

COMMONS CONSERVATORS

MEETING 7 DECEMBER 2017

BUDGET AND PRECEPT 2018/19

General Background, Inflation

1. There appears to be no specific advice from Government on next year's Council Tax.
2. The RPI showed an annual increase of 3.9% in September 2017. The Consumer Price Index, which is the Bank of England's preferred target measure of the general level of goods and services, was an annual change of 3.0 % in September and 3.0% in October.

Revised Estimate of Net Expenditure and Revenue Balance for 2017/18

3. The revised estimate of net expenditure for the current year is a surplus of £10,055 (this excludes expenditure from the Hospital Site Planning Payment and the Dandara Maintenance Payment. The actual general revenue balance brought forward to 2017/18 was £29,419 and the balance carried forward to 2018/19 is estimated to be £39,474 (excluding the Planning Income and Dandara Maintenance contribution carried forward).

Estimated Expenditure for 2018/19

4. Estimated gross expenditure for 2018/19 (excluding expenditure from planning and maintenance contributions) is £161,358; an increase of £10,055 on the 2017/18 budget. Estimated net expenditure (excluding planning and maintenance contribution expenditure but before precept income) is £159,809 (2017/18 budget £149,743). Further details of the proposed budget are set out below.

Administration

5. Salaries of the Warden and the part time Administration Assistant are determined by the Commons Conservators. For 2017/18 the Conservators had regard to the Government's position on public sector pay, the national local government settlement (which agreed a 1% increase for both 2016/17 and 2017/18) and decided, at the March 2017 meeting, there would be a 1% increase. This was met from the contingency. For 2018/19 the Government is again seeking low increases for public sector employees but appear to have removed the blanket pay cap approach. It is proposed that the salaries budget includes a provision for a 2% increase. The March 2018 meeting will be able to consider the latest background and determine the increase. Any additional percentage which may be agreed would have to be met from the Contingency for 2018/19.

6. For a further year there will be no increase in the expense allowances paid to the Clerk and the Treasurer to cover their costs and they will remain at the 2008/9 cash levels. They were previously linked to the increase in RPI at the end of March.
7. Provision is again made for the Travellers Protocol contribution of £500 which will be paid to the Borough Council.
8. Provision is now made for the Council's payroll processing charge of £216 and a small increase of £100 is made to enable a body camera to be purchased for the Warden. Other administration costs are increased where appropriate.

Management Plan, Maintenance

9. **Litter** – A 3 year contract to commence in April 2015 was agreed in December 2014. The budget for 2017/18 is £22,200. Tenders for this work will be considered at the December meeting. The 2018/19 provision is shown as the current year amount and the difference will be met from the Contingency which has been increased. Once again there is an additional provision of £1000 for the increasing problem of fly tipping and the removal of illegal camps. There is a separate unchanged provision of £2,500 for the estimated cost of dog litter bags next year.
10. **Grass cutting** – A 2 year extension of this contract was agreed in December 2014. A further 1 year extension was agreed at the September 2016 meeting. The budget for 2017/18 is £9,345. Tenders will also be considered at the meeting therefore the provision is shown unchanged and the difference met from the Contingency.
11. **Tree Maintenance** – The provision of £19,300 is the current year's budget increased by approximately 3% for inflation and is considered sufficient to ensure an appropriate level of work and management of the risks. A separate unchanged provision of £720 is included for the cost of the Roadside Tree Survey
12. **Management Plan, Maintenance of Cleared Areas and Other Maintenance** – The proposed budget for the maintenance of cleared areas is £25,700; an increase of approximately 3% for inflation.

Headings are included in the budget statement for the areas identified by the Management Plan. It is proposed that the provisions for Tree Maintenance and Maintenance of Cleared Areas be reallocated during the year to the management plan priorities.

An unchanged provision of £1000 is made for the maintenance and replacement of litter bins.

Seat Maintenance and Replacement is increased by £1800 to £3500.

The budget for posts and barriers is increased from £3300 to £5000.

Footpath maintenance is unchanged at £3000.

Drainage is unchanged at £2000.

