



Full Council

Date:	25th January 2017
Title:	Recommended Budget and Precept Report 2017/18
Purpose of the Report:	To provide Members with the proposed budget and precept requirement for 2017/18, which has been recommended by the Finance & General Purposes Committee.
Contact Officers:	Paul Russell

1. RECOMMENDATION

- 1.1 That the report be noted;**
- 1.2 That Full Council formally considers the adoption of the attached budget for 2017/18;**
- 1.3 That a precept of £422,148 be submitted to Herefordshire Council for 2017/18. This will result in a Band D charge of £118.40.**

2. INTRODUCTION

- 2.1 Over the past two months the Finance & Budget Sub-Committee has been developing the budget for the Town Council for 2017/18. The operation of the Town Council has changed significantly over the past year, and will continue to change for the next 18 months to 2 years. Therefore, the current development of a budget is as accurate an estimate as can be achieved at this time bearing in mind the changing nature of the Town Council.
- 2.2 Leominster's tax base for 2016/17 was 3,525.99. The new tax base calculated by Herefordshire Council for 2017/18 is 3,565.36, an increase of just over 1.1%. There has been a low level of house construction in Leominster over the past 12 months, less than projected by the Core Strategy.
- 2.3 Transitional Grant funding from Herefordshire Council to Leominster Town Council has been reduced from £35,986 to zero in 2017/18. Based on this loss of income, to remain at a standstill an increase of £10.11 would be required. Bearing this in mind, a budget was developed which aimed at an increase of no more than £10. The resulting budget requires an increase of £8.91.
- 2.4 The following report goes through each section of the budget in detail, explains any increases recommended, provides an overview of new Committee arrangements and indicates the precept required and subsequent D Band council tax rate.
- 2.5 The report is laid out to reflect the various budget headings. Each section includes explanations for income and expenditure considered relevant. Each

table has five columns. The first column is the budget allocation for 2016/17. Column 2 is expenditure or income received up to and including month 8 (November to date), column 3 is projected expenditure for the rest of the year, column 4 indicates and variance and column 5 is the proposed budget allocation for 2017/18.

2.6 Please note that the Tax Base is the average number of dwellings in Leominster if all dwellings were valued at a D Band Value.

3. 101 – ADMINISTRATION

3.1 The table below outlines the proposed budget for 2017/18 based on 2016/17 performance to date plus projected income.

		Budget	Actual	Projected	Variance	Budget
101	Administration Central Costs	2016/17	2016/17	2016/17	2016/17	2017/18
4012	Software, IT and support	£3,000	£2,355	£3,532.50	-£533	£3,500
4014	Website	£360	£360	£360.00	£0	£400
4016	Photocopier	£1,500	£705	£1,057.50	£443	£1,500
4019	Recruitment	£1,500	£1,064	£1,300.00	£200	£500
4020	Advertising	£1,000	£0	£1,000.00	£0	£0
4025	Miscellaneous	£0	£1,882	£1,882.00	-£1,882	£0
4027	Equipment	£3,000	£931	£3,000.00	£0	£2,000
4030	Telephone	£3,300	£4,563	£10,000.00	-£6,700	£4,000
4035	Postage	£1,500	£209	£500.00	£1,000	£1,000
4040	Printing & Stationery	£1,500	£984	£1,476.00	£24	£1,500
4048	Subscriptions	£3,000	£2,800	£3,000.00	£0	£3,100
4050	Insurance	£6,000	£5,077	£5,500.00	£500	£6,500
4900	Contingency	£2,500	£107	£300.00	£2,200	£2,500
	Total	£28,160	£21,037	£32,908	-£4,748	£26,500

3.2 Items to note are as follows:

- Software, IT and Support has increased due to additional staff. It is hoped that a budget of £3,500 should be sufficient. If not, there is some funding in contingency;
- Website costs will include some additional expenditure for the TIC website;
- Photocopier allocation remains the same as it is expected that greater use will be experienced once all departments are in the same building;
- Recruitment costs have been reduced. Most staff requirements are now in place;
- The advertising budget has been moved to 205 Markets and Events;
- Miscellaneous covers expenditure covered by miscellaneous income on projects delivered by the Town Council on in partnership with other local organisations;
- Equipment requirements should reduce in 2017/18;

- Telecom expenditure is significantly higher in 2016/17 due to the termination of a lease agreement. The 2017/18 allocation will cover all departments based on increased staffing and business;
- Postage costs have reduced significantly but there will be a future requirement to send items by post related to the TIC. This will be reduced where possible;
- Printing and stationary remains the same whilst subscriptions has increased slightly due to future subscription increases;
- Insurance has been increased due to additional premiums for the Pavilion and events, as well as additional cover for 11 Corn Square;
- Contingency allocation remains the same.

3.3 Income projections are as follows. Please note that interest income has not been increased as Council balances will significantly reduce in 2017/18. The issues regarding the Transitional Grant have already referenced (2.3):

		Budget	Actual	Projected	Variance	Budget
101	<u>Income Administration</u>	2016/17	2016/17	2016/17	2016/17	2017/18
1076	Precept	£386,070	£386,070	£386,070	£0	£0
1077	Council Tax Support Grant	£35,986	£35,986	£35,986	£0	£0
1090	Bank Interest	£200	£330	£400	£200	£200
1500	Miscellaneous	£0	£4,304	£4,304	£4,304	£0
	Total	£422,256	£426,690	£426,760	£4,504	£200

4. 103 – SALARIES

4.1 For 2017/18 a separate salary cost centre has been included. The projections for 2017/18 are below, based on new staffing requirements:

		Budget	Actual	Projected	Variance	Budget
103	<u>Salaries</u>	2016/17	2016/17	2016/17	2016/17	2017/18
4000	Administration Salaries	£100,000	£60,265	£98,000.00	£2,000	£101,075
4000	Environmental Salaries	£40,000	£19,797	£37,000.00	£3,000	£59,500
4000	Tourism & Events Salaries	£37,000	£23,115	£34,672.50	£2,328	£55,608
	Total	£177,000	£103,177	£169,673	£7,328	£216,183

4.2 It should be noted that in 2017/18 the Council will for the first time experience a full year of salary payments which has not been the case to date. Most of the new staff members recruited in 2016/17 commenced employment in May 2016, and the Environmental Supervisor only became full time post in October 2016.

