spend the New Homes Bonus. However, they are expected to consult communities about how they will spend the money, especially communities where housing stock has increased.

Cheshire East Council have resolved to retain the New Homes Bonus, and not to distribute it to Town & Parish Councils for spending at a local level.

The Cheshire East Council Pre-Budget Consultation for 2019/22 contains the following extract in relation to the New Homes Bonus:

66. Community Budgets funded from New Homes Bonus

The Council agreed to set aside a fund of £2m (£1m in each of 2018/19 & 2019/20) to allow local people to engage with how services are delivered at a local level. As new homes can impact on the services required in an area, the allocation of funding will reflect where new houses have been built.

The Council is providing support to local communities, to develop and implement spending plans, but decisions will be made locally.

Due to concerns raised over timescales on getting the scheme up and running, the scheme funds will now start to be spent a year later than originally anticipated.

At its meeting dated 11th October 2018 Alsager Town Council resolved:

TC18/75 Transfer of Money from General Reserves – New Homes Bonus Bids

The Council considered the recommendation from Finance, Policy and Governance Committee FPG18/28 to transfer £30,000 from General Reserves to a new budget 'Play Areas and Open Spaces' to have the ability to provide match funding for any New Homes Bonus bids the Town Council may wish to support following a lengthy debate:

Resolved: To approve the recommendation from Finance, Policy and Governance to transfer £30,000 from General Reserves to create a budget heading 'Play areas and Open Spaces'.

CHESHIRE EAST COUNCIL CONSULTATION ON THE COMMUNITY INFRASTRUCTURE LEVY DRAFT CHARGING SCHEDULE (CIL)

The Community Infrastructure Levy (CIL) is a planning charge that can be used to support the developments of the local area. It allows local authorities to raise funds from developers of new building projects. The money can be used to help fund a wide range of infrastructure that is needed as a result of development.

CIL is charged as a fixed rate per square metre of new floor space. The rate is set by local authorities in consultation with local communities and developers, and is tested through an independent examination.

Cheshire East Council issued a consultation on the Community Infrastructure Levy Draft Charging Schedule in Autumn 2017. The draft charging schedule sets out the Council's proposals for a possible future CIL charge in the Borough.

CEC are currently awaiting the result of the Examiner's report, which is expected at the end of November 2018. Assuming that the recommendations are favourable, it is anticipated that the Council will be asked to approve the implementation of CIL at its meeting in February 2019 with it becoming operational on or before 1st April 2019.

The CIL Draft Charging Schedule Consultation states the following that is relevant to Alsager:

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3.7 Parishes where development takes place will receive their own portion of CIL to spend on infrastructure. In areas where there is no Neighbourhood Plan this will be capped at 15%, capped at £100 per existing dwelling to be spent on local priorities. Where a Neighbourhood Plan is in place the portion increases to 25% uncapped as a government incentive to prepare a Neighbourhood Plan.

6 Draft Charging Schedule

6.1 The Community Infrastructure Levy draft charging rates for development across the Cheshire East Council area are proposed as follows:

Development Type	Zone	Initial Proposed Rate of CIL (per sqm)
Residential (Use Class C3)	Zone 1 – Crewe, Macclesfield, Alsager, Congleton, Handforth, Middlewich, Nantwich, Sandbach, Audlem, Bunbury, Bollington, Chelford, Disley, Goostrey, Haslington, Holmes Chapel, Shavington and Wrenbury	£0

6.2 Consultants Keppie Massie has undertaken detailed appraisals of a selection of Local Plan Strategy Sites to inform the overall CIL position in the draft charging schedule. The testing suggests that the following sites should be subject to a zero CIL rate (the proposed CIL rates for other Local Plan Strategy sites will be as per the charging zone they are located in CIL Charging Zone map(s) set out in appendix B of this document)

LPS Ref	Site	Settlement	No Dwellings	Proposed CIL Rate in DCS (per sqm)
LPS21	Twyfords and Cardway	Alsager	550 new homes	0
LPS23	Radway Green Brownfield	Alsager	10 ha redevelopment of employment land	0
LPS24	Radway Green Extension	Alsager	25 ha of employment land	0
LPS25	Radway Green North	Alsager	12 ha of employment land	0

6.3 In order to assist with the interpretation of the scaled plan in appendix B and for the avoidance of doubt, the proposed CIL rates for Local Plan Strategy sites subject to a CIL charge are as follows:

LPS Ref	Site	Settlement	No Dwellings	Proposed CIL Rate in DCS (per sqm)
LPS20	White Moss Quarry	Alsager	350 new homes and local centre	71
LPS22	Former MMU	Alsager	400 new homes	71

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			<i>and leisure hub</i>	
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Appendix C Draft Regulation 123 List

C.7 The list below sets out those infrastructure projects that Cheshire East Council currently intends may be wholly or partly funded by CIL, with clarification notes and S106 requirements.

<i>1) Infrastructure Type or Project that could potentially be funded through CIL</i>	<i>2) Any exclusions – to be secured potentially through section 106, section 278 or other means expect those items specified in column 1.</i>
<i>Transport (Roads and other transport facilities including public transport provision)</i> <i>Alsager</i> <ul style="list-style-type: none"><i>• B5077 Crewe Road/B5078 Sandbach Road North junction improvements</i>	<i>Transport assessments, Travel Plans and Travel Plan monitoring in line with Policy C04 (Travel Plans and Travel Assessments) of the Local Plan Strategy.</i> <i>Highway works to mitigate the direct impact of development including site access, junction improvements and enabling safe and convenient access by all modes of transport.</i> <i>Site related pedestrian, cycle of bus facilities / service provision.</i> <i>n.b Improvements may include works directly within or related to the development site, where the needs for such works are identified in a transport assessment.</i>

Alsager Town Council considered the consultation at the meeting of its Planning, Environment and Community Committee meeting dated 17th October 2017 where it was resolved that:

PEC17/121 Community Infrastructure Levy Consultation

The Committee considered the consultation document and noted that the Alsager Neighbourhood Steering Group would be submitting their own comments.

Resolved: That, the Chairman and Vice-Chairman of the Committee prepare a submission based on comments made at the meeting.

The submission was made via the online consultation portal and stated that Alsager Town Council noted the proposals contained within the consultation document, and further urged Cheshire East Council to retain the proposed Highways improvements to the B5077 Crewe Road / B5078 Sandbach Road North junction as an urgent item.

The draft budget for FY2019/20 as contained within this report does not include any income in relation to CIL.

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BUDGET TIMETABLE

The timetable for the Budget Setting Process is as follows:-

<ul style="list-style-type: none">• 5th July 2018	Corporate Strategy Working Group to meet to consider budget direction.
<ul style="list-style-type: none">• 11th September 2018	Town Council approve the recommendations from CSWG on 5 th July and pass budget priorities to individual committees.
<ul style="list-style-type: none">• Sep / Oct 2018	Consultations with Officers and preparation of draft budgets in accordance with the budget priorities.
<ul style="list-style-type: none">• 16th October 2018	Hold Grants panel to feed in grants value to budget.
<ul style="list-style-type: none">• 17th October 2018	Alsager Institute Committee to review draft budget and make recommendations to Finance, Policy & Governance Committee.
<ul style="list-style-type: none">• 25th October 2018	Alsager Partnership Review Panel to consider the action plan and grant funding request from Alsager Partnership for 2019/20 and make recommendations to Finance, Policy & Governance Committee.
<ul style="list-style-type: none">• 30th October 2018	Personnel Committee to consider annual staff appraisal and review to feed salaries for 2019/20 into budget.
<ul style="list-style-type: none">• 12th November 2018	Alsager Civic & Services Committee to review draft budget and make recommendations to the Finance, Policy & Governance Committee.
<ul style="list-style-type: none">• 20th November 2018	Planning, Environment & Community Services Committee to review draft budget and make recommendations to the Finance Policy & Governance Committee.

Note: As the papers are issued for Finance Committee meeting dated Tuesday 4th December 2018, the draft budget being proposed to Committee will be available on the Council's website as a public document and available for inspection at the Council offices. Members of the public are encouraged to review the document and attend the Finance, Policy & Governance Committee to

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speak in public participation on matters of interest within the budget.	
<ul style="list-style-type: none">• 4th December 2018	Finance, Policy & Governance Committee to consider the 1 st view of the various budgets and the consolidated total budget and to make changes as required or to recommend the overall budget for 2019/20 to the Town Council.
Note: Following this meeting, the draft budget will be updated to incorporate any changes recommended by the Finance, Policy & Governance Committee, and a revised version will be available on the Council's website as a public document and available for inspection at the Council offices.	
<ul style="list-style-type: none">• 15th January 2019	Town Council to agree the 2019/20 budget and to set the level of Precept for 2019/20.
<ul style="list-style-type: none">• 16th January 2019	Town Council to inform Cheshire East Council of the Precept for 2019/20.

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COUNCIL TAX BASE DETAILS

The Council Tax Base quantifies the equivalent number of properties from which Cheshire East Council, on our behalf, is able to collect Council Tax. The Tax Base is presented as an equivalent number of domestic properties in Council Tax Band D after adjusting for relevant discounts and exceptions. The level of Council Tax multiplied by the tax base equals the expected income from local taxation.

The tax base is affected mainly by:-

- New residential development in the area
- Fluctuations in the number of discounts awarded
- Discounts for empty properties.

Cheshire East Council will fix its Taxbase for the financial year 2019/20 by Resolution of the Council on the 13th December 2018.

Cheshire East Council have advised that the Taxbase for Alsager Town Council is likely to be 4,659.37 for FY2019/20.

2015/16 Tax Base 4,255.33

2016/17 Tax Base 4,367.54

2017/18 Tax Base 4,415.60

2018/19 Tax Base 4,453.82

2019/20 Tax Base 4,659.37

BAND D Equivalent

	<u>Per Annum</u>	<u>Per Week</u>
2015/16 £290,000 ÷ 4,255.33	£68.15	£1.31
2016/17 £327,000 ÷ 4,367.54	£74.87	£1.44
2017/18 £351,217 ÷ 4,415.60	£79.54	£1.53
2018/19 £357,751 ÷ 4,453.82	£80.32	£1.54
2019/20 £385,465 ÷ 4,659.37	£82.73	£1.59

An increase in the Council Tax Base leads to a lower increase in both monetary and percentage terms for each Band D equivalent property.

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FINANCIAL STABILITY

This establishes how the amount available to spend on council services is determined and how local and national influences impact on funding.

External economic pressures which impact on the budget include:

- Pay expenditure
- Pension provision
- Inflation
- National Economic situation
- Unemployment levels

Internal Pressure

- Income Generation
- Business Development
- Continuous Review of Income & Expenditure

The Town Council strategy is to maintain adequate reserves to protect against risk and support investment.

RESERVES REVIEW

A well-run authority with a prudent approach to setting its budget, will each year consider its level of general balances. These general balances will also need to be supported by earmarked reserves for specific needs and commitments.

