

ALDENHAM PARISH COUNCIL

Council Document	AGENDA item 7a
To receive the 5-year forecast for the council.	Finance & General Purposes Committee Meeting 13th September 2021

Background

I attach the forecasts from the accountancy package. These will be adjusted annually as information regarding future plans and projects for the council emerge. I have made no allowances for future growth, via the local plan, although this will almost certainly impact from year 3 2024/25.

With regards to the report please note the following explanation for the headings

- This year is financial year 2021/22
- Next year 2022/23
- Year 2 - 2023/24
- Year 3 - 2024/25
- Year 4 - 2025/26
- Year 5 - 2026/27

On page 3 the bottom line headed 'Movement to/from General Reserves is the amount probably required for the precept. Therefore, the precept line 1076 on Admin sheet has been left blank for next years and subsequent budgets.

The following assumptions have been made;

Admin

- Code 1010 - compost bags - this service is currently under review by HertsmereBC and it may be that a different system will be in place, so I have assumed no purchases or sales will take place from 2024/25.
- That the projects that are planned café etc are programmed for 2022/23 this will reduce the amount available to invest so bank interest is reduced. There is also the decision to be made regarding investing in the long term, so no allocation has been made for this.
- Code 4000 - Salaries - in all cost centres I have assumed a 2.5% increase in salaries - the planning officer allocation has been moved from community into admin hence the increase in salaries and 4015 ERS Pensions & NIC under admin
- 4610 Contingency - this has reduced to £5,000 as this year it includes any pay increases that are agreed by the unions. These possible increases are included in salaries from 2022/23.

Open Spaces

- 1100 - Hall Hire income - I have put an assumption in there that APC may receive some income from the café in Phillimore Rec, it is a nominal amount as no tenancy agreement has been signed.
- 4100 - Utilities - I have assumed that the café will be responsible for their own utility bills.
- 4417 - Fleet Management - in 2021/22 APC need to decide regarding replacement for the small truck. If this is electric then this figure will reduce and utilities increase slightly.
- 4492 - Security - again some increase has been allowed in this area, should there be the need for more security regarding the café.

Community

- There is a small allowance in the staffing budget for temporary staff regarding events which will be discussed in future. It may be that this figure is actually used for the Queens Jubilee depending on sponsorship.
- Code 4420 - Xmas Lights, there is an increase for next year only as APC have been advised that strengthening work needs to be carried out to the trees that hold the lights in Watling Parade.

Financial Implications

There is a slight increase in the predicted precept for 2022/23, and then it is about 2.5% each year for the following years.

Risk Management Implications

The council needs to plan for future expenditure and this should be linked to a corporate plan, which will need to be agreed.

Members are asked to consider this report.

Peter Evans
Council Manager

		Current Year Budget	Next Year Budget	Year 2 Budget	Year 3 Budget	Year 4 Budget	Year 5 Budget
101	Administration						
1010	Compost Bags Income	500	1,800	1,800	0	0	0
1020	Miscellaneous Income	500	500	500	500	500	520
1025	Bank Interest Received	3,000	1,200	1,200	1,200	1,000	1,000
1076	Precept	636,934	0	0	0	0	0
	Total Income	640,934	3,500	3,500	1,700	1,500	1,520
4000	Salaries	102,647	124,890	128,192	130,756	133,371	136,038
4005	Overtime	500	800	500	500	500	500
4015	ERS NIC&Pension	35,664	41,000	44,868	45,765	46,680	47,614
4030	Travel & other staff expenses	700	900	700	700	700	700
4100	Utilities - Gas,elec & water	10,000	11,000	13,260	14,000	14,280	14,566
4110	Insurance	13,500	14,000	16,000	16,500	17,000	17,500
4120	Telephone	1,500	2,000	2,000	2,000	2,000	2,000
4140	Professional Fees	4,000	2,500	1,000	1,000	1,020	1,040
4150	Audit & Accountancy	2,652	2,705	2,759	2,814	2,870	2,927
4200	Office Cost	5,224	5,329	5,400	5,400	5,400	5,400
4225	IT	16,000	16,320	16,400	16,500	16,600	16,700
4240	Training	2,000	1,800	1,592	1,624	1,656	1,689
4300	Agency Services	8,200	8,500	8,600	8,600	8,600	8,600
4405	Asset Purchase	17,500	18,000	15,000	15,000	15,000	15,000
4437	Neighbourhood Plan	1,000	0	0	0	0	0
4490	Miscellaneous Expenditure	500	500	500	500	500	500
4495	Compost Bags Costs	500	1,800	1,800	0	0	0
4510	Subscriptions	2,500	2,600	2,600	2,600	2,600	2,600
4530	Radlett Centre Trust Grant	137,000	139,000	141,000	143,000	145,000	147,000
4600	Election Costs	5,000	2,500	2,500	2,500	2,500	2,500
4610	Contingency	11,773	5,000	5,000	5,000	5,000	5,000
4612	Newberries Car Park Grant	8,512	8,512	8,512	8,512	8,512	8,512
4613	Chairman's Allowance	1,600	1,800	1,800	1,800	2,000	2,000
	Total Overhead Expenditure	388,472	411,456	419,983	425,071	431,789	438,386
	Net Income over Expenditure	252,462	(407,956)	(416,483)	(423,371)	(430,289)	(436,866)