4.3 Committees will be responsible for the following areas:

Financial and General Purposes
Mayoral matters Committee administration Civic events

<p>Council finances Council audit Human resources Community Grants Scheme IT systems and support Corn Square administration Youth service development Town twinning Christmas lights contract</p>

<p>Environmental and Services Committee</p> <p>Allotments Parks and recreation grounds Play areas Litter/bins Street furniture Town centre maintenance Leominster in Bloom Public conveniences Public Realm improvements</p>

<p>Planning and Highways Committee</p> <p>Planning applications Planning permissions Highway matters Environmental nuisance issues Local Plan Neighbourhood Plan Other Relevant Consultation responses</p>

<p>Communications & Events Committee</p> <p>Tourist Information Centre Tourism services and support Weekly and specialist markets Event support Council events programme Christmas Lights switch-on Town Centre Regeneration</p>

- 4.4 Council will note that a fourth Committee is included above. In order to enable the Visitor, Events and Town Development Team to deliver its objectives, and to report on a regular basis to Council, a new Committee is being proposed. The new Committee will come into being following the Annual Town Council meeting in May 2017.
- 4.5 The new Committee will be responsible for the above elements of Council service. It is suggested that the Committee be called Communications and Events Committee. This will only meet four times a year in June, September December and March.

4.6 A Meeting Schedule has been developed and is included on the main Council agenda following the Committee Minutes.

5. 105 – CORPORATE MANAGEMENT

5.1 This budget heading has been increased to reflect the additional expenditure incurred in 2016/17. Legal expenditure has been high this year due to asset transfers. All training provided to staff and Members by the Town Council has now been included under this single heading.

		Budget	Actual	Projected	Variance	Budget
105	<u>Corporate Management</u>	2016/17	2016/17	2016/17	2016/17	2017/18
4008	Travel & Subsistence	£1,000	£290	£435.00	£565	£1,000
4010	Conferences/Training	£2,000	£1,898	£2,000.00	£0	£3,000
4125	Bank Charges	£500	£358	£537.00	-£37	£800
4130	Accountancy/Corporate Governance	£2,000	£2,595	£3,892.50	-£1,893	£3,000
4131	Internal Audit Fees	£800	£450	£450.00	£350	£800
4132	External Audit Fees	£1,000	£800	£800.00	£200	£1,000
4135	Legal & Professional	£1,000	£3,097	£4,645.50	-£3,646	£1,000
4140	Employment/Health & Safety	£2,500	£147	£2,650.00	-£150	£2,500
	Total	£10,800	£9,635	£15,410	-£4,610	£13,100

6. 110 – DEMOCRATIC SERVICES

6.1 The Democratic Services budget has been reduced in 2017/18. Please note that additional expenditure has been incurred in civic regalia (new past mayor badges and civic award badges) and there may be an election, hence the projected expenditure. If there is no election then this allocation will be allocated to reserves:

		Budget	Actual	Projected	Variance	Budget
110	<u>Democratic Services</u>	2016/17	2016/17	2016/17	2016/17	2017/18
4200	Elections	£2,500	£0	£2,500.00	£0	£2,500
4210	Mayor's Allowance	£4,000	£1,233	£4,000.00	£0	£4,000
4211	Mayor Making	£500	£529	£530.00	-£30	£600
4212	Civic Events	£2,000	£652	£978.00	£1,022	£1,500
4215	Civic Regalia	£500	£1,468	£1,500.00	-£1,000	£500
4220	Civic Officers	£1,200	£355	£1,000.00	£200	£1,200
	Total	£10,700	£4,237	£10,508	£192	£10,300

7. 115 – GRANTS

7.1 The Grants budget allocation is as follows:

		Budget	Actual	Projected	Variance	Budget
115	<u>Grants</u>	2016/17	2016/17	2016/17	2016/17	2017/18
4235	General Grants	£15,000	£13,771	£15,000.00	£0	£11,500
	Shop Front	£0	£0	£0.00	£0	£2,500
	CAB Grant	£0	£5,000	£5,000.00	-£5,000	£10,000

4236	Community Centre	£10,000	£5,000	£10,000.00	£0	£6,000
4237	Grange Court	£7,000	£7,000	£7,000.00	£0	£7,000
4238	Youth Services	£9,000	£4,340	£8,680.00	£320	£9,000
		£41,000	£35,111	£45,680	-£4,680	£46,000

7.2 For 2017/18 a number of changes have been proposed. The general grant fund is being reduced but an allocation of £2,500 is being made to shop front grants which will fund projects such as the Christmas Window competition and other economic generator competitions. CAB has been allocated an annual grant of £10,000, the Community Centre Grant is being reduced to £6,000, which is the amount requested, Grange Court remains static and the Youth Service grant fund remains at £9,000.

7.3 Council is committed to the Grange Court grant but there is an additional confidential agenda item for Council to consider, and negotiations are still taking place regarding the provision of youth services by HVOSS. A meeting will be held with HVOSS following the Full Council meeting to develop youth service provision for 2017/18 with a view to draw down additional funding from the Lottery and the Police & Crime Commissioner.

8. 120 – WEST STREET

8.1 17 West Street is currently under offer. The F&GP Committee agreed a sale deadline of 31st January 2017 and there is a further report under confidential items regarding progress. Therefore this part of the budget has been identified as cost neutral for 2017/18. If the sale proceeds the remaining PWLB Loan will be paid off.

9. 125 – CORN SQUARE

9.1 An initial Corn Square budget has been developed. The investment and upgrading of the building should be completed by the end of May 2017. It is expected that a full year of trading will be achieved within the TIC element but that the holiday flat may not be available until June for rental. This may affect budget projections.