In coming to a view on the adequacy of the Town Council's reserves, account needs to be taken of the risks facing the Council in terms of any significant unforeseen spending commitments.

During the meeting of the Finance, Policy & Governance Committee held on 25th September 2018, the level of reserves were reviewed as part of the budget monitoring statements from August 2018.

Minute Number FPG18/21 states the following:

FPG18/21 Budget Monitoring Statement

The Chairman made reference to the most recent Budget Monitoring Statement for April 2018. Questions were raised on capital reserves and PCSO provision.

Resolved: i) That, the reports and budget monitoring statement for August 2018 FY2018/19 be received.

ii) That, the requested budget virements be recommended to Council for approval.

iii) To note the additional water charges at the allotment sites and public conveniences for FY18/19.

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iv) To recommend the creation of earmarked reserves for FY2019/20 for:-

- £500 for additional water charges for the allotment sites (combined).
- £500 for additional water charges for the public conveniences.

The earmarked reserves recommended in section iv) will be created in FY2018/19 for use within FY2019/20 once approved by Council on 15th January 2019.

At it's meeting dated 9th October 2018, the Council resolved:

TC18/75 Transfer of Money from General Reserves – New Homes Bonus Bids

The Council considered the recommendation from Finance, Policy and Governance Committee FPG18/28 to transfer £30,000 from General Reserves to a new budget 'Play Areas and Open Spaces' to have the ability to provide match funding for any New Homes Bonus bids the Town Council may wish to support following a lengthy debate:

Resolved: To approve the recommendation from Finance, Policy and Governance to transfer £30,000 from General Reserves to create a budget heading 'Play areas and Open Spaces'.

The transfer has been actioned in November 2018 and there has been no adjustment to the general reserve balance for this as at 31st October 2018.

The reserves statement as at 31st October 2018 is as follows:

Reserves Statement at 31st October 2018

General Reserve	134,089.53
Capital Reserve	60,000.00
Capital Reserve - Allotments	1,000.00
Earmarked Reserves	
Election	9,000.00
Offices	14,100.00
Neighbourhood Plan	18,390.78
Alsager Civic Development Reserve	5,215.00
Market Equipment	1,008.22
Recruitment / Handover	2,000.00
	<u>49,714.00</u>
	<u>243,803.53</u>

At it's meeting dated 20th November 2018, the Planning, Environment & Community Committee recommended to Council to approve the creation of an earmarked reserve from general reserves of £905 for use at Wayside Linley Play Area, minute number PEC18/143 refers.

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INVESTMENT POLICY AND THE LEVEL OF GENERAL RESERVE

Alsager Town Council's investment policy proposes that 'a sum approximately equal to 25% - 50%, depending on financial circumstances, of its Net Revenue Expenditure will be maintained as the General (non-earmarked) Reserve, in accordance with good practice'.

As Alsager Town Council may continue to take on additional services and the ongoing running costs of the Council increase, so too does the requirement for the level of the General Reserve.

The net revenue expenditure in the draft budget for FY2019/20 is £390,107. In line with the investment policy, the acceptable range for the general reserve is between £97,527 and £195,054.

The general reserve at 31st October 2018 is £134,090.

The budget monitoring statements for October 2018 predicted that a surplus for the year of £24,868 will be generated at the end of FY2018/19. Along with transfers from the capital reserve and earmarked reserves to cover expenditure in the year and new earmarked reserves that have been approved for creation and it is anticipated that the value of the general reserve will increase at year end to £128,866. That is within the acceptable range for the general reserve at approximately 33%.

In line with the Council tax referendum principles:

"The Government expects parishes, in setting their precepts, to consider all available options to mitigate the need for council tax increase, including the use of reserves where they are not already earmarked for particular purposes or for "invest to save" projects which will lower on-going revenue costs."

The Council could consider utilising as much as £30,000 from the general reserve to finance the budget for FY2019/20 to remain within the acceptable range for general reserves in line with the approved policy. At its meeting dated 4th December 2018, the Finance, Policy & Governance Committee made a recommendation to Council which included the use of £11,750 of general reserves to finance the budget for FY2019/20.

FY2019/20 BUDGET ASSUMPTIONS FOR RESERVES

Capital reserve

The Council resolved (under minute number 16/20 from the Finance, Policy & Governance Committee meeting dated 27th September 2016) to set up a Capital Reserve, acknowledging that a Capital Reserve provides opportunities to the Council in its future service delivery.

It was resolved to set up a capital reserve.....and to include £10K within the draft budget on an ongoing basis (subject to annual priorities) to build on the capital reserve.

The balance at 31st October 2018 is £60,000 and is predicted to be £61,000 at 31st March 2019.

The draft budget for FY2019/20 as contained within this document being proposed to Committee for recommendation to Council, includes a contribution of £20,000 to build the capital reserve balance further in support of the Council's corporate strategy.

Expenditure totalling £8,153 is budgeted to be financed from the capital reserve in FY2019/20.

Capital reserve - Allotments

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The Council established a capital reserve during the budget setting process for FY2019/20 to support the potential future expansion of the Talke Road allotments site in recognition of the growing town.

The balance at 31st October 2018 is £1,000 and is predicted to be £1,000 at 31st March 2019.

The draft budget for FY2019/20 as contained within this document being proposed to Committee for recommendation to Council, includes a contribution of £1,000 to build the allotments capital reserve.

Earmarked reserves

It is anticipated that during FY2018/19, expenditure will be incurred against the following earmarked reserves, which is detailed within the service committee expected expenditure to 31/03/19 and budget for FY2019/20:

Neighbourhood Plan earmarked reserve	Anticipated to be utilised in full during FY2018/19. Any remainder of the reserve on completion of the plan has been proposed to be earmarked for financing of a Town Centre Manager.
Alsager Civic development reserve	£3,552 anticipated to be utilised in FY2018/19. Balance of £1,663 anticipated to remain at YE is factored into the budget for FY2019/20 to be spent.
Recruitment / Handover	£514 anticipated to be utilised in FY2018/19. Balance of £1,486 anticipated to remain at YE.

A number of earmarked reserves are requested to be created at year end FY2018/19 to a total of £10,946 (which have been taken account of in projecting the balance of the general reserve at year end FY2018/19).

Expenditure totalling £5,834 is budgeted to be financed from earmarked reserves in FY2019/20. Within the earmarked reserves that have been requested to be created at year end FY2018/19 is a reserve of £5,000 relating to Alsager Institute following the resolution from Alsager Institute Committee at it's meeting dated 17/10/18:

118/23 Alsager Institute Draft Budget 2019-20

The Committee considered the Draft Budget Report for 2019-20. The Town Clerk drew the Committees attention to the risks and opportunities for the Institute.

Resolved: i) That, the Alsager Institute Committee approve the draft budget for FY2019/20 as proposed, with a net deficit of £429, with the knowledge of the risks and opportunities contained within the budget.

ii) That, the Committee request that the Town Council approve a grant of £4,000 to the Institute to fund the deficit for 2018/19.

iii) To request that the Town Council create an earmarked reserve of £5,000 on a permanent basis to give the Institute Committee assurance of future grants.

This will be approved, or otherwise, by Council at it's meeting dated 15/10/19. This has not been budgeted to be utilised in FY2019/20.

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IRRECOVERABLE VAT

In September 2016, following a recommendation from the Council's auditor, Alsager Town Council obtained specialist advice from the Parkinson Partnership LLP on understanding the VAT position in relation to Alsager Civic's operating practices and the impact of the Civic refurbishment program.

The council is registered for VAT.

Both Alsager Civic and Alsager Market make a mixture of taxable and VAT-exempt supplies. VAT on expenditure relating to the council's VAT-exempt sales cannot normally be reclaimed, unless the amount of VAT falls below the de minimis threshold (£7,500 per annum).

Organisations that make a mixture of taxable and exempt supplies need to undertake a partial exemption calculation each year, to ensure that they do not reclaim VAT they are not entitled to. Alsager Town Council undertakes this calculation on a regular basis.

Large items of expenditure may result in the council not being able to reclaim any of the VAT attributable to its exempt activities (if the resulting impact is that VAT attributable to exempt activities exceeds £7,500 per annum).

That was the case in FY2017/18 as expenditure on the Civic capital refurbishment program meant that VAT attributable to exempt activities exceeded the £7,500 de-minimus limit.

The value of irrecoverable VAT incurred in the year was £35,343.

It is not expected that the value of irrecoverable VAT in FY2018/19 will breach the de-minimus limit and the forecast for irrecoverable VAT in the year is zero.

Calculations have been performed during the budget setting process for FY2019/20 to estimate the value of input VAT that would be attributed to exempt activities during the year to establish if the de-minimus limit of £7,500 would be breached.

Calculations have estimated input VAT attributable to exempt activities during FY2019/20 to be in the region of £6,800 and as such, no budgetary provision has been made within the draft budget contained within this report for irrecoverable VAT.

However, the Council should note the risk that un-budgeted expenditure on Alsager Civic or Alsager Market could lead to the £7,500 de-minimus limit being breached during FY2019/20. The resulting impact would be that none of the VAT attributed to exempt activities could be recovered from HMRC. This would need to be financed from general reserves.

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FINANCIAL RISK ASSESSMENT

Given the context of developments in the public sector, the current economic climate, and the Council's need to deliver local priorities within the limits of available funding, risk management has an increased profile. It is important that the Town Council is able to demonstrate that it has effective financial risk management processes in place.

A key corporate risk relates to financial control and the impact this may have on the Council's financial stability. The following highlights the existing controls and planned improvement actions

Risk Description

Financial Control	Existing Controls and Evidence	Actions
Risk that the Council fails to manage expenditure within budget and maintain an adequate level of reserves, hereby threatening financial stability and service continuity and preventing the achievement of corporate objectives.	There are clearly defined financial roles, responsibilities and decision making processes, set out in the Council's Financial Regulations.	Review ongoing impact of current spending projections as part of budget setting and forward financial planning.
	Fully integrated financial management system. Well-developed financial reporting providing scheduled and ad-hoc reports for management and monitoring purposes. Robust medium term financial planning linked to service performance and corporate objectives as part of the business planning process. Reserves strategy incorporating specific analysis of financial risks, forward forecasting and assessment of the adequacy of general balances. Monthly financial updates incorporating variance analysis and spending projections at service level and overall assessment of impact on balances.	Review service fees and charges and identify new income generating opportunities.

