

# **FARNHAM TOWN COUNCIL**



## **DRAFT BUDGET 2008/2009**

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# FARNHAM TOWN COUNCIL

<b>DRAFT BUDGET 2008/09</b>	
<b>AUTHOR:</b> <i>Roland Potter</i> Town Clerk	<b>PRESENTED BY:</b> <i>Roland Potter</i> Town Clerk
<b>PRODUCED FOR:</b> <b>FULL COUNCIL 13 December 2007</b>	<b>DATE OF REPORT:</b> <b>7 December 2007</b>
<p><b>SUMMARY OF KEY ISSUES</b></p> <ul style="list-style-type: none"> <li>• <b>To consider the draft budget for 2008/09</b></li> <li>• <b>To consider the reallocation of the Council's Reserves for 2007/08.</b></li> </ul> <p>The draft budget is attached in a separate budget booklet for consideration by the Council.</p> <p>The budget has been redesigned to reflect the Council's new organisational structure.</p> <p>The Officers have started to reallocate staffing costs where possible to specific areas of work. However, this is currently based on estimated staff time allocation. As of 1 January 2008 staff will be completing time sheets and the true cost of services can be allocated more accurately although the full impact of this system will not be fully reflected until the year ended 31 March 2009.</p> <p>Members should also note that some of the Administration Rechargeable figures should in practice be reallocated to other budget costs.</p> <p>As the Town Clerk has a delegated authority to vire between budgets as is considered appropriate to deliver services and because of the reallocation of staff time the comparative actual figures for 2006/07 have been presented as total service expenditure.</p> <p>The Draft Budget booklet contains three sections.</p> <ol style="list-style-type: none"> <li>1. The Draft Budget for 2008/09 with notes on variations between the budget for 2007/08 and 2008/09.</li> <li>2. The Consolidated budget for 2008/09 with notes on significant variations between 2006/07 actual costs and the 2007/08 budget which was based on the anticipated outcomes of the previous year.</li> <li>3. The Reserves Schedule: Contains recommendations for the reallocation of reserves between Earmarked Reserves and General Reserves.</li> </ol> <p>Members will note that there is currently a projected Excess of Expenditure over Income of <b>£44,091</b>. The issue of how this will be funded will be considered at the Council's January meeting when the Council is required to agree its precept for 2008/09.</p>	

**APPENDIX C  
ITEM 7**

**Legal and Policy Implications**

The Council are required to make a decision at this meeting to inform the next meeting of the Council when the Council Precept must be agreed.

**Financial Implications**

The financial implications are stated within the Draft Budget Booklet

**Recommendations**

- 1. To approve the draft budget for 2008/09**
- 2. To approve the reallocation of Reserves for 2007/08.**

**FARNHAM TOWN COUNCIL**  
**DRAFT BUDGET FOR THE FINANCIAL YEAR ENDED 31 MARCH 2009**

2006/07	2007/08	2008/09
Actual	Budget	Estimate

**Notes to the Accounts**

*Budget Holder - Town Clerk*

<b>Corporate Management</b>	£	£	£
Accounts Support		3,100	3,100
Bank Charges		1,200	1,700
Legal Expenses		1,500	1,500
Audit Fees		5,000	5,800
Information Technology Support & Equipment		9,000	9,225
Web Site		3,850	3,850
Web Site Development		3,000	3,000
<b>Gross Corporate Management Expenditure</b>		<b>26,650</b>	<b>28,175</b>
<b>Income</b>		<b>0</b>	<b>0</b>
<b>Net Corporate Management Expenditure</b>	<b>29,567</b>	<b>26,650</b>	<b>28,175</b>

Charges have increased due to the cost of electronic banking

The auditors and their fees are approved by the Audit Commission only.

