

FINANCE REPORT 2017/18

Reductions in funding from central government to the principal authorities resulted in the town council having to make a number of difficult decisions when it set its budget framework for 2017/18.

A significant sum, £14,000 was set aside to enable the council to assist with community projects or services - this has proved to be a prudent move in light of the decision taken by Dorset County Council to restructure its funding for Youth services resulting in £5,000 support funding to the new Youth Club, and more recently the withdrawal of the subsidy from a number of bus services, resulting in the loss of a Saturday bus service in Beaminster and its environs. The Town Council have been looking at the viability of operating a community bus service, significant progress has been made and provisional sums have been included in 2018/19 budget.

As time goes on and with further discussions with the County Council it is looking more certain, following the announcement by the Secretary of State with regard to the creation of a Unitary Authority for Dorset the Town Council will be asked to take on some services currently undertaken by West Dorset District Council, in particular taking the responsibility for the public toilets in the town.

The most significant project this financial year has been the new roof on the public hall. Fortunately the town council had the foresight to build a fund over the past three or four years to fund the project but again a significant sum, £20,000 had been included within the budget.

In making those decisions the town council resolved to levy a 7% increase on the precept for the financial year 2017/18. Despite the increase the revised budget to 31st March 2018 indicates a deficit in excess of £20,000.

During the preparation of the 2018/19 budget framework the ongoing projects and other important issues were taken into account:

Children's Play area project - a funding application submitted to the Southern Dorset Local Action Group, I am pleased to say was successful and a grant of £73,443 was awarded, a shortfall of £24,000 for which further grants were being pursued.

Community bus - a new cost centre has been created within the budget and provisional sums included however at the present time any accurate income or expenditure is unknown.

Public Hall - extension works - a further £20,000 has been included to replenish the earmarked reserve with a view to undertaking the next phase of the enhancement of the building including the provision of storage, new entrance to Fleet Club, extension of Cowie Room and staff toilet.

Devolution of services – discussions continue with both the County and the District Council as to what services currently provided by those authorities might be viable for the Town Council to provide going forward after April 2019.

Skate Park project – the Town Council continue to work on this project, currently the planning application decision is awaited. If permission is granted the next step will be to apply for grant funding.

Councils have no legal powers to hold revenue reserves other than those for reasonable working capital needs or for specifically earmarked purposes, whenever a council's year-end general reserve is significantly higher than the annual precept, an explanation must be provided to the auditor.

Earmarked reserves, which are set aside for specific purposes and for savings for future projects, should be realistic and approved by the council. However, the amount of general reserve should annually be risk assessed and approved by the council.

The balances and earmarked reserves at 31st March 2018 are:

	1 st April 2017	Movement	31 st March 2018
Current Account – HSBC			
Premier Interest Account - HSBC			
National Savings Investment Bond (EMR)			
TOTAL			
Earmarked Reserves			
Memorial Playing Field (Leisure & Amenities)		+2,000	2,000
Public Hall Fund	56,155	-20,000	36,155
Cemetery Fund	1,000		1,000
Allotment Fund	1,000		1,000
Mrs Blair's Fund	1,000		1,000
Personnel Fund	3,600	-1,050	2,550
Skateboard/Play Area project	17,515	-6,800	10,715
	80,270	24,800	54,420

The budget deficit for 2018/19 is projected to be £49,554, based on a further 7% increase on the precept resulting in a levy of £149,867. The 7% increase would result in an approximate £7.71 per annum increase on Band D.