

## POLICY & FINANCE COMMITTEE – 10 DECEMBER 2008

### DRAFT BUDGET AND PRECEPT 2009/2010

#### 1. Introduction

- 1.1 Members considered the Policy & Finance Committee's own draft budget earlier in the meeting. The Committee will now need to consider the draft proposals from all the Committees and recommend to Council the overall budget and precept for 2009/2010.

#### 2. Budget Proposals by Committees

- 2.1 Other Committees have considered their budgets prior to this meeting. Attached for the Committee's consideration are the following documents:-

Appendix A – New proposals in priority order approved by Recreation, Leisure & Open Spaces Committee.

Appendix B – Base budget approved by Recreation, Leisure & Open Spaces Committee.

Appendix C – Base budget and new proposals in priority order approved by Planning, Town & Environment Committee.

Appendix D – Summary of the Council's draft base budget, new proposals, and precept level for 2009/10.

- 2.1 In addition, Members will also need to consider its own proposals as shown in Appendices A and B (as amended at the meeting) to the report elsewhere in the agenda relating to this Committee's budget.
- 2.2 Both the Recreation, Leisure & Open Spaces Committee (RLOS) and the Planning, Town & Environment Committee (PTE) consider that all the items included in their base budgets and their new bids are necessary. The RLOS also noted that priorities 5 to 8 of their new bids would be funded from the provision for plant and machinery.
- 2.3 The analysis carried out on the 2008/09 budget has identified likely changes to the original base budget. In overall terms, there are a number of small savings throughout the Council's budgets. In total, these amount to just over £11,000. This has the effect of reducing the amount to be transferred from the General Reserve, i.e. from £43,670 to £32,610.
- 2.4 The budget proposals include continuing to make some contributions to provisions during 2009/10 in order to mitigate the effects of expenditure requirements in later years. A separate report reviewing provisions will be submitted to this Committee later in this financial year.
- 2.5 Appendix D to this report shows a summary of the overall position with respect to the Council's original and revised budgets for 2008/2009, together with the draft budget proposals for 2009/2010, subject to this Committee agreeing the proposals now submitted. The draft base budget for 2009/10 is £357,180. This level includes inflation and known changes to the 2008/09 budget. This base budget level allows Members to include new expenditure bids in 2009/10 for the benefit of the residents of Ringwood. The level of new bids will be determined by the level of precept that Members recommend to Council.

- 2.6 Page two of Appendix D also provides indicative Council Tax levels. It assumes that all of the bids as shown in Appendices A and C, and the Committee's own budget papers, are approved. By transferring £40,390 from the General Reserve, the Council's precept requirement would be £384,000, an increase of nearly £34,000 over 2008/09. Any bids that are rejected, increased, or decreased, would affect the total precept requirement.
- 2.7 The indicative precept level would produce a Council Tax of £70.49, an increase of £5.83 (11p per week), over 2008/09. The Council Tax would vary by £1 for each £5,400 of expenditure.
- 2.8 If Members agree to the level of transfer from the General Reserve i.e. £40,390, it is unlikely that precept levels from 2010/11 will benefit from further transfers from the General Reserve. Indeed, for future years, Members should consider making transfers back to the General Reserve, and even consider setting up a capital fund into which sums can be earmarked for future capital schemes. Such a fund will reduce the need to finance large schemes directly from the revenue budget in the year the scheme is needed.

### **3. Conclusions**

- 3.1 If all the proposed bids of all Committees and level of transfer from the General Reserve are approved for 2009/2010, the Council Tax would increase by £5.83 for the year.
- 3.2 The estimated level of the General Reserve as at 31 March 2010 would be about £100,000, which is below the prudential level of £150,000.

