



# Parish Council Budget 2021/22

Summary of Current Position and Proposals for Coming Year

Elizabeth Martin: Parish Clerk / RFO





## Parish Council Budgets

- A Parish Council needs to account for all its funds either as part of an Operations Budget or as part of its Reserves (or Earmarks a.k.a EMRs).
- It cannot carry over money that is “unallocated” – it needs to account for the reason the money is held, or it may need to return it to taxpayer.
- The Council should have a Contingency Reserve for unforeseen events and expenses. For the last few years this has been £25,000 (around 50% of Operational Budget / 6 months)
- Earmarks or Reserves are planned expenses that stretch passed the forthcoming year (multi-year or future projects).
- Earmarks are not binding, only intentions: They can be changed by Council if circumstances change
- The Operational Budget is the plan for general operations of the Council for the forthcoming year. Again, if things change the budget line items can be amended if circumstances change.
- Changes to Earmarks and Budget lines should be approved at a meeting by a vote



## Operations Budget 2020/2021

Category	Expenditure	20/21 Budget	Note (see next page)
Administration	Hall hire	£350	
	Stationery, postage	£500	
	Mobile phone Clerk	£120	Note 1
	Subscriptions	£1203	Note 2
	Audit	£800	Note 3
	Insurance	£900	
	Salary Clerk	£20273	Note 4
	Training Clk & Cllrs	£1500	Note 5
	Website & IT support	£1500	Note 6
Community	Youth Work support	£1000	Note 7
	Defibrillators	£400	Note 8
	Newsletter	£2000	Note 9
	Grants & Donations	£5000	Note 10
	Poppy Wreaths	£100	
Maintenance	General Maintenance	£2000	Note 11
	Play areas + inspections	£1000	Note 12
	Grass cutting contract	£8500	Note 13
	Trees/Hedges	£2000	Note 14
	Churchyard	£2000	Note 15
	Flower beds	£1000	Note 16
	Public Toilets cleaning	£5600	Note 17
	Public Toilets water	£290	Note 17
	Public Toilets electricity	£518	Note 17
	Public Toilets maint.	£150	Note 17
		£58,704	

