Setting the budget

The budget setting process provides an initial financial plan for the forthcoming year.

Characteristically the income is essentially fixed, whilst the outgoing expenditure is subject to greater change. The emphasis is on managing changes by regular review and update. Actual figures are used where known otherwise cautious estimates are entered to produce the plan.

The funding is used to provide services and maintain assets on behalf of the parish. The budget plan is updated and tracked on a regular basis.

The development of the budget plan takes into account the following:

- The value of funds carried over from the previous year. A portion of which may already be allocated to a specific item of expenditure.
- Outgoing fixed expenses. e.g. Cost of independent audit.
- Recurring costs. e.g. to maintain assets to a safe and acceptable standard.
- Variable costs e.g. training to support Parish Council members.
- Funding to progress activities from the Parish Plan and any project schedules adopted by the Council.

At each point consideration is given to the funds available and any potential change to the precept value to produce a balanced budget plan. This is an interactive process between the Full Council of members and the Finance & Audit Committee of the Council who are advised by the Responsible Finance Officer of the Parish Council.

Step 1	Step 2	Step 3	Step 4
November	December	December	January
F&A Committee initial review of current year spending and potential increases of fixed expenses for next year. Proposals of new expenses to be considered for cost investigations and a first draft budget produced.	First proposal of draft budget considered by Full Council and propose any amendments or initiatives of income or expenditure. This draft to go back to F&A Committee.	F&A Committee final review of budget to consider cost investigations carried out and amendments proposed by Full Council.	Final draft budget to be considered and adopted by Full Council with any minor amendments if necessary.