### **4. Recommendations**

- 4.1 Subject to any amendments that Members may wish to make at this meeting it is recommended that:-
- a) The provisional base budget for Recreation, Leisure & Open Spaces Committee, as set out in Appendix B to this report, be approved.
  - b) The provisional priority proposals numbered 1 to 11 in Appendix A (Recreation, Leisure & Open Spaces Committee) be accepted and included in the Council's overall budget for 2009/2010
  - c) The provisional base budget for Planning, Town & Environment Committee, as set out in Appendix C to this report, be approved.
  - d) The provisional priority proposals numbered 1 to 4 in Appendix C (Planning, Town & Environment Committee) be accepted and included in the Council's overall budget for 2009/2010.
  - e) The Committee's own provisional base budget, as set out in Appendix B to the report elsewhere on this Agenda on the Committee's own budget, be approved.
  - f) The provisional priority proposals determined at this meeting in Appendix A to the Committee's own budget report elsewhere on this Agenda, be approved.
- 4.2 Subject to approval of the recommendations in paragraph 4.1 above, the Committee is requested to make recommendations to Council on the provisional budget and the level of the precept for 2009/10.

For further information, please contact:

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**RECREATION, LEISURE AND OPEN SPACES COMMITTEE**  
**NEW BUDGET PROPOSALS FOR 2009/10**

**APPENDIX 'A'**

NO.	ITEM	REASON	BUDGET £	C A P	R E V	PRIORITY
1.	Young Childrens' entertainment. Recurring.	Following the success of the summer holiday play scheme for 2008, consideration should be given to providing a 'show' at Carvers on each weekday of the 6 weeks summer holidays.	2,000		X	<b>3</b>
2.	Disco/teenager entertainment. Recurring.	To provide a regular facility for teenagers.	1,000		X	<b>4</b>
3.	Provision of play facilities. Non recurring.	The Town Plan identified a need to establish sub groups to establish play areas. This bid is to facilitate meetings.	1,000		X	<b>5</b>
4.	Roundabout Scheme Non recurring.	To replace grass and flowers with shrubs to reduce level of regular maintenance.	2,000		X	<b>6</b>
5.	Dennis Mower 24". Non recurring.	To replace existing mower. The replacement cost is likely to be reduced if the ATCO mower is part exchanged for a new Dennis Mower. To be financed from provisions.	4,400	X		<b>7</b>
6.	Foam marker for tractor sprayer. Non recurring.	This will enable the groundstaff to determine accurately where they have sprayed, thus avoiding duplicate spraying. To be financed from provisions,	300		X	<b>8</b>
7.	Marking boom for hand marker. Non recurring.	This will assist the groundstaff when marking out lines on athletic tracks. Efficiency savings will result. Financed from provisions.	250		X	<b>10</b>
8.	Brush Cassette for Dennis mower. Non recurring.	To replace existing which shows signs of wearing out. To be financed from provisions.	850		X	<b>11</b>
9.	Long Lane improvements. Non recurring.	To improve facilities at Long Lane.	5,000	X		<b>9</b>
9.	Allotments-number signs. Non recurring.	To identify each plot more easily.	330		X	<b>12</b>
10.	Cemetery notice board. Non recurring.	To enable notices/information to be displayed for visitors to the cemetery.	1,200		X	<b>13</b>
11.	Flail/hedge cutter tractor mounted. Non recurring.	To improve efficiency when carrying out hedge cutting tasks. This bid of £7,700 is for 2010/11.	0	X		<b>14</b>

**Note**

Priorities 1 & 2 (replacement tractor and replacement John Deere), as agreed at the meeting of this Committee in November, have now been included in the revised budget 2008/09, with the approval of P&F Committee 19 Nov 2008.