The fees for the maintenance of the Web Site will remain unchanged for 2008/09

Budget for further enhancement of the Council Web Site

*Budget Holder - Civic Events Co-ordinator*

<b>Democratic Representation</b>	£	£	£
Mayoral Allowance		2,600	2,600
Members Courses		1,000	1,000
Members Travel		200	200
Civic Functions		2,725	4,300
Public Building Hire		500	600
<b>Total Democratic Representation Expenditure</b>	<b>6,419</b>	<b>7,025</b>	<b>8,700</b>

The budget has been increased to reflect the cost of civic events including. Mayor Making, Civic Service, Remembrance Day, Community ThankYou events. Entertaining of visiting mayors from Anderlach

Hire of venues for Council meetings

**FARNHAM TOWN COUNCIL**  
**DRAFT BUDGET FOR THE FINANCIAL YEAR ENDED 31 MARCH 2009**

2006/07	2007/08	2008/09
Actual	Estimate	Estimate

**Budget Holder - Town Clerk**

**Administration Rechargeable**

	£	£	£
Salaries/NI/Pension		259,800	291,000
Staff Training		2,750	2,750
Staff Travel		1,640	2,500
Office Costs/Hospitality		2,000	2,050
Rates		5,850	5,850
Water rates		110	110
Rent		16,800	16,800
Electricity and Heating		1,500	1,500
Car Park Charges		4,500	4,500
Security Charges		1,000	1,000
Telephone		2,665	2,720
Postage		3,000	3,100
Stationery		3,100	3,500
Subscriptions		3,500	3,750
Insurance		8,750	14,000
Publications		500	500
Photocopying Charges		1,890	1,900
Staff Advertising		1,000	1,000
Other Advertising		500	500
Office Equipment Maintenance		2,000	2,100
<b>Total Administration Rechargeable</b>	<b>285,460</b>	<b>322,855</b>	<b>361,130</b>

**Notes to the Accounts**

The increase reflects an annual inflation increase of 2.5%, annual salary increments for 3 members of staff. A review of salary for 1 member of staff and provision for maternity cover.

The reorganisation of the Council structure with the aim of using officers more in service delivery will result in additional travel cost.

This is an additional sum available for the rent of additional space within the Locality Office and for additional works associated with this project.

Includes subscriptions to professional bodies and the National Association of Local Council

The Councils assets had been underinsured and the new figure reflects the amended premium.

**FARNHAM TOWN COUNCIL**  
**DRAFT BUDGET FOR THE FINANCIAL YEAR ENDED 31 MARCH 2009**

2006/07	2007/08	2008/09
Actual	Estimate	Estimate

**Notes to the Accounts**

**Budget Holder - Member & Committee Services Co-ordinator**

Grant Aid	£	£	£
Grant Aid Projects		24,035	10,000
Community Events			1,000
<b>Total Grant Aid Expenditure</b>	<b>6,100</b>	<b>24,035</b>	<b>11,000</b>

Grants already approved by Town Council.

For other community events e.g. celebrating Wrecclesham

**Budget Holder - Member & Committee Services Co-ordinator**

**Revenue Support Grants**

Citizens Advice Bureau		30,586	30,127
Community Task Force		1,500	0
Maltings Revenue Grant		30,000	30,000
Forty Degreez		0	6,000
Waverley Hospital Hoppa		20,000	20,000
<b>Total Revenue Support Grant Expenditure</b>	<b>69,470</b>	<b>82,086</b>	<b>86,127</b>

Grants already approved by Town Council.

**Budget Holder - Town Clerk**

**Other Services to the public**

	£	£	£
Elections		21,100	4,000
Newsletter		6,000	5,000
<b>GROSS EXPENDITURE</b>	<b>0</b>	<b>27,100</b>	<b>9,000</b>

The Council sets aside in reserves a sum of money equivalent to 25% of its election costs or for the cost of a by-election.

Cost of printing 5 newsletters plus 1 Annual report to be circulated to each household

**Budget Holder - Town Clerk**

**Non Distributed costs**

Pension Additional payments	9,282	10,530	10,530
<b>GROSS EXPENDITURE</b>	<b>9,282</b>	<b>10,530</b>	<b>10,530</b>

**Other operating Expenditure**

Loan Charges	10,227	10,200	10,200
<b>GROSS EXPENDITURE</b>	<b>10,227</b>	<b>10,200</b>	<b>10,200</b>

The Council has a loan from the Public Works Loan Board for the cost of extending the Locality Office in South Street.