9.2 The draft budget is outlined below:

		Budget	Actual	Projected	Variance	Budget
125	Corn Square	2016/17	2016/17	2016/17	2016/17	2017/18
4180	Cleaning	£100	£0	£100.00	£0	£100
4181	Window Cleaning	£720	£130	£720.00	£0	£960
4182	Electricity	£4,000	£0	£2,000.00	£2,000	£4,500
4183	Gas	£4,500	£0	£2,000.00	£2,500	£4,500
4185	Business Rates	£10,000	£1,988	£6,000.00	£4,000	£11,000
4186	Water Rates	£1,200	£0	£500.00	£700	£1,500
4187	Repairs & Renewals	£1,000	£810	£1,000.00	£0	£1,000
4188	Fixtures & Fittings	£1,000	£267	£1,000.00	£0	£1,000
4700	Loan Repayment	£23,006	£0	£20,000.00	£3,006	£28,372
	Total	£45,526	£3,195	£33,320	£12,206	£52,932

		Budget	Actual	Projected	Variance	Budget
125	<u>Income Corn Square</u>	2016/17	2016/17	2016/17	2016/17	2017/18
1400	Room Rentals	£2,000	£0	£3,000	-£1,000	£2,000
1400	Holiday Let	£0	£0	£0	£0	£6,000
1400	Office Lets	£18,000	£0	£0	£18,000	£14,100
	Total	£20,000	£0	£3,000	£17,000	£22,100

9.3 Both available office spaces have now been let and the Council Chamber should be available for rent by the 1st April 2017. The holiday flat is scheduled to come online as from 1st June 2017.

9.4 At present there is a significant difference between income and expenditure. The aim of the Council is to make this building as close to cost neutral as possible. No income has been identified for the outside space and the letting opportunities need to be marketed. This will be a staffing priority as from 1st April 2017 when the initial refurbishments are completed.

9.5 It is expected that there will be additional income generating opportunities once all works are completed.

10. 130 – TOURIST INFORMATION

10.1 The Town Council took over the TIC on 1st April 2016. At the time it was hoped that it would move into the new premises at 11 Corn Square during 2016/17. However, this has proved impossible for many reasons including the delay in finalising the purchase of the premises.

10.2 Developing a budget for a new premises is challenging. However, based on trading at the existing TIC to date, it is expected that the 2017/18 trading levels should at least be maintained and should improve.

10.3 Bearing this in mind the following budget has been developed:

		Budget	Actual	Projected	Variance	Budget
130	<u>Tourist Information</u>	2016/17	2016/17	2016/17	2016/17	2017/18
3000	Cost of Sales	£15,000	£8,871	£13,306.50	£1,694	£15,000
4007	Refreshments	£0	£34	£51.00	-£51	£0
4008	Travel and Subsistence	£0	£40	£60.00	-£60	£0
4014	Website	£0	£65	£97.50	-£98	£0
4025	Miscellaneous	£0	£44	£66.00	-£66	£0
4126	Credit/Debit Charges	£0	£55	£82.50	-£83	£0
4180	Cleaning	£0	£67	£100.50	-£101	£0
4182	Electricity	£0	£603	£904.50	-£905	£0
4184	Rent	£0	£6,510	£9,765.00	-£9,765	£0
4185	Business Rates	£0	£2,420	£3,630.00	-£3,630	£0
4186	Water Rates	£0	£104	£156.00	-£156	£0
4187	Repairs & Renewals	£0	£17	£25.50	-£26	£0
	Total	£15,000	£18,830	£13,307	£1,694	£15,000

		Budget	Actual	Projected	Variance	Budget
130	Tourist Information Income	2016/17	2016/17	2016/17	2016/17	2017/18
1000	Retail Sales	£0	£0	£0.00	£0	£0
1010	Commission	£2,600	£93	£139.50	-£2,507	£2,600
1510	Coach Trips	£3,800	£2,976	£4,464.00	-£824	£3,800
1511	Books & Maps	£6,750	£3,953	£5,929.50	-£2,797	£6,750
1512	Cards	£1,600	£969	£1,453.50	-£631	£1,600
1513	Souvenirs	£5,600	£3,500	£5,250.00	-£2,100	£5,600
1514	Food/Drink	£2,000	£1,145	£1,717.50	-£855	£2,000
1515	Craft	£2,500	£1,976	£2,964.00	-£524	£2,500
1516	Advertising	£2,400	£2,776	£4,164.00	£376	£2,400
1518	Bed Booking	£250	£14	£21.00	-£236	£250
	Total	£27,500	£17,402	£26,103	-£10,098	£27,500

- 10.4 The aim of the TIC is to generate an income of around £12,500. The profitability of the TIC will be closely monitored during the financial year and as the trading environment becomes clearer KPIs and other targets will be developed.
- 10.5 Projects to be developed within the next twelve months include a series of Leominster focused leaflets. These will include:
- New town map
 - Events calendar
 - QR Code project
 - Various Trail leaflets
 - Support individual leaflets such as Leominster Museum, Grange Court etc.
- 10.6 A revised signage scheme will be developed for the entrances to Leominster, as well as directional signage and notice boards in the town. This will include the potential provision of:
- Town maps at each car park;
 - New entrance signage to the town;
 - Fingerpost signage in the various parks and open spaces directing visitors to facilities;
 - Information points at all public conveniences;
- 10.6 Budget funding for all projects will be formally identified during the year and will be subject to achieving budget projections.
- 10.7 The development of community transport links is a priority for the Town Council and with the relocation of HVOSS Community Wheels to 11 Corn Square there is easy access to discuss and develop such projects. Such schemes need to include input from the business community as they know which service losses have most affected the viability of the town centre.

- 10.8 A new Visitor Information website will be required, but this will be considered in 2018/19 when potential funding may be able to be allocated.
- 10.9 The development of the civic element of the town including the main civic occasions involving Town Councillors, need to be further developed and enhanced. The roles of the Ale Taster, Fish Taster and Bread Weigher need further development and could be used to help underpin and enhance local events.
- 10.10 The development of the various town trails has been identified by Destination Leominster. The majority of work will be undertaken by voluntary organisations but some support will be provided by the Town Council.
- 10.11 The development of a full scale interpretation plan for Leominster through street furniture, trails, interpretation panels, leaflets and information will support the projects and provide useful and interesting information to both residents and visitors about the town and surrounding area.
- 10.12 The new TIC facility will require significant input from the Tourism Team. Special focus will be given to the timber framed exhibition space, merchandising the retail area and providing information to visitors.