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Financial Control	Existing Controls and Evidence	Actions
	Ongoing review by internal and external audit of the adequacy and effectiveness of financial and management controls.	
Price Inflation: risk that actual cost increases are higher than budget predictions. Actual costs will be higher than budget as a result.		<p>Incorporate a reasonable allowance for general price increases within the budget to ensure that the Council has sufficient funds to manage activities.</p> <p>2% general allowance for price increases incorporated within budget FY2019/20</p>
<p>Irrecoverable VAT - Risk that unbudgeted expenditure in FY2019/20 will lead to breaching the de-minimus limit of £7,500 for input VAT that can be reclaimed that has been allocated to exempt activities.</p> <p>The resulting impact being that all input VAT allocated to exempt activities in the year would become unrecoverable from HRMC and would be a charge to the income and expenditure account in the year, without any budgetary provision for it.</p>	<p>Assumptions & estimations performed as part of the budget setting process to calculate the value of input VAT that would be allocated to exempt activities in the year and to identify if it is likely to breach the £7,500 annual de-minimus limit.</p> <p>If budget calculations show that the de-minimus limit will be breached, the value of irrecoverable VAT will be budgeted for.</p> <p>Budget calculations for FY2019/20 show that the value of input VAT attributed to exempt activities would be £6,829 and, as such, no budgetary provision has been made for irrecoverable VAT as it is below the de-minimus limit.</p>	<p>Communicate the risk to Council.</p> <p>Recommend that general reserves be identified as financing for irrecoverable VAT in FY2019/20 if necessary.</p>

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Financial Control	Existing Controls and Evidence	Actions
Grant / Sponsorship Income – Risk that budgeted grant / sponsorship income is not received.	The budget includes £1,000 of sponsorship income in relation to the Christmas Tree. If this funding is not secured, there will be a budgetary shortfall.	Communicate the risk to Council. Recommend that the contingency contained within the budget or general reserves be identified as financing for additional costs incurred if sponsorship income is not secured, as budgeted.
Pension contributions in excess of the budget. Not all employees are members of the pension scheme and the budget has been adjusted down to figure which is expected to be incurred, assuming that those staff members do not join.	A value of £5,000 of pension contributions at Alsager Civic were removed from the budget.	Communicate the risk to Council. Recommend that general reserves be identified as financing for additional pension contributions if necessary.
Risk of costs being incurred in relation to contribution to CCTV provision (managed by CEC) that are in excess of the budget.	The budget does not include any increase to the contribution to CCTV provision within the town. There is a risk of costs being incurred in excess of the budget if the Council resolve to contribute to additional CCTV provision in the town.	Communicate the risk to Council. Recommend that the contingency contained within the budget or general reserves be identified as financing for additional costs incurred if sponsorship income is not secured, as budgeted.
Asset Transfer of 3 Lawton Road – Risk of revenue expenditure in FY2019/20 for running costs associated with the Town Council offices at 3 Lawton Road being higher than the budgetary provision, if the asset transfer takes place during FY2019/20.	The budget for FY2019/20 includes £4,300 for office rental plus £4,239 for office service charges which represents the proportional charges incurred by Alsager Town Council for occupancy of a proportion of the offices at 3 Lawton Road. Revenue costs incurred by CEC in relation to 3 Lawton Road in FY2017/18 were in the region of £11,599.	Communicate the risk to Council. Recommendation that the asset transfer be progressed to commence with effect from the start of the budget year FY2020/21, if possible. Recommend that a specific financing strategy be identified for additional revenue or capital costs incurred if the asset transfer goes ahead during FY2019/20.
Risk of capital expenditure in FY2019/20 being higher than	There is also an earmarked reserve in place of £14,100 for	

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Financial Control	Existing Controls and Evidence	Actions
the earmarked reserve currently set aside for that purpose, if the asset transfer takes place during FY2019/20.	capital / project costs associated with the asset transfer.	
<p>Alsager Institute</p> <p>Risk of loss of income from main hirer.</p> <p>The existing licence to hire with the main hirer of Alsager Institute expires in September 2019.</p> <p>As Alsager Institute does not hold a large value in reserve, it would be highly likely that Alsager Town Council would be approached to provide additional grant support to Alsager Institute in the event of loss of income from the main hirer, until alternative arrangements could be implemented.</p>	<p>The budget for Alsager Institute has been prepared on the basis that the licence to hire will be extended beyond September 2019 with the removal of the discount that was granted for the first year in support of the new hirer.</p>	<p>Communicate the risk to Council.</p> <p>At it's meeting dated 17/10/18, Alsager Institute Committee resolved:</p> <p><i>118/23 Alsager Institute Draft Budget 2019-20 The Committee considered the Draft Budget Report for 2019-20. The Town Clerk drew the Committees attention to the risks and opportunities for the Institute.</i></p> <p><i>Resolved:</i></p> <p><i>iii) To request that the Town Council create an earmarked reserve of £5,000 on a permanent basis to give the Institute Committee assurance of future grants.</i></p> <p>This will be approved, or otherwise, by Council at it's meeting dated 15/10/19. This has not been budgeted to be utilised in FY2019/20 but it exists for that purpose.</p>
<p>Voluntary Groups</p> <p>Risk that external organisations are unable to carry out their services on behalf of Alsager Town Council.</p>	<p>Alsager Town Council is reliant upon a number of external organisations to carry out services on behalf of Alsager Town Council.</p> <p>They rely heavily on volunteer support which reduces operating costs for providing the services.</p> <p>If the voluntary groups were</p>	<p>Communicate the risk to Council.</p> <p>Recommend that the contingency contained within the budget or general reserves be identified as financing if required.</p>

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Financial Control	Existing Controls and Evidence	Actions
	unable to carry out their services on behalf of Alsager Town Council, paid officer time would be utilised to provide the services.	
Urgent Capital Works	As an owner of capital assets, Alsager Town Council is at risk from expenditure on urgent, unbudgeted capital works.	Communicate the risk to Council. Recommend that the contingency contained within the budget or general reserves be identified as financing if required.

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PLANNED MAINTENANCE PROGRAM: ALSAGER COMMUNITY SERVICES

Alsager Town Council appointed Lowe Surveyors to perform a condition survey of the public conveniences, allotments sites and street planters in July 2018.

From the report which was produced as a result of the survey, the following planned maintenance program has been prepared which covers the period 2019/20 – 2028/29.

All costs identified for Year 1 within the report have been incorporated into H&S costs, premises Grounds Maintenance and Repair & Maintenance costs. However, in the absence of an approved strategy for Alsager Allotments and a service level agreement between Alsager Town Council and Alsager Garden’s Association in relation to the Allotments sites, the responsibility for maintenance of land at risk of erosion from water course or flooding and tree management is unclear. The repair and maintenance budget for Alsager Allotments includes £1,500 for reactive and planned maintenance (specifics to be confirmed), £250 to replace broken fence panels at Talke Road and £500 for a check on invasive plants at all sites.

Asset Ref	Asset Details	Element	Conditon Notes	Condition Rating	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
	Public Toilets	Electrical Wiring	Test and maintenance of electrical wiring and installation	1		350					350				700
	Public Toilets	Hot Water System	Service of other hot water system	1		250		250		250		250		250	1250
	Public Toilets	Lights	Maintenance of light fittings and lamps	1			100			100			100		300

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	Public Toilets	Roof	Flat roof covering maintenance and renewal (assumed to have been installed 5 years ago.	1					500					1500	2000
	Public Toilets	Health & Safety	Health and Safety Audit and Disabled Access		200	200	200	200	200	200	200	200	200	200	2000
	Public Toilets	Internal Fittingd	Maintenance of internal fittings and finishes inc replacement of items.		150			150			150				450
	Public Toilets	Drains / Gutters	Maintenance of drains and guttering.			175		75			175		75		500
	Public Toilets	Decoration	External and internal decoration.				350				350				700
	TOTAL				350	975	650	675	700	725	1050	525	300	1950	7900

Asset Ref	Asset Details	Element	Conditon Notes	Condition Rating	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
	Allotmens	Health & Safety	Annual Health and Safety Audit and Maintenance Assessment.		300	300	300	300	300	300	300	300	300	300	3000

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Allotments	Flooding	Maintenance of land at risk of erosion from water course or flooding.				2000					2000			4000
Allotments	Trees Management	A general assessment of tree condition (including trees located on adjoining land) to identify potential risk, by a tree surgeon.			600									600
Allotments	Weeds	Three yearly check for invasive plants including Japanese Knotweed on the sites or on adjoining properties.			500		500			500			500	2000
Allotments	Water Supply	Annual testing of water supply to ensure safe use.			150	150	150	150	150	150	150	150	150	1500
Allotments	General Maintenance	Allocation of monies for general repair/ replacement of boundary fencing and pruning of trees.			5000		5000		5000		5000		5000	25000

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TOTAL					6550	450	7450	950	5450	450	7950	450	5450	950	36100
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Asset Ref	Asset Details	Element	Condition Notes	Condition Rating	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
P09	Crewe Road/Church Lane Junction	Single tier metal planter	Metal boxing, some splitting at joints, requiring repair or replacement of whole planter.	3		600									600
P10	Crewe Road	Single tier metal planter	Metal boxing, some splitting at joints, requiring repair or replacement of whole planter.	3		600									600
P11	Lawton Road junction with former Twyfords	Single rectangular timber planter	Deteriorated timber, replace.	3	200										200
P13 (02)	Wilbraham Arms Sandbach Road North	Single rectangular timber planter	Timber planter in reasonable condition but x2 timber strips are loose to fixing and require minor repair.	2		100									100

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P14	Crewe Road/Radway Green Lights Junction	Single rectangular timber planter	boxing is in good condition, decoration with preservative required.	2	75											75
	TOTAL				200	1375	0	0	0	0	0	0	0	0	0	1575

PLANNED MAINTENANCE PROGRAM: ALSAGER CIVIC

Alsager Town Council appointed Lowe Surveyors to perform a condition survey of Alsager Civic in July 2018.

From the report which was produced as a result of the survey, the following planned maintenance program has been prepared which covers the period 2019/20 – 2028/29.

All costs identified for Year 1 within the report have been incorporated into H&S costs, premises Grounds Maintenance and Repair & Maintenance costs.

With regards to the internal door closers, a sum of £500 has been incorporated into Civic Capital Program Costs budget to replace the door closers and it has been budgeted to be financed from the Capital Reserve.

An additional sum of £3,000 has been incorporated into the Civic Capital (Planned) Repair & Maintenance budget to sandblast and repaint the railings to the rear of Alsager Civic.