**Other Income**

Precept	0	0	0
Bank Interest Received	36,515	34,000	37,000
<b>GROSS INCOME</b>	<b>36,515</b>	<b>34,000</b>	<b>37,000</b>

**FARNHAM TOWN COUNCIL**  
**DRAFT BUDGET FOR THE FINANCIAL YEAR ENDED 31 MARCH 2009**

2006/07	2007/08	2008/09
Actual	Estimate	Estimate

**Notes to the Accounts**

*Budget Holder - Grounds and Service Manager*

External Works	£	£	£
Salaries, NI Pension		49,479	58,000
Rates		3,500	5,500
Water rates		300	0
Electricity & heating		250	500
Telephone		1,215	1,500
Protective clothing		1,275	1,275
Refuse disposal		675	0
Property maintenance		1,000	1,500
Equipment maintenance		2,500	3,500
Vehicle costs		3,000	4,000
War memorial		1,500	750
Training			1000
<b>Gross External Works Expenditure</b>	<b>84,115</b>	<b>64,694</b>	<b>77,525</b>

Estimated apportionment of salary costs, to include regrading of ground staff salaries. The increase reflects an annual inflation increase of 2.5%.

Depot rates revalued

Charge included in cemetery costs

The budget has been increased to reflect the cost of additional machinery

The budget has been increased to reflect the cost of additional vehicles

No additional works have been identified for the memorials in 2008/09

Additional health and safety training required for all outside workforce

*Budget Holder - Grounds and Service Manager*

Parks and Public Spaces	£	£	£
Open Space Enhancement		24,150	24,150
Bus Shelter maintenance		1,000	1,000
Black Water Valley Countryside Management Scheme		1,000	800
Public seats maintenance costs		2,600	1,500
<b>Gross Expenditure on Parks &amp; Public Spaces</b>		<b>28,750</b>	<b>27,450</b>
<b>Income: FIB Sponsorship</b>		<b>0</b>	<b>0</b>
<b>Net Expenditure on Parks &amp; Public Spaces</b>	<b>29,978</b>	<b>28,750</b>	<b>27,450</b>

Costs of Farnham In Bloom and associated projects

This is an annual contribution to a joint funded project between local authorities for the maintenance of the rural area of the Black Water Valley.

Sponsorship is dependent on the financial circumstances of the sponsor and therefore no provision for income is made at this time.

**FARNHAM TOWN COUNCIL**  
**DRAFT BUDGET FOR THE FINANCIAL YEAR ENDED 31 MARCH 2009**

2006/07	2007/08	2008/09
Actual	Estimate	Estimate

**Notes to the Accounts**

*Budget Holder - Grounds and Service Manager*

Gardens and Open Spaces	£	£	£
Library garden Upkeep		1,200	1,000
Salaries		7,896	9,660
<b>GROSS EXPENDITURE</b>		<b>9,096</b>	<b>10,660</b>
<b>Income: SCC Grant</b>		<b>-3,000</b>	<b>-3,000</b>
<b>NET Expenditure</b>	<b>5,781</b>	<b>6,096</b>	<b>7,660</b>

Estimated apportionment of salary costs, to include regrading of ground staff salaries. The increase reflects an annual inflation increase of 2.5%.

The Town Council manages the Library gardens on behalf of Surrey County Council who pay an annual fee for this service.

*Budget Holder - Grounds and Service Manager*

Allotments	£	£	£
Allotment maintenance		3,000	1,500
Allotment Utilities		1,000	1,000
Allotment Admin Salaries			3,215
Salaries		5,497	1,750
<b>GROSS EXPENDITURE</b>	<b>2,802</b>	<b>9,497</b>	<b>7,465</b>
<b>Income - Allotments</b>	<b>-2,441</b>	<b>-2,800</b>	<b>-2,800</b>
<b>NET EXPENDITURE</b>	<b>361</b>	<b>6,697</b>	<b>4,665</b>

Estimated apportionment of salary costs, to include regrading of ground staff salaries. The increase reflects an annual inflation increase of 2.5%.