11. 201 – OPEN SPACES

11.1 The open spaces budget for 2017/18 is as follows:

		Budget	Actual	Projected	Variance	Budget
201	Open Spaces	2016/17	2016/17	2016/17	2016/17	2017/18
4006	Uniforms	£500	£87	£130.50	£370	£750
4025	Miscellaneous	£750	£0	£0.00	£750	£0
4027	Equipment	£2,000	£1,103	£1,654.50	£346	£2,000
4030	Telephones	£600	£0	£0.00	£600	£0
4182	Electricity	£300	£0	£0.00	£300	£0
4185	Business Rates	£1,000	£0	£0.00	£1,000	£0
4186	Water Rates	£150	£0	£0.00	£150	£0
4187	Repairs & Renewals	£2,000	£1,362	£2,043.00	-£43	£2,500
4300	Maintenance	£2,000	£3,620	£5,430.00	-£3,430	£5,000
4301	Open Spaces Maintenance	£17,230	£13,745	£14,000.00	£3,230	£14,000
4305	Play Areas	£2,500	£330	£2,500.00	£0	£1,500
4310	Priory Churchyard	£1,500	£0	£1,500.00	£0	£1,500
4311	Millenium Green	£250	£0	£250.00	£0	£250
4312	P3 Scheme	£0	£2,365	£5,000.00	-£5,000	£6,870
4313	Lengthsman Scheme	£6,000	£930	£6,000.00	£0	£5,175
4320	Vehicle Maintenance	£2,000	£1,663	£2,494.50	-£495	£2,500
4321	Vehicle Fuel	£2,500	£595	£1,000.00	£1,500	£2,500
4350	Street Cleaning	£3,000	£23	£1,000.00	£2,000	£2,000
4351	Waste	£2,500	£2,862	£4,293.00	-£1,793	£4,000
	Total	£46,780	£28,685	£47,296	-£516	£50,545

11.2 The open spaces income budget is as follows. This is based entirely on the P3 and Lengthsman Scheme, the costs of which are included in 11.1 above:

		Budget	Actual	Projected	Variance	Budget
	<u>Open Spaces Income</u>	2016/17	2016/17	2016/17	2016/17	2017/18
1110	P3 Scheme	£0	£5,789	£5,789	£0	£5,285
1111	Lengthsman Scheme	£0	£0	£0	£0	£1,725
	Total	£0	£5,789	£5,789	£0	£7,010

11.3 The allotments income and expenditure is outlined below. Please note that a rental increase has now been agreed and the budget reflects this:

		Budget	Actual	Projected	Variance	Budget
203	<u>Allotments</u>	2016/17	2016/17	2016/17	2016/17	2017/18
4025	Administration	£560	£369	£553.50	£7	£600
4184	Ground Rent	£1,040	£600	£1,300.00	-£260	£1,400
4186	Water Rates	£500	£209	£500.00	£0	£500
4300	General Maintenance	£1,000	£428	£1,000.00	£0	£1,000
4308	Grass cutting	£1,000	£960	£1,000.00	£0	£1,000
	Total	£4,100	£2,566	£4,354	-£254	£4,500

		Budget	Actual	Projected	Variance	Budget
203	<u>Allotment Income</u>	2016/17	2016/17	2016/17	2016/17	2017/18
1120	Allotment Rents	£5,000	£4,828	£4,828	£0	£5,000
	Total	£5,000	£4,828	£4,828	£0	£5,000

12. 205 – MARKET AND EVENTS

12.1 The following income and expenditure has been developed for this cost centre. Some budget headings have now been included elsewhere in the overall Council budget:

		Budget	Actual	Projected	Variance	Budget
205	<u>Markets/Events</u>	2016/17	2016/17	2016/17	2016/17	2017/18
4010	Conferences/Training	£300	£0	£0.00	£300	£0
4020	Advertising	£750	£0	£0.00	£750	£1,500
4021	Promotion	£1,000	£0	£0.00	£1,000	£1,000
4027	Equipment	£1,000	£0	£0.00	£1,000	£1,000
4048	Subscriptions	£400	£0	£0.00	£400	£400
4182	Electricity	£500	£0	£0.00	£500	£500
4351	Waste Disposal	£2,000	£0	£0.00	£2,000	£0
	Total	£5,950	£0	£0	£5,950	£4,400

		Budget	Actual	Projected	Variance	Budget
205	<u>Income Markets/Events</u>	2016/17	2016/17	2016/17	2016/17	2017/18
1402	Market Income	£20,000	£11,566	£17,349.00	-£8,434	£20,000
1500	Miscellaneous	£5,000	£0	£0.00	-£5,000	£3,000
	Total	£25,000	£11,566	£17,349	-£13,434	£23,000

- 12.2 The Friday Market has suffered slightly from loss of traders in 2016/17. In 2017/18 efforts will be made not only to increase the number of regular stalls but promote the market to visitors and traders. It is an essential income generator and needs to be underpinned.
- 12.3 Specialist markets during the week have proved to be difficult. However, in 2017, with an increased staffing capacity, efforts will be made to develop these specialist and Farmers Markets on a Saturday and possibly during the week.
- 12.4 This space to the rear of 11 Corn Square will be developed to enable events to be held within the walls of the garden. There are opportunities to work with the Herefordshire Courtyard, many voluntary groups, Leominster Festival and numerous other organisations to develop an annual events programme.

13. PUBLIC CONVENIENCES

- 13.1 The public convenience maintenance budget is outlined below. There is a projected underspend of around £13,000. Subject to when the Westbury Street conveniences are transferred there may be some expenditure incurred but this does provide some additional working capital towards refurbishment.