**SUMMARY RECREATION, LEISURE AND OPEN SPACES COMMITTEE  
REVISED BUDGET 2008/09 & ORIGINAL BUDGET 2009/10**

1	2	3	4	5
Description	Actual 07/08 £	Orig Est 08/09 £	Revised 08/09 £	Orig Est 09/10 £
<b>EXPENDITURE</b>				
<b>Recreation &amp; Open Spaces</b>				
--Establishment	6,406	6,990	9,070	10,000
--Maintenance	28,676	22,400	42,050	25,250
--Machinery	9,291	15,950	15,650	11,150
--Employee Costs	106,955	115,250	114,930	119,640
--Planters	464	1,600	1,300	1,700
--Activities Expenses	8,541	10,250	9,630	8,850
--Contribution to Provisions	8,680	9,000	9,000	10,000
--Other	9,880	9,900	1,030	1,000
--Capital Expenditure	41,480	194,130	98,380	21,000
<b>Sub Total</b>	<b>220,373</b>	<b>385,470</b>	<b>301,040</b>	<b>208,590</b>
<b>Cemetery</b>				
--Establishment	2,303	5,540	2,950	5,250
--Maintenance	3,680	2,770	2,620	3,020
--Machinery	1,430	1,850	1,850	1,950
--Employee Costs	27,931	29,030	28,320	29,870
<b>Sub Total</b>	<b>35,344</b>	<b>39,190</b>	<b>35,740</b>	<b>40,090</b>
<b>Allotments</b>				
--Establishment	695	1,000	600	900
--Maintenance	296	250	200	250
--Employee Costs	8,722	8,890	8,560	9,010
--Other	200	200	200	200
<b>Sub Total</b>	<b>9,913</b>	<b>10,340</b>	<b>9,560</b>	<b>10,360</b>
<b>TOTAL COMMITTEE EXPENDITURE</b>	<b>265,630</b>	<b>435,000</b>	<b>346,340</b>	<b>259,040</b>
<b>INCOME</b>				
Recreation & Open Spaces	-60,455	-57,450	-70,010	-39,760
Cap Expend Finance (non rev)	-6,820	-142,000	-45,750	-13,000
Cemetery	-12,933	-13,000	-14,750	-13,650
Allotments	-2,508	-2,700	-2,100	-2,500
<b>TOTAL COMMITTEE INCOME</b>	<b>-82,716</b>	<b>-215,150</b>	<b>-132,610</b>	<b>-68,910</b>
<b>NET EXPENDITURE (before new bids)</b>	<b>182,914</b>	<b>219,850</b>	<b>213,730</b>	<b>190,130</b>

## RINGWOOD TOWN COUNCIL

## APPENDIX 'B'

**CAPITAL EXPENDITURE ESTIMATES: REVISED 2008/09 & ORIGINAL 2009/10 TO 2012/13  
RECREATION LEISURE & OPEN SPACES COMMITTEE**

Item No.	PROJECT	RE CUR	NON REC	CAPITAL EXPENDITURE ESTIMATES							Priority	SOURCES OF FINANCING
				O.E.	R.E.	O.E.	O.E.	O.E.	O.E.	Total		
				08/09 £	08/09 £	09/10 £	10/11 £	11/12 £	12/13			
1.	Skatepark enlarge		x	5,000	0	5,000					5,000	Play Equipment provision £5,000
2.	Long Lane development:-new bid for 2009/10	x		10,000	0	5,000	0	0	0		5,000	Rev £5,000
3.	Allotments:- move Upper Kingston site		x	5,000	0	0	5,000	0	0		5,000	Rev £5,000
4.	Prep work for conversion of Carvers to Town Park:- Pathways, car park, fencing (seats, trees donated)	x		2,500	0	0	2,500	0	0		2,500	Rev £2,500
5.	Replacement Tractor 2006/07			3,130	3,130	0	0	0	0		3,130	Rev £6,250, & £3,130
6.	The Bickerley-improve drainage (opposite Kingsbury)		x	0	0	0	0	0	0		0	
7.	Capital grant to Ringwood Bowls Club			1,500	1,500	0	0	0	0		1,500	Rev £1,500
8.	Ringwood Junior School pavilion and rugby pitches		x	87,000	0	0	0	0	0		0	Dev contribs
9.	Bickerley/Pocket Park		x	35,000	35,000	0	0	0	0		35,000	Dev contribs
10.	Ash Grove & other play areas		x	5,000	0	8,000	0	0	0		8,000	Play Equipment provision £8,000
11.	Cemetery extension of road		x	40,000	40,000	0	0	0	0		40,000	Rev £40,000
12.	Replacement Tractor 2008/09		x	0	17,000	8,000	0	0	0		25,000	08/09 Rev£8,000,Prov£4000,Cap rec £5k
13.	Replacement John Deere		x	0	1,750	0	0	0	0		1,750	Provision £1.750
	<b>TOTAL EXPENDITURE</b>			<b>194,130</b>	<b>98,380</b>	<b>26,000</b>	<b>7,500</b>	<b>0</b>	<b>0</b>		<b>131,880</b>	
	<b>FINANCING</b>											
	Revenue			52,130	52,630	13,000	7,500	0	0		73,130	
	Provisions			10,000	10,750	13,000	0	0	0		23,750	
	Grant			0	0	0	0	0	0		0	
	Developers Contributions			132,000	35,000	0	0	0	0		35,000	
	Capital Receipts			0	0	0	0	0	0		0	
	Loan			0	0	0	0	0	0		0	
	<b>TOTAL FINANCING</b>			<b>194,130</b>	<b>98,380</b>	<b>26,000</b>	<b>7,500</b>	<b>0</b>	<b>0</b>		<b>131,880</b>	