The Council currently has 220 plots @ a rental of £14 pa

*Budget Holder - Town Clerk*

Wrecclesham Community Centre	£	£	£
Maintenance Costs		3,500	3,500
<b>GROSS EXPENDITURE</b>	<b>18,418</b>	<b>3,500</b>	<b>3,500</b>
Rents Received		0	-2000
<b>NET EXPENDITURE</b>	<b>18,418</b>		<b>1,500</b>

Annual maintenance charges

The rental income will increase over the next 4 years

**FARNHAM TOWN COUNCIL**  
**DRAFT BUDGET FOR THE FINANCIAL YEAR ENDED 31 MARCH 2009**

2006/07	2007/08	2008/09
Actual	Estimate	Estimate

**Notes to the Accounts**

*Budget Holder - Major Projects Co-coordinator*

Tourism	£	£	£
Telephone		750	765
Postage		1,500	1,600
Stationery/Flyers		2,000	3,000
Heritage Open days		310	1,000
Tourist Publications		4,110	4,200
Tourism Developments and Events		20,700	27,000
Touch Screens			10,000
Community Carnival Events			6,000
<b>GROSS EXPENDITURE</b>		<b>29,370</b>	<b>53,565</b>
Income- Donations		-1,000	-1,000
Income- Festival		0	0
<b>GROSS INCOME</b>		<b>-1,000</b>	<b>-1,000</b>
<b>NET EXPENDITURE</b>	<b>15,191</b>	<b>28,370</b>	<b>52,565</b>

The Heritage Open day is being expanded and developed for 2008/09

Purchase of two new touch screens for Visitor information

Funding for carnival events

**FARNHAM TOWN COUNCIL**  
**DRAFT BUDGET FOR THE FINANCIAL YEAR ENDED 31 MARCH 2009**

2006/07	2007/08	2008/09
Actual	Estimate	Estimate

**Notes to the Accounts**

***Budget Holder - Grounds and Service Manager***

Cemetery	£	£	£
Waste Disposal		1,850	1,850
Cemetery Administration salaries		12,400	9,500
Cemetery Upkeep Salaries		47,328	51,000
Rates		5,185	5,300
Cemetery Energy Costs		700	700
Miscellaneous Administration		500	500
Cost of Burials		20,000	20,500
Cemetery Upkeep		10,275	10,275
Cemetery Building maintenance		2,000	2,000
Training			1,500
<b>GROSS EXPENDITURE</b>	<b>85,621</b>	<b>100,238</b>	<b>103,125</b>
Income - Cemetery	-40,755	-39,500	-40,300
<b>NET EXPENDITURE</b>	<b>44,866</b>	<b>60,738</b>	<b>62,825</b>

Due to the reallocation of duties part of the salary costs have been reallocated to allotment charges.

Estimated apportionment of salary costs, to include regrading of ground staff salaries

This is the cost of grave digging.

Additional specialised training is required for cemeteries management and it is anticipated that this will take two years

There will be a review of cemetery fees in 2008/09

***Budget Holder - Town Clerk***

COMMUNITY SAFETY	£	£	£
Community Safety & CCTV Provision and maintenance	24,023	18,500	21,500
<b>GROSS EXPENDITURE</b>	<b>24,023</b>	<b>18,500</b>	<b>21,500</b>

Repairs, cost of monitoring of CCTV and development funding for community safety.

***Budget Holder - Grounds and Service Manager***

Public Conveniences	£	£	£
Operating Costs		18,120	20,000
Salaries		40,000	40,000
<b>GROSS EXPENDITURE</b>		<b>58,120</b>	<b>60,000</b>
Subsidy from WBC		-18,500	-10,000
			0
<b>NET EXPENDITURE</b>	<b>0</b>	<b>39,620</b>	<b>50,000</b>

This is the cost of two full time members of staff who also provide cover for weekend working and undertake the provision of other services for the Council around the town.