		Budget	Actual	Projected	Variance	Budget
	<u>Public Conveniences</u>	2016/17	2016/17	2016/17	2016/17	2017/18
220	Central Area					
4180	Cleaning	£3,215	£3,006	£4,509	-£1,294	£4,200
4182	Electricity	£700	£0	£700	£0	£750
4185	Business Rates	£1,700	£1,202	£1,803	-£103	£1,750
4186	Water Rates	£1,600	£646	£969	£631	£1,600
4300	Maintenance	£0	£0	£0	£0	£500
225	The Grange					
4180	Cleaning	£3,215	£3,013	£4,520	-£1,305	£4,200
4182	Electricity	£800	£0	£800	£0	£850
4185	Business Rates	£1,500	£125	£188	£1,313	£1,550
4186	Water Rates	£1,400	£499	£749	£652	£1,500
4300	Maintenance	£0	£40	£60	-£60	£500
230	Westbury Street					
4180	Cleaning	£6,000	£0	£0	£6,000	£4,200
4182	Electricity	£1,600	£0	£0	£1,600	£1,650
4185	Business Rates	£3,000	£0	£0	£3,000	£3,100
4186	Water Rates	£3,200	£0	£0	£3,200	£3,000
4300	Maintenance	£0	£0	£0	£0	£500
	Total	£27,930	£8,531	£14,297	£13,634	£29,850

- 13.2 The Capital Investment budget for the public conveniences has been deleted to enable Council to set a budget that meets its target. However, there is a balance of £26,000 which remains to be spent.

		Budget	Actual	Projected	Variance	Budget
235	<u>Capital Investment - Toilets</u>	2016/17	2016/17	2016/17	2016/17	2017/18
4360	Toilet Management	£5,000	£82	£123	£4,877	£0
4700	Loan Repayments	£16,385	£0	£0	£16,385	£0
4710	Capital Fund	£5,685	£0	£0	£5,685	£0
	Total	£27,070	£82	£123	£26,947	£0

13.3 Projected income is as follows. This relates entirely to the Bus Station unit if secured from Herefordshire Council:

		Budget	Actual	Projected	Variance	Budget
	<u>Public Convenience Income</u>	2016/17	2016/17	2016/17	2016/17	2017/18
1500	Rental	£0	£0	£0	£0	£3,000
	Total	£0	£0	£0	£0	£3,000

13.4 There is no budget allocation for toilet refurbishment. The proposal is as follows:

- Allocate a sum of £35,000 from the public convenience underspend in 2016/17 towards the refurbishment of Central and Grange Toilets;
- Subject to the sale of 17 West Street, allocate funding of around £75,000 towards the renovation of the Westbury toilets;
- Specifications for the refurbishment of the conveniences have been considered by the Environmental & Services Committee and continue to be developed;
- Subject to agreement obtain quotations for the works required.

14. 250 – ECONOMIC DEVELOPMENT

14.1 The following budget allocation has been made to this cost centre:

		Budget	Actual	Projected	Variance	Budget
250	<u>Economic Development</u>	2016/17	2016/17	2016/17	2016/17	2017/18
4023	Newsletter	£1,200	£800	£1,200	£0	£1,400
4047	Market Towns Forum	£100	£170	£255	-£155	£100
4370	Leominster in Bloom	£6,000	£60	£4,000	£2,000	£4,000
4375	CCTV	£10,439	£2,284	£10,439	£0	£10,648
4380	Festive Lights	£12,000	£7,829	£12,000	£0	£12,500
	Total	£29,739	£11,143	£27,894	£1,845	£28,648

14.2 An additional sum has been allocated to the newsletter to help promote Leominster News. The Market Town Forum expenditure will be claimed back.

14.3 With regard to Festive Lights, Council is in a three year contract which will terminate in 2018. 2019 will see a re-tendering of this contract.

14.4 There will be an opportunity in the next two years to review how best to erect and manage the Christmas Lights.

14.5 The CCTV contract has been entered into for another 3 years and the cost increases by about 3% per annum. A visit is being organised to the CCTV control room towards the end of February 2017.

15. 260 – CAPITAL PROJECTS

15.1 Capital Projects in 2016/17 has included 11 Corn Square funded through capital borrowing. The initial budget is as follows:

		Budget	Actual	Projected	Variance	Budget
260	Capital Projects	2016/17	2016/17	2016/17	2016/17	2017/18
4027	Equipment	£10,000	£6,225	£9,338	£663	£10,000
4305	Play Areas	£10,000	£0	£10,000	£0	£10,000
4710	Capital Fund	£0	£278,437	£500,000	-£500,000	£0
	Total	£20,000	£284,662	£519,338	-£499,338	£20,000

16. 300 – TRAVEL FUND

16.1 The Travel Fund is recommended for continuation. Support has been given to two bus services but in 2017/18 further potential service development will be undertaken with HVOSS Community Wheels.

		Budget	Actual	Projected	Variance	Budget
300	Planning & Highways	2016/17	2016/17	2016/17	2016/17	2017/18
4240	Travel Fund	£10,000	£791	£3,200	£6,800	£10,000
	Total	£10,000	£791	£3,200	£6,800	£10,000

17. PRECEPT REQUIREMENTS

17.1 The table below outlines the income and expenditure totals based on all the information contained within the report:

		Budget	Actual	Projected	Variance	Budget
	TOTALS	2016/17	2016/17	2016/17	2016/17	2017/18
	Total Expenditure	£499,755	£539,689	£952,221	-£452,466	£527,958
	Total Income	£499,756	£466,275	£483,829	-£2,028	£87,810
	Balance	-£1	£73,414	£468,392	-£450,438	£440,148

17.2 Based on the budget recommended by the Finance & General Purposes Committee a precept of £440,148 would be required for 2017/18. In order to keep the increase as low as possible it is recommended that a sum of £18,000 be allocated from balances. This will require a precept of £422,148. The 2017/18 Tax Base is 3,565.36 and, if agreed, will result in a D Band charge of £118.40. The increase covers to loss of the Transitional Grant of £35,986.