**REVISED BUDGET 2008/09 & ORIGINAL BUDGET 2009/10  
PLANNING, TOWN & ENVIRONMENT**

Col. 1	2	3	4	5	6
Code	Description	Actual 07/08 £	Orig Est 08/09 £	Revised 08/09 £	Orig Est 09/10 £
	<b>EXPENDITURE</b>				
	<b>Maintenance</b>				
307827	--Built Environment-Furniture	0	500	500	500
307843	--Street Lighting	96	1,000	800	0
307846	--Bus Shelters	0	500	200	500
307847	--Signage Non rec 08/09	1,107	5,000	5,000	0
307848	--Carvers Street Lighting	0	0	220	240
307849	--Taxi Shelter	0	0	780	0
	<b>Total Maintenance</b>	<b>1,203</b>	<b>7,000</b>	<b>7,500</b>	<b>1,240</b>
	<b>Employee Costs</b>				
307270	--Allocated Office Staff	10,893	11,170	11,080	11,570
307271	--Allocated Groundstaff	0	0	0	0
	<b>Total Employee Costs</b>	<b>10,893</b>	<b>11,170</b>	<b>11,080</b>	<b>11,570</b>
	<b>TOTAL EXPENDITURE</b>	<b>12,096</b>	<b>18,170</b>	<b>18,580</b>	<b>12,810</b>
	<b>TOTAL NET EXPENDITURE</b>	<b>12,096</b>	<b>18,170</b>	<b>18,580</b>	<b>12,810</b>

**Non Recurring Items in 2008/09 Budget, deducted from 2009/10 Budget**

		£	
1. Street lighting		-1,000	
2. Signage		-5,000	
	<b>Total</b>	<b>-6,000</b>	
<b>Recurring Items for inclusion in 2009/10 Budget</b>			
1. Street lighting		£ 3,000	<b>Priority</b> 4
	<b>Sub Total</b>	<b>3,000</b>	
<b>Non Recurring Items for inclusion in 2009/10 Budget</b>			
2. Signage		5,000	2
3. Southampton Road Environmental Enhancements		5,000	1
4. Accessibility leaflet (as identified in Town Plan)		1,500	3
	<b>Sub Total</b>	<b>11,500</b>	
	<b>Total All New Items</b>	<b>14,500</b>	