Asset Details	Element	Condition Notes	Condition Rating	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Alsager Civic	Roof	Check and monitor of roof covering	1			350			350				350	1050
Alsager Civic	Rain water goods	Cleaning/maintenance	3	400	400	400	400	400	400	400	400	400	400	4000

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Alsager Civic	External fascia & frames	Clean of all cladding, fascia and UPVC window frames.	2	200		200		200		200		200		1000
Alsager Civic	External Wall	Selective repointing of elevation walls	2		250			250			250			750
Alsager Civic	External Decoration	Preparation and decoration of Front entrance masonry.	1		350					350				700
Alsager Civic	Fron canopy and Door	Clean and maintenance of aluminium frame entrance door glazing and canopy	1					350					350	700
Alsager Civic	Landscapes	Maintenance of landscaped areas and brick planters.	2	275	275	275	275	275	275	275	275	275	275	2750
Alsager Civic	Access ramps	Maintenance of disabled ramp	1					300						300
Alsager Civic	Emergency Exit doors	Maintenance of emergency exit doors	2			200				200				400
Alsager Civic	Internal Walls	Internal decoration of walls - phased basis	1			2000				2000				4000
Alsager Civic	Ceiling	Internal decoration of ceilings	1			2000				2000				4000
Alsager Civic	Floor	Maintenance of floor covering	1		100		100		100		100		100	500
Alsager Civic	Floor	Renewal of floor covering, excluding timber flooring to main hall & kitchen	1					3500				3500		7000
Alsager Civic	Main Hall Floor	Maintenance of main hall floor	1			1750				1750				3500

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Alsager Civic	Kitchen Floor	Maintenance of kitchen non slip covering	1										950	950
Alsager Civic	Electrical Wiring	Test and maintenance of electrical wiring and installation	1					750					750	1500
Alsager Civic	Front door closer	Maintenance of automatic door closing system to front entrance	1		175		175		175		175			700
Alsager Civic	Internal doors closers	Replacement of door closers where appropriate	3	500										0
Alsager Civic	Fire Alarm	Test and service of Fire Alarm system	1	350	350	350	350	350	350	350	350	350	350	3500
Alsager Civic	Boilers	Service of boilers.	1	300	300	300	300	300	300	300	300	300	300	3000
Alsager Civic	Hot Water System	Service of other hot water system	1	100		100		100		100		100		500
Alsager Civic	Emergency Lights	Test and service of Emergency lighting		325	325	325	325	325	325	325	325	325	325	3250
Alsager Civic	Lights	Maintenance of light fittings and lamps					400			400			400	1200
Alsager Civic	Other Plants	Other misc systems and plant				350			350			350		1050
Alsager Civic	Health & Safety	Health and Safety Audit and Disabled Access		400	400	400	400	400	400	400	400	400	400	4000
TOTAL				2850	2925	9000	3075	7150	3025	9050	2575	6200	4950	50300

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CAPITAL PROGRAM: ALSAGER COMMUNITY SERVICES

Capital Expenditure Scheme	2018/19	2019/20	2020/21	2021/22	Future Years	Status Report
WEDNESDAY MARKET						
Procurement of replacement stalls and other equipment	£1,000	£260				New market tables budgeted for in FY2019/20. To be financed by utilising the £1,008 remaining in EM Reserve created in FY2016/17 with S106 money provided by CEC during FY2016/17. Replacement of market equipment should be a rolling program.
PUBLIC CONVENIENCES						
Improvements to public conveniences on Crewe Road, Alsager	NIL	NIL	NIL	NIL	£1,500	Large refurbishment program undertaken in FY2014/15 and FY2015/16. No further future capital requirements planned until the flat roof is replaced in 2028/29.

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							£1,500 annual budget for emergency / reactive repairs
ALLOTMENTS							
Improvements to allotment sites	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	<p>Alsager Garden's Association have provided a 5 Year Capital Works Plan.</p> <p>See appendix 2 for full details.</p> <p>All costs to be budgeted for in annual repairs and maintenance budget.</p>
STREET PLANTERS AND FURNITURE							
Floral planters	£194	NIL	£1,394	NIL	NIL	NIL	<p>Condition survey last performed in July 2018.</p> <p>Wooden planter at Twyfords on Lawton Road replaced in FY2018/19.</p> <p>Other planters to be replaced in FY2020/21.</p> <p>Expectation to have an earmarked reserve created at the end of FY2018/19 with un-utilised</p>

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						budget in the year which will be utilised to contribute towards the planned costs in FY2020/21.
Town boundary signs	NIL	NIL	NIL	NIL	NIL	No future plans.
Community notice board	NIL	NIL	NIL	NIL	NIL	No future plans.

It is important to note that the programme is effectively a ‘wish list’.
Every scheme will be subject to prior discussion and approval by the Town Council.

The cost of the Alsager Community Services capital works would be fully costed using a formal tendering process, in line with Alsager Town Council’s financial regulations.

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CAPITAL PROGRAM: ALSAGER CIVIC

In the absence of a capital plan for Alsager Civic, some specific items have been incorporated into the Civic Capital Program Costs budget for FY2019/20 as identified as being required by officers:

- £2,000 additional contribution towards the stage flooring finish
- £4,500 replacement of doors to the main hall and Lawton Suite with soundproofed fire doors and closers

It is proposed that these works should be financed by the Capital Reserve as they are of a capital development nature.

A capital plan for Alsager Civic should be developed in the future which will identify the funding strategy towards it.

A capital program covering the 5-year period 2020/21 – 2024/25 is required.

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TOWN COUNCIL SERVICE BUDGET FY2019/20

	Actual Year to Date 30/09/18	Current Year Annual Budget	Estimated Expenditure to 31/03/19	Budget FY2019/20
Staff Costs - Administration				
Salaries	(53,268)	(108,055)	(105,341)	(114,343)
Employer's Ni	(4,363)	(9,695)	(9,164)	(10,554)
Pensions	(10,952)	(21,773)	(22,613)	(24,100)
Mileage	(91)	(250)	(320)	(250)
Travel & Subsistence				
Training	(1,805)	(4,380)	(4,380)	(3,000)
Eye Tests	(150)	(560)	(560)	(560)
Insurance	(669)	(843)	(1,335)	(1,362)
Staff Costs - Administration - Expenditure	(71,298)	(145,556)	(143,714)	(154,168)
Defibrillator Income				
Staff Costs - Administration - Income	-	-	-	-
Net Expenditure over Income	(71,298)	(145,556)	(143,714)	(154,168)
General Administration				
Photocopier Lease	(677)	(1,748)	(1,657)	(1,598)
Photocopier Charges	(672)	(2,500)	(1,676)	(1,614)
Stationery	(728)	(2,289)	(2,110)	(2,007)
Postage	(258)	(1,661)	(1,304)	(1,257)
Telephones & BB	(500)	(1,195)	(1,094)	(1,075)
Subscriptions	(1,269)	(2,137)	(2,377)	(2,377)
IT Maintenance & Support	(2,614)	(6,876)	(6,036)	(6,646)
IT Software Purchases	-			
Website Support & Maintenance	(326)	(1,728)	(1,728)	(1,418)
Communication / Publicity	(332)	(1,754)	(1,261)	(1,006)
Insurance	(809)	(3,585)	(1,732)	(1,817)
Audit Fees External	(1,100)	(1,326)	(1,300)	(1,000)
Audit Fees Internal	(289)	(631)	(579)	(590)
Payroll Service	(315)	(649)	(702)	(734)
Professional Fees	(1,859)	(4,929)	(4,511)	(5,229)
Consultancy Fees	-	(6,000)	(6,000)	(6,000)
Recruitment Fees	(264)		(264)	
Office Lease	(2,150)	(4,300)	(4,300)	(4,300)
Office Service Charges	(1,801)	(4,667)	(3,583)	(4,239)
Bank Charges	(461)	(1,138)	(928)	(1,012)

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Refuse Collection	(241)	-	(589)	(601)
Window Cleaning	(100)	(287)	(300)	(306)
Office consumables / Hospitality	(18)	(200)	(100)	(200)
Repairs & Maintenance	(8)	(500)	(264)	(400)
Rates	(2,269)	(1,845)	(3,734)	(3,018)
H&S	(39)	(156)	(113)	(81)
Pest Control				
Financial Loss			(250)	
Miscellaneous Expenses	-	-	-	-
Expenditure	(19,098)	(52,102)	(48,490)	(48,526)
Insurance claim	-		200	
Alsager Defib Fund				
Bank Interest Reserve A/C (1)	409	20	1,000	1,000
Bank Interest Reserve A/C (2)	-		-	-
Precept	357,751	-	357,751	
CTSG	-	-		
WW1 100Yr Commemoration Grant				
Income	5,360	1,000	5,360	
Miscellaneous Income				
Income	363,520	1,020	364,311	1,000
Town Council Admin Costs				
Chairman's Allowance	(1,146)	(1,683)	(1,683)	(1,717)
Member's Training	-	(1,500)		(1,500)
Room Hire for Meetings	(151)	(523)	(346)	(446)
Flag Flying	(250)	(250)	(250)	(250)
Defibrillator costs		(300)	(300)	(300)
Civic Regalia	-	(250)	(250)	(4,030)
Hire of Room - Institute	(3,349)	(3,049)	-	3,349
	(4,895)	(7,555)	(6,178)	(11,591)
Capital Costs				
Equipment Purchases	(42)	(2,000)	(1,596)	(1,000)
IT Equipment	-	(1,700)	(1,700)	(1,700)
	(42)	(3,700)	(3,296)	(2,700)
Grants & Donations				
Grants	(5,288)	(6,450)	(6,450)	(14,461)
Alsager Partnership	(17,666)	(24,600)	(24,600)	(27,994)
Grant Payment to Alsager Institute - H&S	(2,000)	(2,000)	(2,000)	(2,000)
Institute - Trustee Training grant	(500)	(500)	(4,500)	
Institute - Additional Grant Payment		-		

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Grants & Donations - Expenditure	<u>(25,454)</u>	<u>(33,550)</u>	<u>(37,550)</u>	<u>(44,455)</u>
Projects				
Annual contribution to capital reserve		(20,000)		(20,000)
Replenishment of election reserve				
Replenishment of recruitment reserve				(1,264)
Quality Council Status Costs	(100)	(150)	(250)	
GDPR Costs	(913)		(1,418)	(1,000)
WW1 100Yr Commemoration	(70)	(1,500)	(5,360)	
Election Costs	-			
Contingency	-	(15)	-	(5,000)
	<u>(1,083)</u>	<u>(21,665)</u>	<u>(7,029)</u>	<u>(27,264)</u>
Institute				
Expenditure	(10,284)			
Income	10,284			
Expenditure	(132,154)	(264,128)	(246,256)	(288,703)
Income	373,804	1,020	364,311	1,000
Net Expenditure over Income	241,650	(263,108)	118,055	(287,703)

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TOWN COUNCIL SERVICE BUDGET FY2019/20 - NOTES

Staff Costs – Administration

4000	Salaries	See section below for breakdown of salaries.
4005	Employers NI	To cover employers NI contributions.
4010	Employers Pension	Town Council contribution at 20.65% to the Cheshire West & Chester Pension Fund. Contribution rates reduced as a result of taking out an insurance policy for ill health retirement.
4020	Staff Mileage	To cover travel costs for attending meetings, seminars and other civic business and does not include travel to & from home to usual place of work.
4030	Staff Training	This allocation is to meet the costs of training courses, conferences & seminars etc.
	Eye Tests	To cover the cost of eye tests for employees and a contribute towards the cost of glasses.
	Insurance	To cover the cost of the ill health insurance policy.