Budget for 2020/21  
£58,704

Funded from  
£48,704 Precept  
£10,000 Contribution  
from Reserves





## Notes on 2020/21 Budget

1. Current spend is for purchase of Mobile phone, including £50 credit, for use by Parish Clerk. Although it is difficult to gauge it is anticipated that this should last for, say, 6 months. A mobile phone gives the public a contact phone number without using the Parish Clerk's personal landline or mobile number.
2. Subscription is for Wiltshire Association of Local Councils (WALC). Suggested that the Parish Council also purchases a subscription for the Parish Clerk to the Society of Local Council Clerks (SLCC). This would cost £126 plus £10 joining fee for the current year. This is included in the budget figure. SLCC membership not only benefits the Parish Clerk but also the Parish Council by means of being kept up to date with new legislation and how to apply it. There are also many training opportunities for both Clerks and Councillors that may not be available through WALC, although the two organisations do work together.
3. The current budget figure is for External Audit only. Until now, Internal Audit has been carried out by a neighbouring Parish Council Chairman. Whilst this is acceptable it is not best practice and it is therefore recommended that a professional Internal Auditor is appointed. The budget cost is based on the External Audit fee of £300 and Internal Audit, by the company appointed to carry out the recent Internal Audit, with an annual fee of £455 for two visits per year.
4. This is over budget for the current year entirely due to the need to appoint a locum clerk. The new salary has been calculated using the NALC/SLCC National Agreement on Salaries, dated 2004, updated to the 2019/20 salary award. Please see Parish Clerk's Report for further information.
5. 2018/19 budget figure will not be sufficient to allow for additional/further training for councillors e.g. play equipment inspection training, financial training, nor for training for a possibly unqualified Parish Clerk. Additionally, attendance at NALC or SLCC Conferences is considered to be part of Continuous Professional Development (CPD) training for Clerks and Councillors within the Local Council sector. This is why this budget has been increased to £1500.
6. Current spend includes equipment purchase and software purchase. The website proposal document shows annual cost of £795. Accounts package annual support is £183. £1500 has been budgeted in case additional software and/or support is required during the year.
7. £1000 allowed for next year but maybe need to look at other providers.
8. There has been no budget in prior years for this purpose. All three batteries have been replaced in the current year and they have a life of approximately 4 years. Replacement pads will be required in September 2020. Basic membership of Community Heartbeat is £126 per annum per defibrillator but this includes replacement pads (both time expired and post rescue) together with an annual check of the defibrillators and cabinets. Unable to check the individual prices of these items until 2nd January due to Christmas closedown. Budget figure is 3x£126 plus extra to account for any increase in costs.
9. is anticipated the Parish Council will be in a position to produce a Newsletter later in 2020 so budgeted £2000 because website has own cost heading.
10. Budget is same as current year even though not all used. Availability of grant funding should be more widely advertised within the community.
11. General Maintenance covers allotments, Dog walking area and such items as benches, noticeboards and infrastructure other than that specifically budgeted for.
12. Routine annual inspection by RoSPA is currently 68.50 +VAT per site when carried out within their routine inspection programme. The current spend is due to the fact that no inspections have taken place since 2017 and the inspections were one-off, outside their programme. The remainder of this budget figure is for repairs and replacements.
13. Current spend includes £2100 for leaf removal and footpath clearance of overgrown grass, which was approved as a one off item at the Parish Council meeting on 10th December 2019, Minute No 8.4, plus one cut in March 2020. Budget is the same as last year so assumed to be the current contract price.
14. £2000 included as per Minute No 8.3 of 10th December 2019 Parish Council meeting. The overspend on this budget is due to the tree survey and consequent work decided upon at the meeting on 10th December 2019, Minute No 8.2.
15. This could be applied for as a grant from the Grant and Donations budget under S137 of 1972 LGA, because Parish Councils are not allowed to fund a religious body. However, Parish Councils are allowed to fund a graveyard, so this has been budgeted for as a contribution to the church graveyard because the Parish Council does not have its own graveyard.
16. Left at current budget figure as decisions need to be made regarding the flower beds in the villages.
17. This budget has been split into three component parts for this budget figure. Cleaning contract is £5475 per annum and runs until 2021. Figures for the current year include payments that were due in the previous financial year. Water and electric are based on anticipated outturn at 31.3.20 plus 10% for any potential increases. Added a maintenance item with nominal £150.





## Reserves / Earmarks Budget 2020/2021

	20/21 Budget
Neighbourhood Development Plan Steering Group Funds	£5,680
CATG Project contributions	£2,000
Holloway Footpath project	£2,000
Bradenstoke junction lighting	£2,000
<b>Sub-total of Earmarks</b>	<b>£11,680</b>
Special Projects EMR	£35,298
General/Contingency Reserve (goal: 6 months expenditure)	£25,000
Groundworks Grant	£1,336
<b>Sub-total of Reserves and Grants</b>	<b>£61,634</b>
<b>Total Of Reserves and Earmarks Held</b>	<b>£73,314</b>

### Neighbourhood Development Plan Steering Group Funds

The Parish Council earmarked a total of £11,500 for this process over two financial years - 2017/18 and 2018/19. At the start of 2020/21 £5680 was held in this earmarked fund

**Groundworks Grant** – awarded to the NDP Steering Group towards the Neighbourhood Development Plan process. Because the NDP Steering Group is a Parish Council project the funds had to be held in the Parish Councils bank account. £1336 was held by the Parish Council at the start of 2020/21

### GENERAL RESERVES / CONTINGENCY

General Reserves were set at £25000 for the 2019/20 financial year and for some years prior to that. The Proposed budget for 2020/21 was £44561. Best practice is that General Reserves should be set at 6 months of total spend for the year. General Reserves are required in the event there is some difficulty with receiving Income e.g. Precept, so that the Parish Council can continue to function and pay its bills. General Reserves were held again at £25,000 for 2020/21



