

In accordance with the Council's Financial Regulations, this Medium Term Financial Plan sets out the financial projections, considerations, pressures and issues for the Council over a rolling five-year period. Each year the Plan will be updated, taking into consideration any new issues emerging and the continual alignment of funding with priorities either determined by Council or adopted from the Parish Plan and Neighbourhood Plan. The forecasts are linked with the Investment Policy.

The objectives of the Forecast are:

- To enable the Council to allocate resources to achieve its priorities
- To enable the Council to understand its key financial pressures and likely long-term implications of its decisions
- To identify future financial impacts of both policy decisions and external factors so that risks can be managed
- To control precept rises and identify external funding.
- To support the delivery of value for money services
- To ensure good use is made of assets
- To maintain the General Reserve at a prudent level
- To provide for future financial demands
- To facilitate good financial management

The Medium Term financial position will be dominated by the priorities in Council's Corporate Strategy which in turn takes account of the Parish Plan, Neighbourhood Plan and public engagement. As development takes place in accordance with the Neighbourhood Plan, the Council Tax base will increase which will in effect provide for a little extra Precept without increasing the charge so much on individual homes. A substantial but unexpected cost in 2015/16 was that of opposing the development of a high school/academy on Branston Road, Tatenhill. The planning application was not "called in" by the Secretary of State, and the School was granted permission by Staffordshire County Council. Whilst the Council and parishioners were aggrieved, it did mean that the cost of engaging consultants to represent us at the public enquiry was not incurred in 2016/17.

Austerity is placing more requirement on local communities to help themselves and raise more physical and financial resources locally. The Localism Act 2011, has given a wider role and increased powers to local councils, but none of these come with any government funding.

The Risk Assessment Process identifies risks associated with:

- Any inaccuracies in the forecast
- Difficulty in predicting costs for new projects
- Low and uncertain investment income

The following guidelines are at the Core of the Strategy:

- Maximise external funding opportunities in all areas
- Maximise the benefits of partnership working
- Review income opportunities
- Join with others when possible for procurement
- Maximise efficiencies to keep costs down

The following assumptions have been made in preparing this Forecast:

- Fixed costs over which the Council have little control such as office costs are increased in line with inflation (currently very low) or actual predicted cost.
- Demand for grants from community organisations, particularly churches are likely to increase, as other funding reduces and needs increase. Revenue provision has been made from 2017/18 to help the churches preserve their buildings e.g. contribution towards heating/insurance. Capital grants may also be considered towards larger projects in later years.

- Staffing cost increases will be constrained but in line with national pay awards. Recognition of workload has been taken into account during the year as has the level of responsibility prior to 2017/18.
- The Ranger contract has been renewed and is subject to increased rates and possibly additional hours, however income from the County Council for lengthmans duties has been discontinued completely in 2017/18.
- Income levels, other than the Precept, will remain similar, but capping of the Precept in future cannot be ruled out, but is currently not planned by Government.
- The Precept Support grant will gradually be phased out by ESBC and will inevitably result in an increase in Precept.
- There is little prospect of support grant directly from Government or a share in increased business rates for the Parish.
- Local funding opportunities will continue at a similar level, but we will continue to strive for grants and sponsorship.
- Broadband will be less dominant expenditure than previously anticipated, however some funding may be required if the Council has the power to spend, but only after external funding sources have been exhausted. Alternatively, the County/BT programme may need to be supported by the Community Group.
- A Woodland / public open space was purchased in late 2012/13, and its development and management will be a continuing, although some funding from the Forestry Commission will be available until 2019/20.
- Issues from the Neighbourhood Plan will be amongst the priorities over the life of this Forecast and beyond. It is anticipated that additional new homes will gradually increase the tax base for the Parish allowing Precept to be spread over more properties
- ESBC have not yet agreed a CIL policy it looks unlikely that benefit will be derived by the Parish Council because most planning applications will be approved in the next two years or so.
- Increases in expenditure will include appropriate increases in the General Reserve
- There may be a need for the Council to borrow to part fund long term projects such as traffic calming, adult fitness equipment, Children's play equipment, capital grants to churches or additional woodland.
- Difference between Nett effect on previous year baseline & Precept is made up of contributions from EMRs, minor under-spends or minor income additions.

The provisional out-turn for 2016/17 was close to the Net Budget, whilst maintaining the reserves built up in the previous year for future projects. Unexpected costs included the engagement of consultants to oppose the planning application for the proposed high school in Tatenhill resulting in professional fees being substantially higher than budgeted for. Additional work by the Parish Ranger was also a notable cost.