General Administration

4100	Photocopier Lease	Lease of high capacity copier. Costs are fixed until July 2019 when the current lease expires. The budget assumption is that the current lease arrangement would be matched or improved upon, and no increase in charges has been incorporated.
4101	Photocopier Charge	Usage charges, service agreement and consumables costs for the copier. Budget includes a reduction in costs as a result of electronic agenda delivery.
4005	Stationery	This covers the cost of stationery used in the administration of the Council. Budget includes a reduction in costs as a result of electronic agenda delivery.
4006	Postage	This covers the cost of postage used in the administration of the Council. Budget includes a reduction in costs as a result of electronic agenda delivery.
4107	Telephone/Broadband	Office phone charges, broadband costs and support costs for the phone system.
4115	Subscriptions	Most of the budget is to meet the annual subscriptions for the Cheshire Association of Local Councils & Society of Local Council Clerks plus professional qualification subscriptions and annual subscription to the ICO.
4121	IT Maintenance & Support	Cost of support, maintenance and development of IT systems, plus software rental from PRISM. Support and maintenance of accounts package provided by Rialtus Business Solutions. Additional budgetary provision for amendments required for compliance with data protection legislation.
4130	Website Support & Maintenance	Cost of hosting, support, maintenance and development of the Town Council website, plus annual domain SSL certificate and domain name renewal.
4135	Communication / Publicity	Budget to facilitate Town Council communications / publicity. This includes the cost of the 6 articles per annum in

ALSAGER TOWN COUNCIL

DRAFT CAPITAL & REVENUE BUDGET 2019/20

		Alsager in Focus.
4140	Insurance	Review of insurance carried out in April 2016 and a 5 year agreement was entered into with Zurich Municipal at a discounted rate. The rate is fixed, except for index linking and any additions to the premium that may be requested.
4145	Audit Fees External	This is to meet the cost of the annual external audit carried out by PKF LittleJohn LLP, the appointed external auditor for Alsager Town Council for 5 years with effect from FY2017/18.
4146	Audit Fees Internal	To meet the cost of an extended annual internal audit undertaken by JDH Business Services Ltd, shared cost between Town Council service budget and Alsager Civic budget.
4148	Payroll Service	Cost of monthly payroll processing undertaken by Marshall & Co.
4151	Professional Fees	Cost of external specialist professional advice provided to support the Town Council management. Annual contract in place for Human Resources and Health & Safety services provided by Wirehouse. Includes an additional provision of £3,250 for professional advice associate.
4153	Consultancy Fees	To meet the cost of consultancy support for Town Clerk & Council for external resource on specific projects.
4155	Recruitment Costs	Budget removed for FY2018/19 – an earmarked is in place for use to cover the recruitment costs for replacement staff in future years.
4160	Office Lease	To meet the leasing costs of the Town Council Offices, 3 Lawton Road from CEC.
4161	Office Service Charges	To meet the costs of heating, lighting, repairs and cleaning of the Town Council Offices. Annual variable charge from CEC.
4170	Bank Charges	The Councils Bank Accounts are held at National Westminster Bank Alsager. We incur branch processing fees (which predominantly relate to and are charged to Alsager Civic) and charges for online banking.
	Offices Consumables / Hospitality	A small budgetary provision to cover the cost of additional cleaning and hospitality supplies.
	Window Cleaning	To cover the cost of external window cleaning of the Town Council Offices, 3 Lawton Road. This cost is not included within the service charges paid to CEC.
4400	Refuse Collection	To cover the cost of collection of refuse from Alsager Civic which is a shared facility between Alsager Civic and the Town Council offices.
4445	Repairs & Maintenance	Cost of repairs to any equipment used by the Town Council.
4450	Rates	Non Domestic Rates paid to CEC for offices. Increase in the budget for FY2019/20 as a result of additional charge for an office space not billed prior to FY2017/18.
	Health & Safety	Cost of PAT testing on equipment owned by Town Council.

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DRAFT CAPITAL & REVENUE BUDGET 2019/20

Town Council Admin Costs

4050	Chairman's Allowance	The Town Chairman receives an allowance to be used towards costs of their Civic Office and pertaining to their Civic Duties (clothing, travel, donations etc.)
4070	Members' Training / Conferences	This allocation is to meet the cost of attendance of training courses, conferences and seminars etc.
4080	Room Hire For Meetings	This is to meet the cost of hiring Alsager Civic for any meetings.
	Flag Flying	Internal recharge from Alsager Civic for staff time to raise and lower flags for Civic dates.
	Defibrillator Costs	Budgetary provision to cover the cost of replacement pads to the defibrillators at Alsager Civic, The Linley Tavern and The Railway Tavern.
	Civic Regalia	Budgetary provision to purchase past Chairman's badges and to refurbish the 3 chains of office.
4165	Hire of Room - Institute	Cost of hiring Alsager Institute on Tuesday evenings for Town Council Meetings including an additional charge for broadband costs incurred to support the resolution for electronic agenda delivery.

Grants & Donations

4200	Grants	To meet expenditure in making grants to voluntary organisations in the Town in accordance with the Town Council Grant Procedure.
4301	Alsager Partnership	This item is in respect of funding of the Alsager Partnership, as recommended by the Alsager Partnership SLA review panel.
4315	Institute Contribution - H&S	This is the contribution for the costs of annually recurring Health and Safety inspections at the Alsager Institute.

Capital Costs

4110	Equipment Purchases	Provision to cover cost of office furniture/ equipment repairs and renewals.
	IT Equipment	Cost of purchasing new or replace IT equipment for the Council administration.

Projects

	Capital Reserve	Annual contribution to capital reserve, as per Finance, Policy & Governance Committee minute 16/20 from it's meeting dated 27 th September 2016.
	Quality Council Status	The Council obtained quality Council status in FY2018/19. No additional costs are anticipated in FY2019/20.
4599	Contingency	To meet any unforeseen expenditure in the financial year.

ALSAGER TOWN COUNCIL

DRAFT CAPITAL & REVENUE BUDGET 2019/20

TOWN COUNCIL ADMIN: SALARIES BUDGET FY2019/20

			£
FT	37 hours pw	Costed 100% to Town Council Administration	41,675
PT	24 hours pw	Costed 100% to Town Council Administration	20,349
PT	18 hours pw	Costed 100% to Town Council Administration	15,582
PT	20 hours pw	Costed 15% to Town Council Administration	2,334
PT	20 hours pw	Costed 100% to Town Council Administration	10,570
PT	20 hours pw	Costed 100% to Town Council Administration	10,363
PT	22 hours pw	Costed 15% to Town Council Administration	2,043
PT	13 hours pw	Costed 22% to Town Council Administration	1,427
Provision for additional hours			<u>10,000</u>
			<u>114,343</u>

ALSAGER TOWN COUNCIL

DRAFT CAPITAL & REVENUE BUDGET 2019/20

ALSAGER CIVIC BUDGET FY2019/20

	Actual Year to Date 30/09/18	Budget FY2018/19	Estimated Income / (Expenditure) to 31/03/19	Budget FY2019/20
Capital Income				
Civic Refurb Pledge				
Civic Sale of Assets				
Insurance Claim	200		200	
Grants Received				
Loan Income				
	200	-	200	-
Income				
Bar & Catering Sales	47,128	61,749	72,249	87,969
Civic Damage Deposit	175		175	
Taxable Hall Hire	2,442	1,800	2,598	2,325
Room Hire	36,665	78,891	80,927	80,207
Civic Cinema Ticket Sales	3,693	6,417	6,307	6,875
Bingo Club	1,192	2,400	1,402	2,660
Civic Cinema Raffle Income	420	730	730	730
Equipment Hire Income	580	1,460	1,460	1,460
Civic Events Ticket Sales	-	12,168	9,140	10,180
	92,295	165,614	174,989	192,407
Staff Costs - Civic				
Salaries	(45,314)	(91,365)	(91,366)	(92,176)
Management Administration				(14,538)
Employer's Ni	(1,589)	(4,641)	(3,442)	(5,770)
Pensions	(5,205)	(14,293)	(10,712)	(15,609)
Mileage	(34)	(104)	(104)	(153)
Eye Tests	-	(150)	(150)	(150)
Training	(630)	(617)	(840)	(735)
Insurance	(197)	(647)	(394)	(402)
	(52,969)	(111,816)	(107,008)	(129,533)
Supplies & Services - Civic				
Photocopier Charges	(170)	(530)	(400)	(408)
Stationery	(84)	(817)	(817)	(527)
Postage	(127)	(20)	(127)	(129)
Telephones & BB	(254)	(467)	(508)	(518)
Equipment Hire	(403)	(690)	(673)	(390)
IT Maintenance & Support	(959)	(2,071)	(2,074)	(2,081)
IT Software Purchases	-			
Website Support & Maintenance	(181)	(320)	(314)	(300)
Audit Fees Internal	(144)	(315)	(289)	(295)
Payroll Service	(664)	(938)	(1,306)	(1,332)
Professional Fees	(823)	(1,021)	(1,003)	(260)
Recruitment Fees	-		(250)	

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DRAFT CAPITAL & REVENUE BUDGET 2019/20

Bank Charges	(994)	(1,412)	(1,712)	(1,820)
Refuse Collection	(677)	(1,572)	(1,238)	(1,240)
External Contractors				
Cleaning Supplies	(529)	(1,350)	(1,350)	(1,377)
Window Cleaning	(22)			
Bar Purchases	(15,869)	(22,230)	(26,010)	(31,669)
Catering Supplies	-			
Uniforms	-	(350)	(350)	(350)
H&S	(525)	(1,999)	(1,999)	(1,469)
Licences & Fees	(1,114)	(2,233)	(2,196)	(2,289)
Promotions / Marketing	(1,251)	(4,210)	(2,804)	(3,401)
Events at Civic	(744)	(9,798)	(6,077)	(6,363)
Cinema Costs	(2,624)	(5,218)	(4,989)	(4,625)
Bingo Costs	(132)	(155)	(155)	(180)
Table Cloth Laundering	(313)	(1,000)	(600)	(1,000)
Security Costs	(1,180)	(1,000)	(2,297)	(2,500)
Provision for doubtful debt	-			
Miscellaneous Expenses	-			
Irrecoverable VAT		-		-
	(29,783)	(59,717)	(59,538)	(64,524)
Premises Costs - Civic				
Insurance	(977)	(2,424)	(1,953)	(1,992)
Window Cleaning	(66)	(269)	(264)	(269)
R&M	(2,552)	(4,650)	(3,350)	(2,950)
Alarm Systems				
Grounds Maintenance	(143)	(636)	(636)	(575)
Rates	(4,440)	(8,793)	(8,880)	(9,058)
Electricity	(3,009)	(5,415)	(5,722)	(5,837)
Gas	(253)	(3,700)	(2,500)	(2,550)
Water	(1,380)	(2,903)	(2,791)	(2,847)
	(12,819)	(28,791)	(26,096)	(26,078)
Operating Expenditure	(95,571)	(200,324)	(192,643)	(220,134)
Operating Income	92,295	165,614	174,989	192,407
Civic Operating Deficit	(3,276)	(34,710)	(17,654)	(27,728)
Civic Capital Costs				
Salaries				
Employer's Ni				
Employer's Pension Contributions				
Equipment Purchases	(1,076)	(3,550)	(3,662)	(2,500)
IT Equipment	-	(500)	(500)	(1,100)
Insurance				
Consultancy Fees				
Irrecoverable VAT				
Repair & Maintenance			-	(3,000)
Contributing Third Party Payment				
Public Works Loan Repayment	(4,988)	(14,519)	(14,519)	(14,519)