## Forecasted Budget Outcome 2020/21

Category	Expenditure	20/21 Budget	Spent To 1/Nov	Forecast Spend	Forecasted Outcome
Administration	Hall hire	£350	£0	£50	£300
	Stationery, postage	£500	£67	£50	£383
	Mobile phone Clerk	£120	£10	£0	£110
	Subscriptions	£1203	£1121	£0	£82
	Audit	£800	£425	£0	£375
	Insurance	£900	£899	£0	£1
	Salary Clerk	£20273	£7990	£5500	£6783
	Training Clk & Cllrs	£1500	£480	£400	£620
	Website & IT support	£1500	£185	£185	£1130
Community	Youth Work support	£1000	£0	£0	£1000
	Defibrillators	£400	£480	£0	- £80
	Newsletter	£2000	£0		£2000
	Grants & Donations	£5000	£2352		£2648
	Poppy Wreaths	£100	£0	£75	£25
Maintenance	General Maintenance	£2000	£50		
	Play areas + inspections	£1000	£431	£0	£569
	Grass cutting contract	£8500	£6480	£3000	- £980
	Trees/Hedges	£2000	£505		
	Churchyard	£2000	£0	£2000	£0
	Flower beds	£1000	£522		
	Public Toilets cleaning	£5600	£4141	£2280	- £821
	Public Toilets water	£290	£200	£100	- £10
	Public Toilets electricity	£518	£253	£100	£265
	Public Toilets maint.	£150	£0	£0	£150
		£58,704			



## Forecasted Outcome Of Reserves Budget 2020/2021

	20/21 Budget	Forecasted Outcome
Neighbourhood Development Plan Steering Group Funds	£5,680	£2,640
CATG Project contributions	£2,000	£2,000
Holloway Footpath project	£2,000	£2,000
Bradenstoke junction lighting	£2,000	£2,000
<b>Sub-total of Earmarks</b>	<b>£11,680</b>	<b>£8,640</b>
CIL 14/10444/FUL (2 of 3 Parts Paid)	£0	**£8,378
COVID-19 Grant	£0	£10,000
Special Projects EMR	£35,298	£26,858
General/Contingency Reserve (goal: 6 months expenditure)	£25,000	£25,000
Groundworks Grant	£1,336	£1,336
<b>Sub-total of Reserves and Grants</b>	<b>£61,634</b>	<b>£71,572</b>
<b>Total Of Reserves and Earmarks Held</b>	<b>£38,016</b>	<b>£47,994</b>

\*\* CIL Grant is estimated to be a total of £12,890 when 3<sup>rd</sup> payment is received





## Administration Considerations

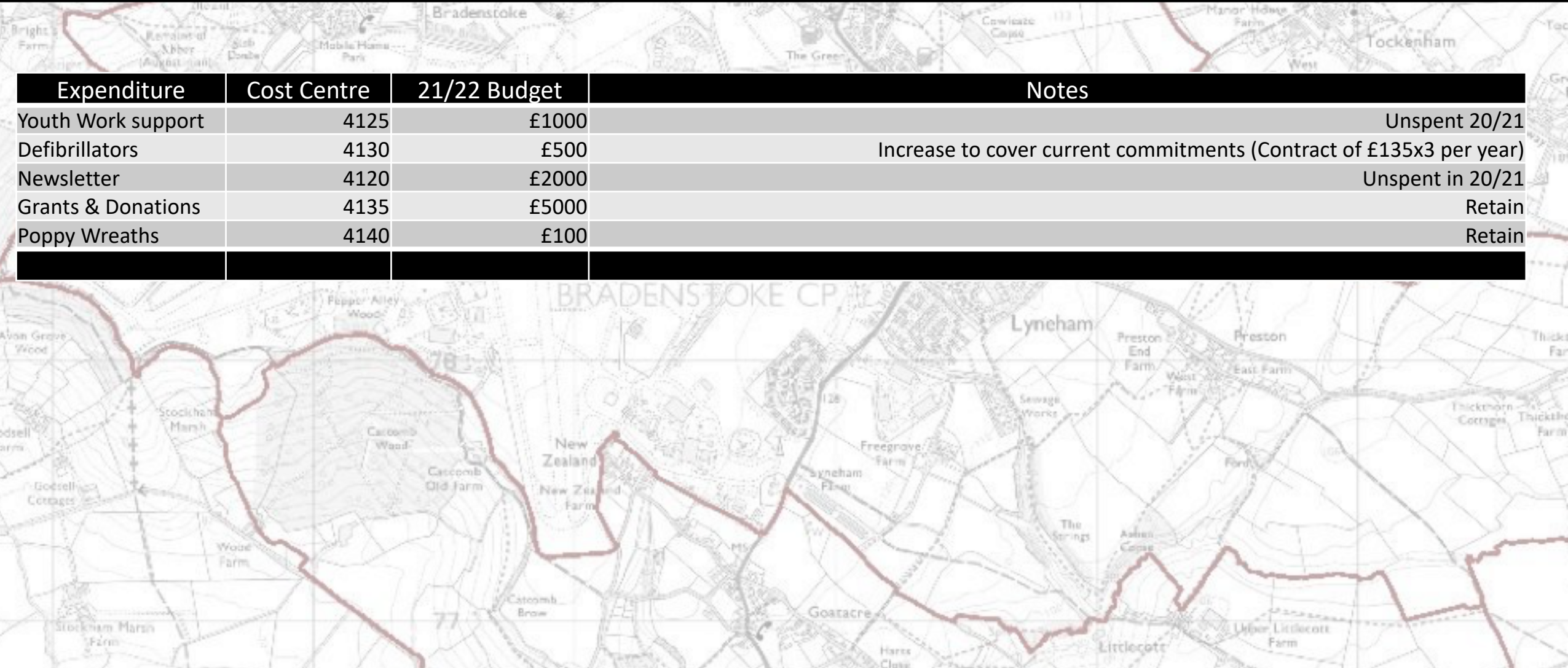
Expenditure	Cost Centre	21/22 Budget	Notes
Hall hire	4055	£350	Retain
Stationery, postage	4060	£300	Reduce
Mobile phone Clerk	4090	£120	No longer needed for 21/22
Subscriptions	4065	£1300	Increase slightly for inflation
			ICO £40
Audit	4070	£800	Based on External Audit fee of £300 and Internal Audit, with an annual fee of £455 for two visits per year
Insurance	4075	£900	Currently on 3yr Contract
Staffing Costs	4000	£18000	$\text{£16.75 (SCP28)} \times 18 \times 52 = \text{£15,678} + \text{£1196 Pension and Employer NI}$ Allowance of 3% increase to contract salary $(\text{£15,678} + \text{£1,196}) \times 1.03 = \text{£17,380}$ Rounded up to £18000 to allow for overtime if required £125 Payroll Services
	4001		
	4010	£125	
Training Clk & Cllrs	4080	£1500	Retain. Several new Councillor + Elections in 2021
Website & IT support	4085	£1500	Right Signature £140, Monthly Microsoft Licensing costs, HugoFox and other related software renewals and expenses
	4088		