17.4 The table below outlines this further:

	2016/17	2017/18
Gross precept	£422,056	£440,148
Council Tax Support Grant	£35,986	£0
Funding From Balances	£0	£18,000
Net Parish Precept	£386,070	£422,148
Tax Base	3,525.99	3,565.36
Band D Council Tax	£109.49	£118.40

17.5 The proposal for consideration is as follows:

- That a projected expenditure of £527,958 be agreed;
- That a projected income of £87,810 be agreed;
- That an increase in the precept is restricted to cover the loss of the Transitional Grant only;
- That a sum of £18,000 be allocated from balances to make up the difference between the required precept and the precept that is being recommended;
- That any additional income achieved be used prior to any balances;
- That a precept of £422,148 be requested from Herefordshire Council

18. THE BUDGET

18.1 The full budget detail is included below:

		Budget	Actual	Projected	Variance	Budget
101	<u>Administration Central Costs</u>	2016/17	2016/17	2016/17	2016/17	2017/18
4012	Software, IT and support	£3,000	£2,355	£3,532.50	-£533	£3,500
4014	Website	£360	£360	£360.00	£0	£400
4016	Photocopier	£1,500	£705	£1,057.50	£443	£1,500
4019	Recruitment	£1,500	£1,064	£1,300.00	£200	£500
4020	Advertising	£1,000	£0	£1,000.00	£0	£0
4025	Miscellaneous	£0	£1,882	£1,882.00	-£1,882	£0
4027	Equipment	£3,000	£931	£3,000.00	£0	£2,000
4030	Telephone	£3,300	£4,563	£10,000.00	-£6,700	£4,000
4035	Postage	£1,500	£209	£500.00	£1,000	£1,000
4040	Printing & Stationery	£1,500	£984	£1,476.00	£24	£1,500
4048	Subscriptions	£3,000	£2,800	£3,000.00	£0	£3,100
4050	Insurance	£6,000	£5,077	£5,500.00	£500	£6,500
4900	Contingency	£2,500	£107	£300.00	£2,200	£2,500
	Total	£28,160	£21,037	£32,908	-£4,748	£26,500
		Budget	Actual	Projected	Variance	Budget
101	<u>Income Administration</u>	2016/17	2016/17	2016/17	2016/17	2017/18
1076	Precept	£386,070	£386,070	£386,070	£0	£0
1077	Council Tax Support Grant	£35,986	£35,986	£35,986	£0	£0
1090	Bank Interest	£200	£330	£400	£200	£200
1500	Miscellaneous	£0	£4,304	£4,304	£4,304	£0
	Total	£422,256	£426,690	£426,760	£4,504	£200

		Budget	Actual	Projected	Variance	Budget
103	Salaries	2016/17	2016/17	2016/17	2016/17	2017/18
4000	Administration Salaries	£100,000	£60,265	£98,000.00	£2,000	£101,075
4000	Environmental Salaries	£40,000	£19,797	£37,000.00	£3,000	£59,500
4000	Tourism & Events Salaries	£37,000	£23,115	£34,672.50	£2,328	£55,608
	Total	£177,000	£103,177	£169,673	£7,328	£216,183

		Budget	Actual	Projected	Variance	Budget
105	Corporate Management	2016/17	2016/17	2016/17	2016/17	2017/18
4008	Travel & Subsistence	£1,000	£290	£435.00	£565	£1,000
4010	Conferences/Training	£2,000	£1,898	£2,000.00	£0	£3,000
4125	Bank Charges	£500	£358	£537.00	-£37	£800
4130	Accountancy/Corporate Govern	£2,000	£2,595	£3,892.50	-£1,893	£3,000
4131	Internal Audit Fees	£800	£450	£450.00	£350	£800
4132	External Audit Fees	£1,000	£800	£800.00	£200	£1,000
4135	Legal & Professional	£1,000	£3,097	£4,645.50	-£3,646	£1,000
4140	Employment/Health & Safety	£2,500	£147	£2,650.00	-£150	£2,500
	Total	£10,800	£9,635	£15,410	-£4,610	£13,100

		Budget	Actual	Projected	Variance	Budget
110	Democratic Services	2016/17	2016/17	2016/17	2016/17	2017/18
4200	Elections	£2,500	£0	£2,500.00	£0	£2,500
4210	Mayor's Allowance	£4,000	£1,233	£4,000.00	£0	£4,000
4211	Mayor Making	£500	£529	£530.00	-£30	£600
4212	Civic Events	£2,000	£652	£978.00	£1,022	£1,500
4215	Civic Regalia	£500	£1,468	£1,500.00	-£1,000	£500
4220	Civic Officers	£1,200	£355	£1,000.00	£200	£1,200
	Total	£10,700	£4,237	£10,508	£192	£10,300

		Budget	Actual	Projected	Variance	Budget
115	Grants	2016/17	2016/17	2016/17	2016/17	2017/18
4235	General Grants	£15,000	£13,771	£15,000.00	£0	£11,500
4235	Shop Front	£0	£0	£0.00	£0	£2,500
4235	CAB Grant	£0	£5,000	£5,000.00	-£5,000	£10,000
4236	Community Centre	£10,000	£5,000	£10,000.00	£0	£6,000
4237	Grange Court	£7,000	£7,000	£7,000.00	£0	£7,000
4238	Youth Services	£9,000	£4,340	£8,680.00	£320	£9,000
	Total	£41,000	£35,111	£45,680	-£4,680	£46,000

		Budget	Actual	Projected	Variance	Budget
120	West Street	2016/17	2016/17	2016/17	2016/17	2017/18
4180	Cleaning	£0	£12	£50	-£50	£0
4181	Window Cleaning	£0	£200	£460	-£460	£0
4182	Electricity	£0	£416	£1,000	-£1,000	£0
4183	Gas	£0	£386	£800	-£800	£0

4185	Business Rates	£0	£904	£1,500	-£1,500	£0
4186	Water Rates	£0	£80	£300	-£300	£0
4187	Repairs & Renewals	£0	£228	£500	-£500	£0
4188	Fixtures & Fittings	£0	£547	£800	-£800	£0
4300	Maintenance	£0	£1,131	£1,300	-£1,300	£0
4700	Loan Repayment	£0	£4,103	£8,206	-£8,206	£0
4351	Waste Disposal	£0	£0	£0	£0	£0
	Total	£0	£8,007	£14,916	-£14,916	£0