Projects and other expenditure funded by Grants, Contributions and Donations

13. The proposals agreed as part of the Hospital Site Planning contribution agreement are being implemented in the current year with some expenditure taking place in 2018/19. Annual expenditure from the Dandara Maintenance contribution also commenced in 2017/18. A Section 106 contribution of £9144 has been agreed with Dandara in respect of the Union Square development. This will be received in 2019/20 or later.
14. The annual grant of £1,485 from Natural England, which commenced in 2010/11, will continue for the remaining part of the 10 year agreement. At this stage no other external funding has been agreed for next year. Consequently, no projects with specific external funding have been identified for inclusion in the proposed budget. No provision is made this year for general donations because of their uncertainty.

Interest Income

15. The interest income earned on the revenue balance and net cash flow remains significantly reduced as bank base rate (recently increased) and savings rates continue at a very low level.

Revenue Balance

- 16 The actual and projected balances are:

	Actual 31 March 2017	Projected 31 March 2018	Projected 31 March 2019
	£	£	£
General	29,419	39,474	35,665
Hospital Site Payment	6,382	4732	
Union House Maintenance Payment	2,000	1500	1,000
Total	37,801	45,706	36,665

If there is no increase in the precept then the projected general revenue balance will fall to £29,665. When considering the appropriate level of the balance the following should be taken into account:-

1. The Conservators do not have a power to borrow to meet capital expenditure. Therefore, any capital expenditure would have to be met from current income and reserves. There are no current plans for capital expenditure.
2. Although precept income is paid on 30 April and 31 October a working balance, equivalent to at least one month's gross expenditure should be maintained.
3. A small contingency is included in the budget to deal with unavoidable differences in the cost or volume of work and administration. The Contingency for 2018/19 includes additional provision for the increased cost of the litter and grasscutting tenders. A balance should also be maintained to meet unexpected expenditure or liabilities arising in the year which would need to be met before the following year's precept request could be considered and, if approved, paid by the Borough Council.

Having regard to the potential financial impact of all the risks it is now recommended that an overall minimum balance of approximately £35,000 should be maintained.

Precept

17. The County of Kent Act 1981 sets a limit on the precept which may not be exceeded without the approval of the Borough Council. An increase in the limit was approved by the Council in November 1983. On the abolition of the old rating system in 1990/91, and similarly on the change to council tax, the limit was to be adjusted each year in accordance with the annual changes in the Retail Price Index as measured by the change in the index for the September prior to the financial year. The index change at September 2017 was an increase of 3.9% and will result in a limit of £156,788 for 2018/19.
18. The 2017/18 precept of £150,000 was an increase of 3.5 %. Changes in the immediate preceding years were:
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|---------|------|
| 2016/17 | 1.4% |
| 2015/16 | 7.4% |
| 2014/15 | 2% |
| 2013/14 | 2% |
| 2012/13 | NIL |
| 2011/12 | 2.7% |
| 2010/11 | NIL |
19. Therefore, taking into account the above limit, the estimated net expenditure for next year and the estimated reserve position it is proposed that the precept for 2018/19 should be £156,000; an increase of £6,000 (4%).

RECOMMENDED

1. That the proposed budget for 2018/19 be approved; and
2. That the precept requirement for 2018/19 be £156,000.

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G. Levitt
Treasurer

TUNBRIDGE WELLS COMMONS CONSERVATORS
2017/18

ACTUAL Previous Year £		BUDGET CURRENT YEAR £	ACTUAL TO DATE £	PROJECTION FOR YEAR £	PROPOSED BUDGET 2018/19 £
EXPENDITURE					
SALARIES AND EXPENSES					
47,864	Warden and Admin Support- Salary/NI/Pension	48,400	24,159	48,318	49,225
2,228	General Expenses Allowances	2228	1,114	2228	2228
0	Uniform and Protective Clothing	105	99	99	205
600	Storage Rental	600	600	600	600
0	Car Mileage	50	0	50	50
0	Payroll processing charge	0	108	216	216
171	Office Equipment	120	54	100	120
293	Telephone	300	196	285	300
2,478	Insurances	2550	2,231	2231	2675
948	Audit Fees	900	480	975	1000
277	Printing, Stationery, Newspapers etc	250	620	650	275
15	Postages	60	0	60	60
74	Meetings	75	36	75	75
0	Travellers Protocol Contribution	500	500	500	500
0	Miscellaneous	0	0	0	0
54948		56138	30196	56387	57529