## Community Considerations

Expenditure	Cost Centre	21/22 Budget	Notes
Youth Work support	4125	£1000	Unspent 20/21
Defibrillators	4130	£500	Increase to cover current commitments (Contract of £135x3 per year)
Newsletter	4120	£2000	Unspent in 20/21
Grants & Donations	4135	£5000	Retain
Poppy Wreaths	4140	£100	Retain





## Maintenance Considerations

Expenditure	Cost Centre	21/22 Budget	Notes
General Maintenance	4200	£2000	These expenditure items are retained for the forthcoming year  Additional COVID related expenses for the operation of the Toilets would be met from the COVID EMR
Play areas + inspections	4240	£1000	
Grass cutting contract	4205	£8500	
Trees/Hedges	4215	£2000	
Churchyard	4210	£2000	
Flower beds	4220	£1000	
Public Toilets cleaning	4310	£5600	
Public Toilets water	4320	£290	
Public Toilets electricity	4300	£518	
Public Toilets maint.		£150	





## Proposed Operations Budget 2021/2022

Category	Cost Centre	Expenditure	20/21 Budget	Proposed 21/22 Budget
Administration	4055	Hall hire	£350	£350
	4060	Stationery, postage	£500	£300
	4090	Mobile phone Clerk	£120	£0
	4065	Subscriptions	£1203	£1300
	4070	Audit	£800	£800
	4075	Insurance	£900	£900
	4000/4001/4010	Salary Clerk	£20273	£18125
	4080	Training Clerk & Cllrs	£1500	£1500
	4085/4088	Website & IT support	£1500	£1500
Community	4125	Youth Work support	£1000	£1000
	4130	Defibrillators	£400	£500
	4120	Newsletter	£2000	£2000
	4135	Grants & Donations	£5000	£5000
	4140	Poppy Wreaths	£100	£100
Maintenance	4200	General Maintenance	£2000	£2000
	4240	Play areas + inspections	£1000	£1000
	4205	Grass cutting contract	£8500	£8500
	4215	Trees/Hedges	£2000	£2000
	4210	Churchyard	£2000	£2000
	4220	Flower beds	£1000	£1000
	4310	Public Toilets cleaning	£5600	£5600
	4320	Public Toilets water	£290	£290
	4300	Public Toilets electricity	£518	£518
		Public Toilets maint.	£150	£150
			£58,704	£56,433