		Budget	Actual	Projected	Variance	Budget
120	<u>Income West Street</u>	2016/17	2016/17	2016/17	2016/17	2017/18
	Room Rental	£0	£0	£0	£0	£0
	Miscellaneous	£0	£0	£0	£0	£0
	Total	£0	£0	£0	£0	£0

		Budget	Actual	Projected	Variance	Budget
125	<u>Corn Square</u>	2016/17	2016/17	2016/17	2016/17	2017/18
4180	Cleaning	£100	£0	£100.00	£0	£100
4181	Window Cleaning	£720	£130	£720.00	£0	£960
4182	Electricity	£4,000	£0	£2,000.00	£2,000	£4,500
4183	Gas	£4,500	£0	£2,000.00	£2,500	£4,500
4185	Business Rates	£10,000	£1,988	£6,000.00	£4,000	£11,000
4186	Water Rates	£1,200	£0	£500.00	£700	£1,500
4187	Repairs & Renewals	£1,000	£810	£1,000.00	£0	£1,000
4188	Fixtures & Fittings	£1,000	£267	£1,000.00	£0	£1,000
4700	Loan Repayment	£23,006	£0	£20,000.00	£3,006	£28,372
	Total	£45,526	£3,195	£33,320	£12,206	£52,932

		Budget	Actual	Projected	Variance	Budget
125	<u>Income Corn Square</u>	2016/17	2016/17	2016/17	2016/17	2017/18
1400	Room Rentals	£2,000	£0	£3,000	-£1,000	£2,000
1400	Holiday Let	£0	£0	£0	£0	£6,000
1400	Office Lets	£18,000	£0	£0	£18,000	£14,100
	Total	£20,000	£0	£3,000	£17,000	£22,100

		Budget	Actual	Projected	Variance	Budget
130	<u>Tourist Information</u>	2016/17	2016/17	2016/17	2016/17	2017/18
3000	Cost of Sales	£15,000	£8,871	£13,306.50	£1,694	£15,000
4007	Refreshments	£0	£34	£51.00	-£51	£0
4008	Travel and Subsistence	£0	£40	£60.00	-£60	£0
4014	Website	£0	£65	£97.50	-£98	£0
4025	Miscellaneous	£0	£44	£66.00	-£66	£0
4126	Credit/Debit Charges	£0	£55	£82.50	-£83	£0
4180	Cleaning	£0	£67	£100.50	-£101	£0
4182	Electricity	£0	£603	£904.50	-£905	£0
4184	Rent	£0	£6,510	£9,765.00	-£9,765	£0

4185	Business Rates	£0	£2,420	£3,630.00	-£3,630	£0
4186	Water Rates	£0	£104	£156.00	-£156	£0
4187	Repairs & Renewals	£0	£17	£25.50	-£26	£0
	Total	£15,000	£18,830	£13,307	£1,694	£15,000

		Budget	Actual	Projected	Variance	Budget
130	<u>Tourist Information Income</u>	2016/17	2016/17	2016/17	2016/17	2017/18
1000	Retail Sales	£0	£0	£0.00	£0	£0
1010	Commission	£2,600	£93	£139.50	-£2,507	£2,600
1510	Coach Trips	£3,800	£2,976	£4,464.00	-£824	£3,800
1511	Books & Maps	£6,750	£3,953	£5,929.50	-£2,797	£6,750
1512	Cards	£1,600	£969	£1,453.50	-£631	£1,600
1513	Souvenirs	£5,600	£3,500	£5,250.00	-£2,100	£5,600
1514	Food/Drink	£2,000	£1,145	£1,717.50	-£855	£2,000
1515	Craft	£2,500	£1,976	£2,964.00	-£524	£2,500
1516	Advertising	£2,400	£2,776	£4,164.00	£376	£2,400
1518	Bed Booking	£250	£14	£21.00	-£236	£250
	Total	£27,500	£17,402	£26,103	-£10,098	£27,500

		Budget	Actual	Projected	Variance	Budget
201	<u>Open Spaces</u>	2016/17	2016/17	2016/17	2016/17	2017/18
4006	Uniforms	£500	£87	£130.50	£370	£750
4025	Miscellaneous	£750	£0	£0.00	£750	£0
4027	Equipment	£2,000	£1,103	£1,654.50	£346	£2,000
4030	Telephones	£600	£0	£0.00	£600	£0
4182	Electricity	£300	£0	£0.00	£300	£0
4185	Business Rates	£1,000	£0	£0.00	£1,000	£0
4186	Water Rates	£150	£0	£0.00	£150	£0
4187	Repairs & Renewals	£2,000	£1,362	£2,043.00	-£43	£2,500
4300	Maintenance	£2,000	£3,620	£5,430.00	-£3,430	£5,000
4301	Open Spaces Maintenance	£17,230	£13,745	£14,000.00	£3,230	£14,000
4305	Play Areas	£2,500	£330	£2,500.00	£0	£1,500
4310	Priory Churchyard	£1,500	£0	£1,500.00	£0	£1,500
4311	Millenium Green	£250	£0	£250.00	£0	£250
4312	P3 Scheme	£0	£2,365	£5,000.00	-£5,000	£6,870
4313	Lengthsman Scheme	£6,000	£930	£6,000.00	£0	£5,175
4320	Vehicle Maintenance	£2,000	£1,663	£2,494.50	-£495	£2,500
4321	Vehicle Fuel	£2,500	£595	£1,000.00	£1,500	£2,500
4350	Street Cleaning	£3,000	£23	£1,000.00	£2,000	£2,000
4351	Waste	£2,500	£2,862	£4,293.00	-£1,793	£4,000
	Total	£46,780	£28,685	£47,296	-£516	£50,545
		Budget	Actual	Projected	Variance	Budget
	<u>Open Spaces Income</u>	2016/17	2016/17	2016/17	2016/17	2017/18
1110	P3 Scheme	£0	£5,789	£5,789	£0	£5,285
1111	Lengthsman Scheme	£0	£0	£0	£0	£1,725
	Total	£0	£5,789	£5,789	£0	£7,010