ALSAGER TOWN COUNCIL

DRAFT CAPITAL & REVENUE BUDGET 2019/20

Civic Capital Program Costs			(3,320)	(6,500)
	(6,064)	(18,569)	(22,001)	(27,619)
Total Expenditure	(101,635)	(218,893)	(214,644)	(247,753)
Total Income	92,495	165,614	175,189	192,407
Civic Deficit	(9,140)	(53,278)	(39,455)	(55,347)
Utilisation of reserves for expenditure:				
Operating costs - covered by earmarked reserves			250	
Capital costs - covered by earmarked reserves				
Capital costs - covered by capital reserves				6,500
Underlying Civic Deficit	(9,140)	(53,278)	(39,205)	(48,847)

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DRAFT CAPITAL & REVENUE BUDGET 2019/20

ALSAGER CIVIC BUDGET FY2019/20 - NOTES

Income -Civic

1000 1020 1040 1045	Bar Sales Catering Sales Room Hire Equipment Hire Income	Estimated income from activities at the Civic based on projections.
1041 1042 1043	Civic Cinema Ticket Sales Bingo Club Civic Cinema Raffle	Estimated income from these events at the Civic.
1048	Civic Events Ticket Sales	Estimated income from these events at Alsager Civic as per provisional Events Program for 2019.

Staff Costs

4000	Salaries	Costs for staff directly attributed to Alsager Civic. See section below for breakdown of salaries.
4001	Management Administration	Costs for staff allocated to Alsager Civic. See section below for breakdown of Management Administration costs.
4005	Employer's NI	To cover employers NI contributions.
4010	Employer's Pensions	Town Council contribution at 20.65% to the Cheshire West & Chester Pension Fund. Contribution rates reduced as a result of taking out an insurance policy for ill health retirement.
4020	Staff Mileage Claims	To cover travel costs for attending meetings, seminars and other civic business and does not include travel to & from home to usual place of work.
4030	Staff Training	This allocation is to meet the costs of training courses, conferences & seminars etc.
4022	Eye Tests	To cover the cost of eye tests for employees and a contribute towards the cost of glasses.
4140	Insurance	To cover the cost of the ill health insurance policy.

Supplies & Services – Civic

4101	Photocopier Charges	Usage charges, service agreement and consumables costs for the copier.
4105	Stationery	This covers the cost of stationery used in the administration of the Civic.

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DRAFT CAPITAL & REVENUE BUDGET 2019/20

4106	Postage	This covers the cost of postage used in the administration of the Civic.
4107	Telephones & Broadband	Office phone charges, broadband costs and support costs for the phone system.
4111	Equipment Hire	Cost of leasing equipment used in the running of Alsager Civic – card payment machines.
4121	IT Maintenance & Support	Cost of support and maintenance of IT systems, plus software rental from PRISM. Support and maintenance of facilities booking software package provided by Rialtus Business Solutions.
4130	Website Support & Maintenance	Cost of hosting, support, maintenance and development of the Alsager Civic website and domain name renewal.
4146	Audit Fees Internal	To meet a proportion of the annual internal audit, shared cost between Town Council service budget and Alsager Civic budget.
4148	Payroll Service	Proportion of the cost of monthly payroll service undertaken by Marshall & Co. and based on number of Civic employees.
4151	Professional Fees	To cover the cost of the quarterly bar stock takes.
4155	Recruitment Costs	No budget provision in FY2019/20 as no new roles included in the budget. The cost of recruitment for any replacement staff will be covered by the recruitment earmarked reserve.
4170	Bank Charges	Cost of processing payments via card plus branch processing fees from Natwest Bank.
4400	Refuse Collection	Cost of refuse collections – currently provided by Suez, shared cost between the budgets for Alsager Town Council Administration and Alsager Civic.
4440	Cleaning Supplies	Cleaning materials used in day to day management of the Civic.
4600	Bar Purchases	Projected cost of bar supplies for events.
4602	Uniforms	Provision for uniforms for the Civic Staff including work clothes, protective work boots etc.
4610	Health & Safety	Provision to cover the costs of annually recurring Health and Safety inspections at the Alsager Civic.
4615	Licences & Fees	Includes provision for licences required in the running of Alsager Civic: annual premises licence, music licences and wedding licence.
4620	Promotions / Marketing	Provision for marketing and publicity of Alsager Civic and its events.

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DRAFT CAPITAL & REVENUE BUDGET 2019/20

4625	Events At Civic	Cost of staging events delivered by Alsager Civic – including security and table laundering costs relating specifically to Civic events. Connect to Civic events tickets sales income and associated bar sales.
4626	Cinema Costs	Costs associated with the monthly community Civic Cinema. Connect to Cinema income.
4627	Bingo Costs	Costs of consumables associated with running the bingo club, mainly bingo books and dabbers. Connect to bingo income.
4628	Table Cloth Laundering	Table cloth laundering costs associated with equipment hire income.
4629	Security Costs	Security costs associated with hire of Alsager Civic where security is deemed to be necessary.

Premises Costs - Civic

4140 4441 4447 4450 4460 4461 4462	Insurance Window Cleaning Grounds Maintenance Rates Electricity Gas Water & Sewerage Charges	Expenditure to cover the running costs of the building.
4445	Repairs & Maintenance	Expenditure in relation to repairs & maintenance of the building. The budget has been reduced from FY2017/18 to represent an improved condition of the building following the capital refurbishment program, requiring less expenditure on reactive repairs and maintenance.

Capital Costs

4110	Equipment Purchases	Provision of new equipment in Civic.
4120	IT Equipment	Cost of new IT equipment at Alsager Civic.
4445	Repair & Maintenance	Cost for planned maintenance: namely sandblasting and repainting railings at the rear of Alsager Civic
4997	Public Works Loan Repayment	Estimated annual cost of servicing the repayment of a Public Works Loan for £235,000 over a 20 year period.
	Civic Capital Program Costs	Cost of planned capital works at Alsager Civic: additional funding for the stage works and replacement of Main Hall & Lawton Suite doors and closers

ALSAGER TOWN COUNCIL

DRAFT CAPITAL & REVENUE BUDGET 2019/20

ALSAGER CIVIC: SALARIES BUDGET FY2019/20

			£
PT	28 hours pw min	Costed 90% to Alsager Civic	20,185
PT	24 hours pw	Costed 95% to Alsager Civic	13,303
PT	16 hours pw min	Costed 100% to Alsager Civic	8,128
PT	20 hours pw	Costed 100% to Alsager Civic	10,159
PT	2.75 hours pw	Costed 100% to Alsager Civic	1,397
PT	9 hours pw min	Costed 100% to Alsager Civic	5,829
PT	6 hours pw min	Costed 100% to Alsager Civic	3,048
PT	6 hours pw min	Costed 100% to Alsager Civic	3,048
PT	16 hours pw min	Costed 100% to Alsager Civic	8,128
Casual staff			6,294
Provision for additional hours for staff on flexible contracts			<u>12,657</u>
			<u>92,176</u>

ALSAGER TOWN COUNCIL

DRAFT CAPITAL & REVENUE BUDGET 2019/20

ALSAGER CIVIC: MANAGEMENT ADMINISTRATION
BUDGET FY2019/20

			£
PT	20 hours pw	Costed 25% to Alsager Civic	3,890
PT	22 hours pw	Costed 70% to Alsager Civic	9,536
PT	13 hours pw min	Costed 17% to Alsager Civic	<u>1,112</u>
			<u>14,538</u>

ALSAGER TOWN COUNCIL

DRAFT CAPITAL & REVENUE BUDGET 2019/20

ALSAGER SERVICES BUDGET FY2019/20

	Actual Year to Date 30/09/18	Budget FY2018/1 9	Estimated Income / (Expenditure) to 31/03/19	Budget FY2019/2 0
Market				
Salaries	(3,538)	(8,304)	(7,695)	(5,035)
Management Administration				(3,112)
Employer's Ni	(90)	(215)	(194)	(236)
Pensions	(301)	(1,673)	(917)	(1,977)
Staff Training	-	(150)	(150)	(150)
Stationery				
Subscriptions	-	-	-	-
Telephone & Broadband	-	(50)	(50)	(50)
Insurance	(66)	(300)	(142)	(145)
Payroll Service	(45)	(184)	(180)	(184)
Uniform			(115)	
Refuse Collection	-	(262)	-	-
Market Supplies / Services	-	(1,008)	-	(260)
Repairs & Maintenance	-	(1,000)	-	-
Promotions / Marketing	-	(100)	(100)	(360)
Financial Loss			-	
Markets: Expenditure	(4,040)	(13,245)	(9,543)	(11,509)
Market Stall Rents (Vatable)	806	2,007	1,675	2,453
Market Pitch Rents (Exempt)	3,324	5,918	5,051	6,341
S106 Receipts				
Insurance Claim			-	
Markets: Income	4,129	7,925	6,726	8,793
Net Expenditure over Income	89	(5,321)	(2,817)	(2,716)
Public Conveniences				
Salaries	(373)	(739)	(982)	
Management Administration				(1,286)
Employer's Ni	(22)	(54)	(54)	(59)
Pensions	(75)	(149)	(149)	(339)
Equipment Purchases	-	(100)	(100)	(1,753)
Insurance	(65)	(132)	(133)	(136)
Payroll Service	(45)			
Professional Fees	(255)	(255)	(255)	
External Contractors	(3,519)	(8,464)	(8,326)	(8,465)
Cleaning Supplies	(86)	(583)	(450)	(459)
Repairs & Maintenance	(459)	(2,400)	(2,400)	(2,550)

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DRAFT CAPITAL & REVENUE BUDGET 2019/20

Rates	(570)	(1,126)	(1,140)	(1,163)
Electricity	(227)	(631)	(705)	(719)
Water	(984)	(459)	(974)	(1,000)
H&S	(59)	(281)	(269)	(116)
Expenditure	(6,740)	(15,374)	(15,937)	(18,045)

Allotments

Salaries	(373)	(739)	(941)	
Management Administration				(2,064)
Employer's Ni	(22)	(54)	(54)	(59)
Pensions	(75)	(149)	(149)	(339)
Insurance	(3)	-	(9)	(9)
Professional Fees	(141)	(142)	(142)	
Allotments Association Management Charge	(1,347)	(2,693)	(2,693)	(2,707)
Repairs & Maintenance	(321)	(1,500)	(1,498)	(2,250)
Water	(2,398)	(338)	(1,843)	(1,500)
H&S				
Allotments Capital Reserve		(1,000)		(1,000)