**FIRST DRAFT REVISED BUDGET 2008/09 & ORIGINAL BUDGET 2009/10  
AND PRECEPT SUMMARY (Including New Bids)**

Col. 1	2	3	4
Description	Orig Est 08/09 £	Revised 08/09 £	Orig Est 09/10 £
<b>EXPEND</b>			
--POLICY & FINANCE COM.	196,930	207,730	186,230
--RECREATION, LEIS & O/S	191,340	202,660	187,590
--CEMETERY	39,190	35,740	40,180
--ALLOTMENTS	10,340	9,560	10,360
--PLANNING, TOWN & ENVIR.	18,170	18,580	12,810
--REC, LEIS & O/S-CAP EXP	194,130	98,380	21,000
<b>TOTAL EXPENDITURE</b>	<b>650,100</b>	<b>572,650</b>	<b>458,170</b>
<b>INCOME</b>			
--POLICY & FINANCE COM.	-41,200	-57,350	-32,080
--RECREATION, LEIS & O/S	-57,450	-70,010	-39,760
--CEMETERY	-13,000	-14,750	-13,650
--ALLOTMENTS	-2,700	-2,100	-2,500
--REC, LEIS & O/S-CAP FIN	-142,000	-45,750	-13,000
<b>TOTAL INCOME</b>	<b>-256,350</b>	<b>-189,960</b>	<b>-100,990</b>
<b>COMMITTEES' NET EXPEND</b>	<b>393,750</b>	<b>382,690</b>	<b>357,180</b>
<b>Add new</b>			
--POLICY & FINANCE COM.			26,500
<b>recur.bids</b>			
--RECREATION, LEIS & O/S			3,000
--PLANNING, TOWN & ENVIR.			3,000
<b>Add new</b>			
--POLICY & FINANCE COM.			13,680
<b>non-rec</b>			
--RECREATION, LEIS & O/S			15,330
<b>bids</b>			
--PLANNING, TOWN & ENVIR.			11,500
<b>Less financed from provisions</b>			-5,800
<b>COUNCIL'S NET BUDGET</b>	<b>393,750</b>	<b>382,690</b>	<b>424,390</b>
<b>Transfers from( - ) or to General Reserve</b>	<b>-43,670</b>	<b>-32,610</b>	<b>-40,390</b>
<b>COUNCIL'S PRECEPTS</b>	<b>350,080</b>	<b>350,080</b>	<b>384,000</b>

**Variation Analysis from Precept 2008/09 to Draft Precept 2009/10**

	£	£
<b>Precept 2008/09</b>		<b>350,080</b>
<b>Add:-</b> transfer from General Reserve		43,670
<b>Sub Total (Net Budget 2008/09)</b>		<b>393,750</b>
<b>Deduct:-</b> non-recurring items included in 2008/09 budget		-69,800
capital expenditure financed from revenue		-13,130
reduction in interest earnings		9,000
increase in fuel		3,200
items deferred to 2009/10 (cem plan £2000, Ash Grve £3000, maint chrchyrd £2000)		7,000
replacement tractor		8,000
<b>Add:-</b> inflation (%) 4.9		19,160
<b>Base Budget 2009/10</b>		<b>357,180</b>
<b>Add:-</b> new recurring Revenue Expenditure bids	32,500	
new non-recurring Revenue Expenditure bids	40,510	
finance from provisions	-5,800	
decrease/increase(-) in transfer to/ from General Reserve	-40,390	
<b>Sub Total additions</b>	<b>26,820</b>	<b>26,820</b>
<b>DRAFT PRECEPT 2009/10</b>		<b>384,000</b>

**COUNCIL TAX LEVELS FOR 2007/08, 2008/09 (ACTUAL) & 2009/10 (ESTIMATED)**

# RINGWOOD TOWN COUNCIL

## APPENDIX D

<b>Council Tax Per Band D Dwelling Based on Precepts Above</b>	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>	<b>Increase</b>
	61.27	64.66	70.49	
			Per Year	<b>£5.83</b>
			Per month	<b>0.49</b>

2007/08		
TAX BASE BAND D PROPS	PRECEPT  £	C TAX PER BAND D DWELL  £
5,408	331,350	61.27

2008/09		
TAX BASE BAND D PROPS	PRECEPT  £	C TAX PER BAND D DWELL  £
5,414	350,080	64.66
2009/10		
5,448	384,000	70.49

**2009/10 Precept Levels at varying % increases in band D Council Tax Levels**

Precept Levels	C TAX PER BAND D DWELLING	INCREASE FOR YR OVER 2008/09	INCREASE PER WK OVER 2008/09
£	£	£	p.
352,250	64.66	0.00	
355,800	65.31	0.65	1.0
359,300	65.95	1.29	2.5
362,800	66.60	1.93	3.7
366,350	67.25	2.59	5.0
369,500	67.83	3.16	6.0
370,000	67.92	3.26	6.3
373,400	68.54	3.88	7.5
376,930	69.19	4.53	8.7
380,450	69.84	5.17	10.0
384,000	70.49	5.83	11.2
387,500	71.13	6.47	12.4

Note  
A 1% increase at Council Tax level = about £3,500