MAINTENANCE OF COMMONS ETC

21,984	Litter/Dog Clearance - Contract	22,200	12,929	22,164	22,164
1,045	Other Litter Collection and Clearance	1000	1,010	1000	1000
9,344	Grasscutting Contract	9345	0	9345	9345
125	Replacement/maintenance of Litter bins	1000	0	1000	1000
0	Seat Provision Replacement and Repairs	1700	0	200	3500
18,929	Tree Maintenance/Storm Damage/Stump Cl	18800	910	18800	19,300
27,922	Maint of Cleared Areas	25000	7,384	25000	25,700
2,400	Dog Fouling Clearance -Bags	2500	0	0	2500
4,956	Posts/Barriers etc- provision/repair/replacement	3300	0	3300	5000
150	Signs - provision/repair/replacement	500	469	469	500
2,680	Repair/Reconstruction of Paths/Surfaces	3000	0	3000	3000
1,920	Maintenance of Drainage	2000	0	2000	2000
75	Other Works	0	0	0	0
720	Roadside Tree Survey	720	0	720	720
0	Maintenance -Dandara Union House Contrib'	500	0	500	500
63	Equipment Purchase/Repair	100	0	100	100

TUNBRIDGE WELLS COMMONS CONSERVATORS
2017/18

Work/purchases funded by contributions etc

2,090 Purchase/ repair/placement of seats	0	214	214	0
0 New Steps Tarry Path - Freehold Tenants	0	0	2000	0
960 Thin Holly South Side of Bat Cave Freehold Tenants	0	0	0	0
1,800 Plant Native Shrubs -boundary of Major Yorks Freehold Tenants	0	0	0	0
1,800 Terraced Walk Improvements	0	0	0	0
960 Additional clearance beyond Romanoff Lodge Freehold Tenants	0	0	0	0
0 Repair/resurface steps from Fir Tree Car Pk Freehold Tenants	0	1,920	1920	0
1,680 Dandara Union House Land Swap - Initial Work Dandara	0	0	0	0
600 Path Spa - Racecourse- Scallop, Scrape Freehold Tenants	0	0	0	0
3,600 Cheesewring Rock -remove Rhododendron etc -Friends	0	0	0	0
1,800 Cheesewring Rock -remove Rhododendron etc Freehold Tenants	0	0	0	0
0 Extend path Marlipit Pond - Common View Freehold Tenants	0	0	1500	0

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NON RECURRING

0 Litter bins - Hosp' Site Contr'	0	0	1300	1700
0 Dispensers - Hosp' Site Contr'	1900	0	350	0
7,700 Racecourse Clearance - Hosp' Site Contr;	0	0	0	0
1,440 St Helena Clearance - Hosp' Site Contr'	1252	0	0	1800
3,360 Bench Renovation - Hosp' Site Contr'	750	0	0	1232

Management Plan

Woodland edges,glades and rides	0	0	0	0
Ponds	0	0	0	0
Trees	0	0	0	0
Heathland	0	0	0	0
Grassland and Wood Pasture	0	0	0	0
Rocks	0	0	0	0

<hr/> 12,500	3,902	0	1,650	4,732
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0 CONTINGENCY	4,000	0	0	8000
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<hr/> 175051 TOTAL EXPENDITURE	155705	55032	151269	166590
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INCOME

1,970 Contributions-Seats	0	710	710	0
14,544 Contributions- Works and Purchases (see note)	0	2,880	6380	0
1,195 Other Contributions-General	0	585	585	0
153 Interest	75	1	25	75
350 Miscellaneous Income	0	0	0	0
145,000 Tunbridge Wells Borough Council Precept	150,000	150,000	150,000	156,000
1,474 Natural England - Higher Level Stewardship	1485	1,106	1474	1474
0 Planning Agreement Income	0	0	0	0
0 Future Maintenance Income	0	0	0	0

<hr/> 164686 TOTAL INCOME	151560	155282	159174	157549
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10365 NET EXPENDITURE (Surplus -)	4145	-100251	-7905.00	9041
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48,166 RESERVE BROUGHT FORWARD	37284		37,801	45706
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37801 RESERVE CARRIED FORWARD	33139		45706	36665
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