Expenditure	(4,680)	(6,615)	(7,329)	(9,928)
Allotments Income	2,693	5,387	5,387	5,414
Net Expenditure over Income	(1,987)	(1,228)	(1,942)	(4,514)

Town Centre Services

Professional Fees	(141)	(142)	(142)	
Christmas Market	-	(4,555)	(4,578)	(4,578)
Alsager in Bloom	-	(2,275)	(2,230)	(2,275)
Street Furniture & Planters	-	(1,000)	(194)	
	(141)	(7,972)	(7,144)	(6,853)

Expenditure	(15,601)	(43,206)	(39,953)	(46,335)
Income	6,822	13,312	12,113	14,207
Net Expenditure over Income	(8,779)	(29,894)	(27,840)	(32,128)

Utilisation of S106 market earmarked reserve to finance expenditure		1,008		260
Utilisation of EM reserve to finance additional Allotments water charge				500
Utilisation of EM reserve to finance additional public conveniences water charge				500
Utilisation of capital reserve for CCTV at public toilets				1,653
Net Expenditure over Income	(8,779)	(28,886)	(27,840)	(29,215)

ALSAGER SERVICES BUDGET FY2019/20 – NOTES

ALSAGER TOWN COUNCIL

DRAFT CAPITAL & REVENUE BUDGET 2019/20

Market

4000	Salaries	Costs of staff directly attributed to Alsager Market, see section below on breakdown of salaries.
4001	Management Administration	Costs of staff allocated to Alsager Market, see section below on the breakdown of salaries.
4005	Employer's NI	To cover employers NI contributions.
4010	Employer's Pensions	Town Council contribution at 20.65% to the Cheshire West & Chester Pension Fund. Contribution rates reduced as a result of taking out an insurance policy for ill health retirement.
4030	Training	This allocation is to meet the costs of training courses.
4107	Telephone & Broadband	Mobile phone in operation as a point of contact with market traders and Asset Manager.
4140	Insurance	Market insurance.
4148	Payroll Service	Proportion of the cost of monthly payroll service undertaken by Marshall & Co. and based on number of Market employees.
4400	Refuse collection	No budget as the cost is covered by CEC under the Market licence.
4401	Supplies / Services	Provision for replacement market equipment. Covered by an earmarked reserve.
4445	Repairs / Maintenance	No budget set as the market equipment is in a good condition.
4620	Promotions / Marketing	Provision for promotions / marketing of the market.
1100 1101	Market Stall Rents	Rents charged to stall holders for hire of the market pitch and associated tables and gazebos. Additional budget for hire of market equipment to other parties for external events.

Public Conveniences

4001	Management Administration	Costs of staff allocated to Alsager Market, see section below on the breakdown of salaries.
4005	Employer's NI	To cover employers NI contributions.
4010	Employer's Pensions	Town Council contribution at 20.65% to the Cheshire West & Chester Pension Fund. Contribution rates reduced as a result of taking out an insurance policy for ill health retirement.
4110	Equipment Purchases	Provision for new equipment purchases required for running the public conveniences. Includes £1,653 for the purchase of CCTV, financed by the capital reserve.
4140	Insurance	Insurance for the public conveniences.
4430	External Contractors	External contract for opening, closing, cleaning and maintenance of public conveniences. Contract agreed until February 2019 and assumed to continue beyond that on the same terms.
4440	Cleaning supplies	Consumables for cleaning of the public conveniences.
4445	Repairs and Maintenance	Provision for reactive repairs and maintenance of the building plus annually recurring planned maintenance items.
4450	Rates	Non Domestic Rates on public conveniences facility. This

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		will be the final year that the public conveniences receive a charge for business rates.
4460	Electricity	Charge for electricity usage.
4462	Water / Sewerage charge	Charge for water usage.
4610	Health & Safety	Cost of annually required inspections associated with the health and safety of the building.

Allotments (4 Sites)

4001	Management Administration	Costs of staff allocated to Alsager Market, see section below on the breakdown of salaries.
4005	Employer's NI	To cover employers NI contributions.
4010	Employer's Pensions	Town Council contribution at 20.65% to the Cheshire West & Chester Pension Fund. Contribution rates reduced as a result of taking out an insurance policy for ill health retirement.
4140	Insurance	Insurance for the public conveniences.
	Allotments Association Management Charge	Discount granted to Alsager Garden's Association on Allotments rentals in recognition of their management of the Allotment sites.
4445	Repairs and Maintenance	Provision for repairs and maintenance for all allotment sites – see capital program on page 31 for details.
4462	Water / Sewerage charge	Charge for water usage at the allotment sites.
1150	Allotment Income	Allotment rentals charged annually to Alsager Garden's Association.

ALSAGER SERVICES: SALARIES BUDGET FY2019/20

Market			£
PT	4 hours pw	Costed 100% to Market	2,032
PT	4 hours pw	Costed 100% to Market	2,032
Holiday cover and staffing of external events			972
			<u>5,035</u>

ALSAGER SERVICES: MANAGEMENT ADMINISTRATION BUDGET FY2019/20

Market			£
PT	20 hours pw	Costed 20% to Market	3,112
			<u>3,112</u>

ALSAGER TOWN COUNCIL

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Public Conveniences			£
PT	20 hours pw	Costed 5% to Public Conveniences	778
PT	13 hours pw min	Costed 8% to Public Conveniences	508
			1,286
Allotments			£
PT	20 hours pw	Costed 10% to Public Conveniences	1,556
PT	13 hours pw min	Costed 8% to Public Conveniences	508
			2,064

ALSAGER TOWN COUNCIL

DRAFT CAPITAL & REVENUE BUDGET 2019/20

PLANNING AND COMMUNITY COMMITTEE BUDGET FY2019/20

	Actual Year to Date 30/09/18	Current Year Annual Budget	Estimated Expenditure to 31/03/19	Budget FY2019/20
Planning and Development Control				
Neighbourhood Plan Grant Funding Income	3,940	3,304	3,940	-
Income	3,940	3,304	3,940	-
Neighbourhood Plan Costs	(3,214)	(15,958)	(22,331)	-
Neighbourhood Plan Contingency				
Expenditure	(3,214)	(15,958)	(22,331)	-
Community Safety				
CCTV Service	-	(5,700)	(5,700)	(5,814)
Community Speedwatch Costs	-	-	-	-
PCSO	-	-	-	-
	-	(5,700)	(5,700)	(5,814)
Young People				
Youth Council	-	(1,000)	-	(1,000)
Wayside Linley Play Area				(905)
	-	(1,000)	-	(1,905)
Economic Wellbeing and Tourism				
Grant / Sponsorship Income	1,000	1,000	1,000	1,000
Income	1,000	1,000	1,000	1,000
Salaries				(9,000)
Employer's Ni				(759)
Pensions				(1,859)
Budget to support Town Centre Manager activities				(5,000)
Recruitment costs				(6,450)
Christmas Tree	-	(1,275)	(1,275)	(1,300)
Christmas Lights	(3,500)	(3,500)	(3,500)	(3,750)
Alsager Carnival	(1,273)	(1,250)	(1,273)	(1,273)
Alsager Music Festival	(819)	(750)	(819)	(819)
Expenditure	(5,592)	(6,775)	(6,867)	(30,210)
Expenditure	(8,806)	(29,433)	(34,898)	(37,929)

ALSAGER TOWN COUNCIL

DRAFT CAPITAL & REVENUE BUDGET 2019/20

Income	4,940	4,304	4,940	1,000
Net Expenditure over Income	(3,866)	(25,129)	(29,958)	(36,929)
Utilisation of ANP earmarked reserve to finance expenditure		12,654	18,391	-
Utilisation of Wayside Linley Play Area earmarked reserve to finance expenditure				905
Underlying Net Expenditure over Income	(3,866)	(12,475)	(11,567)	(36,024)

PLANNING AND COMMUNITY COMMITTEE BUDGET FY2019/20 - NOTES

Planning and Development Control

	Neighbourhood Plan Grant Income	No further grant funding to be applied for in the development of a Neighbourhood Plan.
	Neighbourhood Plan Costs	No further expenditure anticipated in FY2019/20 in relation to the development of a Neighbourhood Plan.

Community Safety

4317	CCTV Service	This is the cost of the Town Council contribution to the closed circuit television system operated and maintained by CEC in the Alsager Town area. Budgeted in line with the 3 year agreement until March 2021 approved by Council at it's meeting dated 07/11/17.
	Community Speedwatch Costs	To support costs associated with the initiative.
4300	PCSO	Council funding of the Police community support Officers. Budget removed from FY2018/19 in line with resolution of the Town Council at it's meeting dated 7 th November 2017 (minute number TC17/70).

Young People

4302	Youth Council	This item provides funding to the Alsager Youth Council. Budget of £1,000 in FY2019/20 which is covered by an earmarked reserve created in FY2018/19 with un-utilised budget.
	Wayside Linley Play Area	Expenditure anticipated in relation to Wayside Linley Play Area, financed by earmarked reserve established in FY2018/19 (PEC18/143 20/11/18, to be approved by Council 15/01/19)

Economic Wellbeing and Tourism

1300	Grant / Sponsorship Income	Budget for sponsorship income towards the cost of the Christmas Tree.
4000	Salaries	Costs of the Town Centre Manager on a part time basis for the second 6 months of the year.

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4005	Employer's NI	To cover employers NI contributions.
4010	Employer's Pensions	Town Council contribution at 20.65% to the Cheshire West & Chester Pension Fund. Contribution rates reduced as a result of taking out an insurance policy for ill health retirement.
	Budget to support Town Centre Manager's Activities	The ANPSG have recommended an annual sum of £10,000 to support the activities of the Town Centre Manager. Budget for FY2019/20 of £5,000 as the role is expected to be in post with effect from the second half of the year.
	Recruitment Costs	Recruitment fee related to the Town Centre Manager.
4222	Christmas Tree	To meet the cost of the annual provision of the Town Christmas Tree.
4250	Christmas Lights	Grant provided to Alsager Round Table which is utilised to pay a contractor to supply access equipment and skilled labour to put up and take down all decorations as well as providing storage for the year. Increased by £250 in budget FY2019/20 upon request from Alsager Round Table to support the cost of replacement lights and failing features.
4304	Alsager Carnival	Grant provided to Alsager Round Table to support the annual Alsager Carnival including professional traffic management for the road closure plus costs related to the additional opening hours and servicing of the Public Conveniences.
4305	Alsager Music Festival	Grant provided to Alsager Round Table to support the annual Music Festival plus costs related to the additional opening hours and servicing of the Public Conveniences.