Funding from WBC is tailored and will be reduced during the financial year

**FARNHAM TOWN COUNCIL**  
**DRAFT BUDGET FOR THE FINANCIAL YEAR ENDED 31 MARCH 2009**

2006/07	2007/08	2008/09
Actual	Estimate	Estimate

**Notes to the Accounts**

**Budget Holder - Farmers Market Co-ordinator**

Farmers Market	£	£	£
Farmers market Supervision		1,700	1,680
Farmers Market Insurance		1,270	1,000
Adverts/Publicity/Stationery		4,150	4,150
Stall Hire		6,000	2,500
Equipment Hire		4,400	4,400
Enhancement Projects		1,280	1,280
<b>GROSS EXPENDITURE</b>	<b>12750</b>	<b>18,800</b>	<b>15,010</b>
Income- farmers market	-19740	-18,800	-19,176
<b>NET EXPENDITURE</b>	<b>-6,990</b>	<b>0</b>	<b>-4,166</b>

Stalls are no longer hired, however the budget includes the cost of purchasing 4 new stalls

**Budget Holder - Town Centre Development Co-ordinator**

Town Centre Development	£	£	£
Projects		0	3000
Litterbins		2050	2100
Seats maintenance & Installation			2000
Litter bins maintenance & Installation			2000
Notice Boards maintenance & Installation			1000
Cycle Rack maintenance & Installation		1025	3000
Signs maintenance		1025	1000
Street and General Lighting maintenance		1025	1700
Christmas Lights		30,000	30,000
Bus Shelters			10,000
<b>GROSS EXPENDITURE</b>	<b>43,268</b>	<b>35,125</b>	<b>55,800</b>

This fund is available to fund projects to fulfil their new roles within the organisation and to deliver the Council's aims and objectives.

This includes the storage and fixing of the Christmas lights. This project will be due for tendering in 2010.

**FARNHAM TOWN COUNCIL**  
**DRAFT BUDGET FOR THE FINANCIAL YEAR ENDED 31 MARCH 2009**

2006/07	2007/08	2008/09
Actual	Estimate	Estimate

**Notes to the Accounts**

*Budget Holder -Rural Development Co-ordinator*

Rural Development	£	£	£
Graffiti Management		7675	8000
Projects		0	3000
Litterbins		2050	2100
Seats maintenance & Installation			2000
Litter bins maintenance & Installation			2000
Notice Boards maintenance & Installation			1000
Cycle Rack maintenance & Installation		1025	1000
Signs maintenance		1025	1000
<b>GROSS EXPENDITURE</b>	<b>6,587</b>	<b>11775</b>	<b>20100</b>

The graffiti management project allows for 12 targeted visits on graffiti within Farnham.

This fund is available to fund projects to fulfil their new roles within the organisation and to deliver the Council's aims and objectives.

**Farnham Town Council**  
**Consolidated Draft Budget for 2008/09**

	2007/08	2007/08	2008/09	2008/09
	£	£	£	£
	Actual	Budget	Draft Budget	Variation between budgets
<b>Services</b>				
<b>Central Services</b>				
Corporate Management	29,567	26,650	28,175	1,525
Democratic Representation	6,419	7,025	8,700	1,675
Administration Rechargeable	285,460	322,855	361,130	38,275
Other Services to the Public	0	27,100	9,000	-18,100
Non Distributed Costs	9,282	10,530	10,530	0
<b>Other Services</b>				
Grant Aid	6,100	24,035	11,000	-13,035
Revenue Support Grants	69,470	82,086	86,127	4,041
<b>Community centres</b>	18,418	3,500	1,500	-2,000
<b>Cultural &amp; Related Services</b>				
External Works	84,115	64,694	77,525	12,831
Parks and Public Spaces	29,978	28,750	27,450	-1,300
Gardens & Open Spaces	5,781	6,096	7,660	1,564
Allotments	362	6,697	4,665	-2,032
Tourism	15,191	28,370	52,565	24,195
<b>Environment Services</b>				
Cemetery and Burials	44,866	60,738	62,825	2,087
Community Safety	24,023	18,500	21,500	3,000
Public Conveniences	0	39,620	50,000	10,380

**Notes**

on significant variation from 2007/08 Actual & 2007/08 budget

The full cost of employing a receptionist and the budget provision for additional accommodation were not used in 2007/08

This represents a provision for the cost of the elections and the cost of producing the news letter has been absorbed in Administration Rechargeable.

This includes capital costs for repairs to the building which are funded from Reserves.

The variations are due to the reallocation of staff time

At this time the overhead cost of providing this service have been included in Administration Rechargeable

The variation between actual and the budget is due to the reallocation of staff time

The transfer of this service was delayed and therefore there is a variation between actual and the budget.