The precept for the current year was raised by 8.2% or some £6.32 per house per year (12p/week). This money will be mainly used to pay for the design of traffic calming and installation of traffic calming.

During the year, the main capital project is the Gateway features and other traffic calming. It is likely that we will take out a loan from the Public Works Loan Board to fund part of this, the remaining money coming from a Neighbourhood Grant. For 2018/19 and 2019/20 the main capital projects will be traffic calming, funded partially by loan and the remainder by planning contribution. It is hoped to put the trim trail in to Princes Wood this year also.

As the loan repayments kick in, we will take money from reserves to fund community projects over a 5 year period, whilst still keeping them at a prudent level. We will continue to attempt to attract external grants.

Cost	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£	£	£	£	£	£
Salaries	6,240	6,500	7,159	7,700	7,854	7,933
Office Expenses etc	1,642	2,170	2,750	2800	2850	2900
Ranger	4,175	5,000	5,500	6000	6250	6250
Professional Fees	6129	2000	500	500	500	500
Room Hire	320	330	450	450	450	450
Insurance	276	300	350	350	380	400
Election Cost			100	100	100	100
Capital Loan repayment				615	4,120	8070
Community Projects (Nett)	6,030	1,100	2,500	2500	2500	2500
Capital Projects	0	33,100		110000		
Section 137/General Competence(nett)	0	0	0	0	0	0
Emergency Plan	0	875	0	0	0	0
Grant Scheme	1,950	2,000	2,500	2500	2500	3000
Training	117	400	400	1000	400	400
Newsletter	719	800	600	600	650	650
Crime Prevention	0	200				
Neighbourhood Plan	0	0	0	0	0	0
Neighbourhood Plan Grant	-1643	0	0	0	0	0
Repairs	0	250		100	100	100
Purchase/ Development of Woodland	2,429	2,200	2,600	2750	3000	3000
Plus Contribution to reserves			500	500	500	500
Contribution to gross Budget	30,027	57,225	25,909	138,465	32,154	36,753
Less contribution from reserves		-14,036	6,097	767	2,326	-703
Less Additional Grants for Woodland	-653	-653	-653	-6146	0	0
Less Lengthsman Scheme	-1400	-350	0	0	0	0
Less Other Grants	-9330	-5000	-2000	-2000	-2000	-2000
Less Loan	0		0	-100000	0	0
Less Capital S106/CIL	0	-10000				
Precept Support grant	798	686	583	496	300	0
Precept	24,500	26,500	27,850	29,250	30,700	32,500
Total Taxation Funding Request (Precept+grant)	25,298	27,186	28,433	29,746	31,000	32,500
% change in Precept from last year	10.9	8.2	5.1	5.0	5.0	5.9
Increased Tax base	0		-420	-840	-980	-1050
OPENING BALANCE	30,409	39,569	25,533	31,630	32,397	34,723
LESS SPEND	-30,027	-57,225	-25,409	-137,965	-31,654	-36,253
PLUS CONTRIBUTIONS	38,324	43,189	31,506	138,732	33,980	35,550
APPROXIMATE CLOSING BALANCE / RESERVES (the delay in VAT claims means this will vary slightly)	39,569	25,533	31,630	32,397	34,723	34,020
GENERAL RESERVES	22,111	18,033	16,130	16,897	19,223	18,520
CLOSING EARMARKED RESERVES TOTAL	17458	7500	15500	15500	15500	15500
ELECTION EARMARKED RESERVE		1850	5000	5000	5000	5000
REPAIRS / IT EARMARKED RESERVE			500	500	500	500
GRANT / COMMUNITY ASSETS EARMARKED RESERVE		5000	5000	5000	5000	5000
EMERGENCY FUND EARMARKED RESERVE		5000	5000	5000	5000	5000

Cost of Parish Rate (Band D property = £79.47.)

Increase in Parish rate per average house for 2017/18= £6.32 (12p per week)

Cost per average house 2017/18= £83.86 p.a. Cost per average house 2021/22= £95.87 p.a.

It is anticipated that the Council will take capital loans for investment in traffic calming. Additional forest and fitness equipment and £24 per house will be accountable for a £120k loan over 30 years.

Estimated make up of Council Tax 2017/18

Staffs CC	69.6%
ESBC	10.2%
Police	11.0%
Fire	4.4%
Parish	4.8%