ALSAGER TOWN COUNCIL

DRAFT CAPITAL & REVENUE BUDGET 2019/20

REVENUE BUDGET SUMMARY

<u>Heading</u>	<u>Summary</u>	<u>Amount</u>
Town Council service budget		£287,703
Alsager Civic operating deficit		£27,728
Alsager Civic loan repayment costs		£14,519
Public Conveniences		£16,392
Alsager Market		£2,716
Alsager Allotments		£4,514
Town centre services		£6,853
Planning committee budget		£13,861
Sub-Total		£374,286
<u>Add: Options / Growth Items</u>		
CCTV installation at Public Conveniences		£1,653
Alsager Civic capital costs		£13,100
Town Centre Manager and related costs		£23,068
TOTAL BUDGET		<u>£412,107</u>
<u>Less: Application of Reserves / External Funding</u>		
General reserves	(£11,750)	
Earmarked reserves	(£6,479)	
S106 earmarked reserve	(£260)	
Capital reserve to finance CCTV at Public Conveniences	(£1,653)	
Capital reserve to finance Civic Capital Program Costs	(£6,500)	
PRECEPT REQUIREMENT		<u>£385,465</u>

ALSAGER TOWN COUNCIL

DRAFT CAPITAL & REVENUE BUDGET 2019/20

BUDGET INCREASE: SUMMARISED

Net budgeted expenditure in FY2019/20 of £412,107 is £40,698 higher than the net budgeted expenditure for FY2018/19 of £371,409.

General reserves, earmarked reserves and capital reserves are being utilised to finance expenditure to a value of £14,892 which leaves £385,465 to be financed by Precept.

Cheshire East Council will fix its Taxbase for the financial year 2019/20 by Resolution of the Council on the 13th December 2018.

Cheshire East Council have advised that the Taxbase for Alsager Town Council is likely to be 4,659.37 for FY2019/20.

An increase in the Council Tax Base means a lower increase in both monetary and percentage terms for each Band D equivalent property.

£385,465 financed by a Precept request for FY2019/20 represents £82.73 per annum per Band D equivalent household (assuming a Council Tax Base of 4,659.37 for FY2019/20).

This is an increase of £2.40 and 3% per annum from FY2018/19.

This can be summarised as follows, using an assumed Council Tax Base of 4,659.37 for FY2019/20:

Precept	£	% Increase	Estimated £ per Band D
FY2018/19	£357,751		£80.32
FY2019/20	£385,465		£82.73
Increase	£27,714	3.0%	£2.40

Increase summarised as:	£	%	Estimated £ per Band D
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Impact of increased council tax base		-4.4%	-£3.54
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One-off items incorporated in the budget for FY2018/19:

Youth Council budget	-£1,000	-0.3%	-£0.21
Street planters budget	-£977	-0.3%	-£0.21
WW1 100Year Commemorative Event	-£500	-0.1%	-£0.11
Trustee training grant to Alsager Institute	-£500	-0.1%	-£0.11
Publicity budget pre-elections	-£497	-0.1%	-£0.11
	-£3,474	-1.0%	-£0.75

Reduced costs / additional income in the budget in FY2019/20

Alsager Civic increased income	-£17,354	-4.9%	-£3.72
Alsager Civic reduced operating costs	-£5,412	-1.5%	-£1.16
Town Council Administration reduced operating costs	-£4,309	-1.2%	-£0.92

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DRAFT CAPITAL & REVENUE BUDGET 2019/20

Additional bank interest budgeted	-£980	-0.3%	-£0.21
Electronic agenda delivery	-£542	-0.2%	-£0.12
	-£28,597	-8.0%	-£6.14

Growth Items:

Town Centre Manager: salary and associated costs plus budget to support activities	£23,068	6.4%	£4.95
New roles / additional hours to existing roles	£20,094	5.6%	£4.31
NJC approved pay awards and increased pension contributions	£5,869	1.6%	£1.26
Alsager Civic capital developments	£6,500	1.8%	£1.40
Assumed performance related increments granted to staff	£5,769	1.6%	£1.24
Grants	£7,295	2.0%	£1.57
Alsager Civic planned maintenance	£3,000	0.8%	£0.64
Town Council civic regalia budget	£3,783	1.1%	£0.81
Alsager Partnership	£3,394	0.9%	£0.73
Installation of CCTV system at Public Toilets	£1,653	0.5%	£0.35
Replenishment of recruitment reserve	£1,264	0.4%	£0.27
Wayside Linley Play Area	£905	0.3%	£0.19
Other	£1,573	0.4%	£0.34
	£84,167	23.5%	£18.06

Use of reserves:

Capital reserve - Civic capital developments	-£6,500	-1.8%	-£1.40
Capital reserve - CCTV for public toilets	-£1,653	-0.5%	-£0.35
Use of of general reserves	-£11,750	-3.3%	-£2.52
EM reserve - funding of Wayside Linley Play Area improvements	-£905	-0.3%	-£0.19
EM reserve - funding towards member training budget	-£1,000	-0.3%	-£0.21
EM reserve - funding towards costs of .gov.uk and councillor email addresses	-£840	-0.2%	-£0.18
EM reserve - funding towards the cost of repainting railings at Alsager Civic	-£800	-0.2%	-£0.17
EM reserve - funding towards the cost of stage finishing works at Alsager Civic	-£934	-0.3%	-£0.20
	-£24,382	-6.8%	-£5.23
	£27,714	3.3%	£2.40

ALSAGER TOWN COUNCIL

DRAFT CAPITAL & REVENUE BUDGET 2019/20

RECOMMENDATION

The 2019/20 draft budget has been subject to consultation and scrutiny by the service committees and was considered by the Finance, Policy & Governance Committee at its meeting on 4th December 2018 for recommendation to Council.

FPG18/40 Draft Budget 2019/20

The Committee considered the Draft Budget 2019/20. Members raised queries, and clarifications were sought from the Town Clerk and Finance Manager on various points. A request was made to include a provision for Youth Activities.

Resolved: i) To recommend inclusion of £1,000 in the FY2019/20 grants budget for Youth Activities to be applied for via the grants procedure.

 ii) To recommend to Council at its meeting on 15th January 2019 the budget for FY2019/20 with total net expenditure of £412,107 funded £6,739 from earmarked reserves, £8,153 from capital reserves, £11,750 from general reserves and a Precept request of £385,465 which represents an increase of 3% per annum per Band D equivalent from FY2018/19.

 iii) To cancel the additional provisional meeting of Finance, Policy and Governance Committee scheduled for 8th January 2019.

RESOLUTION REQUESTED

The Council is requested to approve the recommendation made by the Finance, Policy & Governance Committee from its meeting dated 4th December 2018 and to approve the budget for FY2019/20 with total net expenditure of £412,107 funded £6,739 from earmarked reserves, £8,153 from capital reserves, £11,750 from general reserves and a Precept request of £385,465 which represents an increase of 3% per annum per Band D equivalent from FY2018/19.

ALSAGER TOWN COUNCIL

DRAFT CAPITAL & REVENUE BUDGET 2019/20

APPENDICES

1. Grant Applications FY2019/20
2. Comparative Town Council Precepts

ALSAGER TOWN COUNCIL

DRAFT CAPITAL & REVENUE BUDGET 2019/20

Alsager Town Council Grant Applications 2019/20

APPENDIX 1

	Organisation	Grant Approved for 2018/19	Grant Applied for 2019/20	Grant agreed for 2019/20	Comments
1	Alsager Animals In Need	£1000.00	£1000.00	£1000.00	
2	Alsager Community Support Centre	£1000.00	£1500.00	£1500.00	
3	Alsager Pikemere Townswomen's Guild	£200.00	£300.00	£300.00	
4	Christ Church Alsager C of E	£0	£2000.00	£1000.00	
5	Alsager Military Whist	-	£250.00	£500.00	
6	Heydays	-	£400.00	£400.00	
7	Alsager Gardens Association	-	£400.00	£400.00	
8	2493(ALSAGER) Squadron, Air Training Corps	-	£3000.00	£3000.00	
9	Alsager Badminton Club	-	£750.00	£750.00	Subject to the submission of YE Accounts by Alsager Badminton Club and then recommendation from the Chairman of the Grants Panel and the Chairman of the Council.
10	Alsager Senior Citizens Welcome Club	-	£500.00	£500.00	

Total grants

£9,350

Alsager Garden's Competition Prizes

£250

Alsager Fairtrade Steering Group

£250

My World

£400

Alsager Rotary Charity Market

£120

Senior Citizen's Show: 1 night free room hire at Alsager Civic

£400

Alsager Music Festival: 2 free hires of Alsager Civic

£525

Alsager Market: free market pitch to charitable organisation each week

£858

Youth Activities

£1,000

Contingency fund

£1,308

(£1200 plus an increase at the same % as the precept increase for FY2019/20)

TOTAL

£14,461

ALSAGER TOWN COUNCIL

DRAFT CAPITAL & REVENUE BUDGET 2019/20

APPENDIX 2

COMPARATIVE TOWN COUNCIL PRECEPTS

00/01	£33,000	Tax Base – 5,304.13 Band D equivalent properties – Dec 1999
01/02	£33,000	Tax Base – 4,322.36 Band D equivalent properties – Dec 2000
02/03	£33,000	Tax Base – 4,426.64 Band D equivalent properties – Dec 2001
03/04	£36,000	Tax Base – 4,418.44 Band D equivalent properties – Dec 2002
04/05	£48,000	Tax Base – 4,477.68 Band D equivalent properties – Dec 2003
05/06	£48,000	Tax Base – 4,466.21 Band D equivalent properties – Dec 2004
06/07	£57,000	Tax Base – 4,456.60 Band D equivalent properties – Dec 2005
07/08	£112,000	Tax Base – 4,470.90 Band D equivalent properties – Dec 2006
08/09	£136,000	Tax Base – 4,504.33 Band D equivalent properties – Dec 2007
09/10	£192,000	Tax Base – 4,529.37 Band D equivalent properties – Dec 2008
10/11	£192,000	Tax Base – 4,535.98 Band D equivalent properties – Dec 2009
11/12	£200,000	Tax Base – 4,535.98 Band D equivalent properties – Dec 2010
12/13	£270,000	Tax Base – 4,548.24 Band D equivalent properties – Dec 2011
13/14	£270,000	Tax Base – 4,187.27 Band D equivalent properties – Dec 2012
14/15	£260,000	Tax Base - 4,187.27 Band D equivalent properties – Dec 2013
15/16	£290,000	Tax Base - 4,255.33 Band D equivalent properties – Dec 2014
16/17	£327,000	Tax Base – 4,367.54 Band D equivalent properties – Dec 2015
17/18	£351,217	Tax Base - 4,415.60 Band D equivalent properties Dec 2016
18/19	£357,751	Tax Base – 4,453.82 Band D equivalent properties Dec 2017
19/20	£385,465	Tax Base – 4,659.37 Band D equivalent properties Dec 2018