		Current Year Budget	Next Year Budget	Year 2 Budget	Year 3 Budget	Year 4 Budget	Year 5 Budget
201	Open Spaces						
1020	Miscellaneous Income	100	100	100	100	100	100
1100	Hall Hire income	0	6,000	12,000	12,000	12,000	12,000
1150	Allotments Income	2,200	2,500	2,500	2,500	2,500	2,500
1160	Site Rental	6,000	5,500	6,000	6,000	6,000	6,000
	Total Income	8,300	14,100	20,600	20,600	20,600	20,600
4000	Salaries	82,834	81,835	89,657	93,948	96,927	101,401
4005	Overtime	3,000	3,000	3,000	3,000	3,000	3,000
4015	ERS NIC&Pension	32,256	30,000	30,600	31,300	32,000	32,700
4030	Travel & other staff expenses	600	600	600	600	600	600
4100	Utilities - Gas,elec & water	5,814	5,500	6,200	6,400	6,600	6,800
4240	Training	2,500	2,000	2,000	2,000	2,000	2,000
4401	Open spaces	12,000	12,000	12,500	12,500	12,500	12,500
4405	Asset Purchase	8,000	9,500	9,500	9,500	9,690	9,884
4411	Depot	9,800	9,800	9,800	9,800	10,000	10,000
4417	Fleet management	7,306	7,452	7,500	7,600	7,700	7,800
4441	High street	4,500	4,500	4,000	4,000	4,000	4,000
4451	Tree Management	20,288	12,485	12,735	12,990	13,250	13,515
4460	Protective Clothing	1,500	1,500	1,500	1,500	1,500	1,500
4490	Miscellaneous Expenditure	500	500	500	500	500	500
4492	Security	6,500	8,500	8,600	8,700	8,800	8,900
	Total Overhead Expenditure	197,398	189,172	198,692	204,338	209,067	215,100
	Net Income over Expenditure	(189,098)	(175,072)	(178,092)	(183,738)	(188,467)	(194,500)

Forward Budget Detail - By Centre

		Current Year Budget	Next Year Budget	Year 2 Budget	Year 3 Budget	Year 4 Budget	Year 5 Budget
301	Community Development						
1020	Miscellaneous Income	500	500	500	500	500	500
1021	Winter Fair Income	1,000	1,000	1,000	1,000	1,000	1,000
1240	Newsletter Advertising Income	0	500	500	500	500	500
	Total Income	1,500	2,000	2,000	2,000	2,000	2,000
4000	Salaries	19,002	5,500	5,500	5,500	5,500	5,500
4005	Overtime	500	100	100	100	100	100
4015	ERS NIC&Pension	4,705	500	500	500	500	500
4030	Travel & other staff expenses	360	0	0	0	0	0
4226	Webiste Design &	900	900	1,000	7,500	1,000	1,000
4405	Asset Purchase	5,000	5,000	5,000	5,000	5,000	5,000
4420	Christmas Lights	5,500	6,500	5,600	5,700	5,800	5,900
4433	Event - Summer	4,000	5,000	6,000	6,000	6,120	6,242
4434	Event - Winter Fair	5,000	5,000	5,000	5,000	5,000	5,000
4435	Event - varies	4,000	5,000	9,000	9,000	9,000	9,000
4438	Youth Council Expenditure	255	260	265	270	275	280
4470	Newsletter Delivery	1,020	1,040	1,061	1,082	1,104	1,126
4475	Newsletter Printing	8,670	8,843	9,020	9,200	9,384	9,572
4490	Miscellaneous Expenditure	500	500	500	500	500	500
4519	Grants	13,500	15,000	15,000	15,000	15,000	15,000
	Total Overhead Expenditure	72,912	59,143	63,546	70,352	64,283	64,720
	Net Income over Expenditure	(71,412)	(57,143)	(61,546)	(68,352)	(62,283)	(62,720)
	Total Budget Income	650,734	19,600	26,100	24,300	24,100	24,120
	Expenditure	658,782	659,771	682,221	699,761	705,139	718,206
	Movement to/(from) Gen Reserve	(8,048)	(640,171)	(656,121)	(675,461)	(681,039)	(694,086)