		Budget	Actual	Projected	Variance	Budget
203	<u>Allotments</u>	2016/17	2016/17	2016/17	2016/17	2017/18
4025	Administration	£560	£369	£553.50	£7	£600
4184	Ground Rent	£1,040	£600	£1,300.00	-£260	£1,400
4186	Water Rates	£500	£209	£500.00	£0	£500
4300	General Maintenance	£1,000	£428	£1,000.00	£0	£1,000
4308	Grasscutting	£1,000	£960	£1,000.00	£0	£1,000
	Total	£4,100	£2,566	£4,354	-£254	£4,500

		Budget	Actual	Projected	Variance	Budget
203	<u>Allotment Income</u>	2016/17	2016/17	2016/17	2016/17	2017/18
1120	Allotment Rents	£5,000	£4,828	£4,828	£0	£5,000
	Total	£5,000	£4,828	£4,828	£0	£5,000

		Budget	Actual	Projected	Variance	Budget
205	<u>Markets/Events</u>	2016/17	2016/17	2016/17	2016/17	2017/18
4010	Conferences/Training	£300	£0	£0.00	£300	£0
4020	Advertising	£750	£0	£0.00	£750	£1,500
4021	Promotion	£1,000	£0	£0.00	£1,000	£1,000
4027	Equipment	£1,000	£0	£0.00	£1,000	£1,000
4048	Subscriptions	£400	£0	£0.00	£400	£400
4182	Electricity	£500	£0	£0.00	£500	£500
4351	Waste Disposal	£2,000	£0	£0.00	£2,000	£0
	Total	£5,950	£0	£0	£5,950	£4,400

		Budget	Actual	Projected	Variance	Budget
205	<u>Income Markets/Events</u>	2016/17	2016/17	2016/17	2016/17	2017/18
1402	Market Income	£20,000	£11,566	£17,349.00	-£8,434	£20,000
1500	Miscellaneous	£5,000	£0	£0.00	-£5,000	£3,000
	Total	£25,000	£11,566	£17,349	-£13,434	£23,000

		Budget	Actual	Projected	Variance	Budget
	<u>Public Conveniences</u>	2016/17	2016/17	2016/17	2016/17	2017/18
220	Central Area					
4180	Cleaning	£3,215	£3,006	£4,509	-£1,294	£4,200
4182	Electricity	£700	£0	£700	£0	£750
4185	Business Rates	£1,700	£1,202	£1,803	-£103	£1,750
4186	Water Rates	£1,600	£646	£969	£631	£1,600
4300	Maintenance	£0	£0	£0	£0	£500
225	The Grange					
4180	Cleaning	£3,215	£3,013	£4,520	-£1,305	£4,200
4182	Electricity	£800	£0	£800	£0	£850
4185	Business Rates	£1,500	£125	£188	£1,313	£1,550
4186	Water Rates	£1,400	£499	£749	£652	£1,500

4300	Maintenance	£0	£40	£60	-£60	£500
230	Westbury Street					
4180	Cleaning	£6,000	£0	£0	£6,000	£4,200
4182	Electricity	£1,600	£0	£0	£1,600	£1,650
4185	Business Rates	£3,000	£0	£0	£3,000	£3,100
4186	Water Rates	£3,200	£0	£0	£3,200	£3,000
4300	Maintenance	£0	£0	£0	£0	£500
	Total	£27,930	£8,531	£14,297	£13,634	£29,850

		Budget	Actual	Projected	Variance	Budget
		2016/17	2016/17	2016/17	2016/17	2017/18
235	Capital Investment - Toilets					
4360	Toilet Management	£5,000	£82	£123	£4,877	£0
4700	Loan Repayments	£16,385	£0	£0	£16,385	£0
4710	Capital Fund	£5,685	£0	£0	£5,685	£0
	Total	£27,070	£82	£123	£26,947	£0

		Budget	Actual	Projected	Variance	Budget
		2016/17	2016/17	2016/17	2016/17	2017/18
	Public Convenience Income					
1500	Rental	£0	£0	£0	£0	£3,000
	Total	£0	£0	£0	£0	£3,000

		Budget	Actual	Projected	Variance	Budget
		2016/17	2016/17	2016/17	2016/17	2017/18
250	Economic Development					
4023	Newsletter	£1,200	£800	£1,200	£0	£1,400
4047	Market Towns Forum	£100	£170	£255	-£155	£100
4370	Leominster in Bloom	£6,000	£60	£4,000	£2,000	£4,000
4375	CCTV	£10,439	£2,284	£10,439	£0	£10,648
4380	Festive Lights	£12,000	£7,829	£12,000	£0	£12,500
	Total	£29,739	£11,143	£27,894	£1,845	£28,648

		Budget	Actual	Projected	Variance	Budget
		2016/17	2016/17	2016/17	2016/17	2017/18
260	Capital Projects					
4027	Equipment	£10,000	£6,225	£9,338	£663	£10,000
4305	Play Areas	£10,000	£0	£10,000	£0	£10,000
4710	Capital Fund	£0	£278,437	£500,000	-£500,000	£0
	Total	£20,000	£284,662	£519,338	-£499,338	£20,000

		Budget	Actual	Projected	Variance	Budget
		2016/17	2016/17	2016/17	2016/17	2017/18
300	Planning & Highways					
4240	Travel Fund	£10,000	£791	£3,200	£6,800	£10,000
	Total	£10,000	£791	£3,200	£6,800	£10,000

	Budget	Actual	Projected	Variance	Budget
	2016/17	2016/17	2016/17	2016/17	2017/18
<u>TOTALS</u>					
Total Expenditure	£499,756	£539,689	£952,221	-£452,466	£527,958
Total Income	£499,756	£466,275	£483,829	-£2,028	£87,810
Balance	£0.00	£73,414	£468,392	-£450,438	£440,148

	2016/17	2017/18
Gross Precept Requirement	£422,056	£440,148
Council Tax Support Grant	£35,986	£0
Funding From Balances	£0	£18,000
Net Parish Precept	£386,070	£422,148
Tax Base	3,525.99	3,565.36
Band D Council Tax	£109.49	£118.40