## Reconciliation & Forecast of Finances

Bank At 1/Nov/2020

£118,970

Minus

General Reserves

-£25,000

Balance Of EMRs

-£8,640

Groundworks Grant

-£1,336

COVID-19 Grants

-£10,000

CIL Grants Held

-£8,378

Special Projects EMR

-£35,298

Total of £88,652  
Held In Reserves  
and EMRs

Remaining Money (therefore the Op. Budget)

£30,318

Minus

Forecasted Spend to 31/3/21

£11,120 (excl. EMR payments)

Plus

Forecasted VAT Refund

£2,000 (approx.)

Forecasted Remaining Money at 31/3/2021

£21,198

Carried forward (unspent) to 2021/22 Budget

£21,000 (Rounded down for contingency)





## Other Income Considerations

- The Council is currently receiving its due payment from CIL 14/10444/FUL (2 of 3 Parts Paid)
  - CIL is required to be used for infrastructure projects and may be recalled by WC if unused within 5 yrs of receipt.
  - Total expected is £12,890 (15% of total CIL)
- The Council has money available via S.106 grant 13/02365/FUL (23 Calne Rd. Lyneham)
  - Required to be spent on approved projects related to leisure facilities (e.g. Play Areas or maybe Village Halls)
  - Expires 31/3/2021
  - Total expected is £40,740
- The Council receives approx. £700 from Allotment Rentals. This has not been included in calculations for the budget draft





## Suggested Precept Scenarios

1

### Scenario One: Don't Replenish or Add to EMRs

Carried forward to 2021/22 Budget	£21,000
Operational Budget	£56,433
Precept Needed	£35,433
Current Precept (20/21)	£48,704
Change	- £13,271

2

### Scenario Two: Replenish EMRs

Carried forward to 2021/22 Budget	£21,000
Operational Budget	£56,433
Replenish Village Hall Grant	£5,000
Replenish Maintenance Items	£3,400
Precept Needed	£43,833
Current Precept (20/21)	£48,704
Change	- £4,871

3

### Scenario Three: Retain Precept (Actual Inc. 4.24%)

Carried forward to 2021/22 Budget	£21,000
Operational Budget	£56,433
Replenish Village Hall Grant	£5,000
Replenish Maintenance Items	£3,400
Increase Special Projects EMR	£4,871
Precept Needed	£48,704
Current Precept (20/21)	£48,704
Change	£0

Ideally, the Precept should cover the Operation Budget each year. By subsidising the precept eventually it will need to rise substantially when there are no funds to subsidise it. This may not be as easy if central government impose the long planned requirement to have voter approval to increase the precept.

**NOTE: The Precept is calculated on the number of tax payers as a factor of Band D houses: The Tax Base for the coming year is 1512.8 (down 64.54, which will mean the precept amount per house will rise by 4.24% even if the precept amount requested stays the same)**

In each of the scenarios above, the precept is being subsidised by funds remaining from the current year's budget surplus. However, 2020 has been an unusual year and 2021 may not yield the same level of surplus especially if a number of village groups or organisations require some assistance post-Covid.





## Suggested Precept Scenarios

### Scenario Four: Replenish and Add to EMRs whilst increasing Precept to better reflect Operations Budget

4

Scenario Selected

Carried forward to 2021/22 Budget	£21,000
Operational Budget	£56,433
Replenish Village Hall Grant	£5,000
Replenish Maintenance Items	£3,400
Defibrillator Replacement	£2,000
Increase Special Projects EMR	£2,871
Increase General Reserves	£4,000
Precept Needed	£52,704
Current Precept (20/21)	£48,704
Change	£4,000

+ move £4,000 of expired EMRs to General for a total of £35,000 to provide 60% Contingency

+ 12.82% which is + £3.96 per Band D house.