**Farnham Town Council  
Consolidated Draft Budget for 2008/09**

	2006/07	2007/08	2008/09	2008/09
	£	£	£	£
	Actual	Budget	Draft Budget	Variation between budgets
<b>Services</b>				
<b>Planning &amp; Development Services</b>				
Farmers Market	-6,690	0	-4,166	-4,166
Community Development		0	0	0
<b>Development Projects</b>				
Town development	43,268	30,000	55,800	25,800
Rural development	6,587	13,500	20,100	6,600
Capital Expenditure	14,943	0	0	
Highways	51,466	0	0	
<b>NET COST OF SERVICES</b>	<b>738,606</b>	800,746	892,086	91,340
Mayors Charity	-7,807	0	0	0
Interest and Investment Income	-36,515	-27,500	-37,000	-9,500
Loan Charges	10,227	10,200	10,200	0
<b>NET OPERATING COST</b>	<b>704,511</b>	783,446	865,286	81,840
Town Precept	801,167	801,167	821,195	-20,028
<b>EXCESS OF EXPENDITURE OVER INCOME</b>	96,656	17,721	-44,091	<b>61,812</b>
	897,823	778,124	865,286	

Notes
on significant variation from 2007/08 Actual & 2007/08 budget

These variations are as a result of the new Council structure and the realigned budget.

**Farnham Town Council - Anticipated Reserves at 31/03/08**

Description	balance @ 01/04/07	Transfer from General Fund	Transfer to General Fund	Approved Expenditure 2007/08	Projected balance @ 31/03/08	
Election Fund	18,740			-3,778	14,962	The cost of a full election is minimum of £25K
Legal Expense Fund	1,684	8,316.00			10,000	
Anderlach Anniversary	970		-970		0	
Civic Expenses	2,446		-2,446		0	
New Equipment	45,006	14,994			60,000	£10K earmarked for touch screens 2008/09
Repairs & Renewals	57,237		-57,237		0	
Wrecclesham Community Centre Funds	19,282	25,018		-18,300	26,000	The building requires a new roof and further refurbishment in the near future.
Transportation Project Fund	46,643		-46,643		0	
Traffic Calming Fund	77,804		-77,804		0	
Community Transport	0				0	
Traffic & Highways Fund		50,000			50,000	
Foot/cycle ways	3,910		-3,910		0	
Environmental enhancements (seats etc)	4,401		-4,401		0	
Bus shelters	7,012				7,012	
CCTV provision	52,388				52,388	Provision for the replacement and upgrading of cameras
Cemetery Building enhancements	114,407	25,000			139,407	Anticipated cost of bringing the building in to basic order.
Cemetery enhancements		30,000			30,000	Health & Safety improvements to footpaths
Library Gardens enhancements	9,344		-9,344		0	
Christmas lights infrastructure	0	25,000			25,000	It is anticipated that an independent source of power on the renewal of the contract
Farmers Market	5,322		-3,322		2,000	£2K earmarked for new stalls in 2008/09

**Farnham Town Council - Anticipated Reserves at 31/03/08**

<b>Description</b>	<b>balance @ 01/04/07</b>	<b>Transfer from General Fund</b>	<b>Transfer to General Fund</b>	<b>Approved Expenditure 2007/08</b>	<b>Projected balance @ 31/03/08</b>
Gostrey Meadow lighting	0	15,000			15,000
Band Stand Gostrey Meadow	0	35,000			35,000
Public Conveniences		10,000			10,000
The Bungalow - Sandy Hill	12,000				12,000
Tourism development	12,627	7,373			20,000
	<b>491,223</b>	<b>245,701</b>	<b>-206,077</b>	<b>-22,078</b>	<b>508,769</b>
<b>General Fund</b>	<b>391,840</b>	<b>-245,701</b>	<b>206,077</b>	<b>-22,078</b>	<b>330,138</b>
<b>Total Balances</b>	<b>883,063</b>				<b>838,907</b>

Additional lighting around war memorial

Anticipated cost of new band stand

Upgrading of facilities

Funding already ear marked

**MEMBERS NOTES:**