## Suggested Precept Scenarios

5

### Scenario Five: Replenish and Add to EMRs whilst increasing Precept to meet Operations Budget

Carried forward to 2021/22 Budget £21,000

Operational Budget £56,433

Replenish Village Hall Grant £5,000

Replenish Maintenance Items £3,400

Defibrillator Replacement £2,000

Increase Special Projects EMR £6,600

Increase General Reserves £4,000

Precept Needed £56,433

Current Precept (20/21) £48,704

Change £7,729

Further increase SP EMR

+ move £4,000 of expired EMRs to General for a total of £35,000 to provide 60% Contingency

+ 20.79% which is + £6.42 per Band D house.





## Recommendation

- That the Council should consider adoption of Scenario 4
  - Allows for Council to re-apportion the Special Projects EMR to align with projects currently in concept or early-plan stages
  - Meets the Operational Budget need with only a small amount of “match funding” from unspent monies
  - Helps to gradually increase the precept at a sustainable and manageable amount to eventually meet the actual Operations Budget

### Scenario Four: Replenish and Add to EMRs whilst increasing Precept to better reflect Operations Budget

Precept Needed	£52,704
Current Precept (20/21)	£48,704
Change	£4,000

+ 12.82% which is + £3.96 per Band D house.

4





## Alternative Recommendation

- That the Council should consider adoption of Scenario 5 as an alternative
  - Allows for Council to re-apportion the Special Projects EMR to align with projects currently in concept or early-plan stages
  - Meets the Operational Budget

### Scenario Four: Replenish and Add to EMRs whilst increasing Precept to better reflect Operations Budget

Precept Needed	£56,433
Current Precept (20/21)	£48,704
Change	£7,729

+ 20.79% which is + £6.42 per Band D house.

5





## Proposed Reserves Budget 2021/22 – Scenario 4

	20/21 Budget	21/22 Proposal
Defibrillator Replacement (2024)	£0	**£2,000
Neighbourhood Development Plan Steering Group Funds	£5,680	£2,640
CATG Project contributions	£2,000	£2,000
Holloway Footpath project	£2,000	£0
Bradenstoke junction lighting	£2,000	£0
<b>Sub-total of Earmarks</b>	<b>£11,680</b>	<b>£6,640</b>
Special Projects Reserve	£35,298	***£38,169
General/Contingency Reserve (goal: 6 months expenditure)	£25,000	****£35,000
Groundworks Grant	£1,336	£1,336
COVID-19 Grant	£0	£10,000
CIL 14/10444/FUL (estimated final figure)	£0	£12,890
<b>Sub-total of Reserves and Grants</b>	<b>£61,634</b>	<b>£97,395</b>
<b>Total Of Reserves and Earmarks Held</b>	<b>£73,314</b>	<b>£104,035</b>

\*\* Place funds and plan to increase each year by £2,000 to meet required cost in 2024 of circa £7,000

\*\*\* £5,000 for Village Hall and - £3,400 for Kevin Isles Maintenance Work approved in November replenished and a further £6,600 added

\*\*\*\* £25,000 + £4,000 from unused EMRs (Holloway Footpath and Bradenstoke Junction Lighting as these are assumed to no longer be required based on information from Tim Darch: This needs to be confirmed)



## Proposed Reserves Budget 2021/22 – Scenario 5

	20/21 Budget	21/22 Proposal
Defibrillator Replacement (2024)	£0	**£2,000
Neighbourhood Development Plan Steering Group Funds	£5,680	£2,640
CATG Project contributions	£2,000	£2,000
Holloway Footpath project	£2,000	£0
Bradenstoke junction lighting	£2,000	£0
<b>Sub-total of Earmarks</b>	<b>£11,680</b>	<b>£6,640</b>
Special Projects Reserve	£35,298	***£41,898
General/Contingency Reserve (goal: 6 months expenditure)	£25,000	****£35,000
Groundworks Grant	£1,336	£1,336
COVID-19 Grant	£0	£10,000
CIL 14/10444/FUL (estimated final figure)	£0	£12,890
<b>Sub-total of Reserves and Grants</b>	<b>£61,634</b>	<b>£97,395</b>
<b>Total Of Reserves and Earmarks Held</b>	<b>£73,314</b>	<b>£104,035</b>

\*\* Place funds and plan to increase each year by £2,000 to meet required cost in 2024 of circa £7,000

\*\*\* £5,000 for Village Hall and - £3,400 for Kevin Isles Maintenance Work approved in November replenished and a further £2,871 added

\*\*\*\* £25,000 + £4,000 from unused EMRs (Holloway Footpath and Bradenstoke Junction Lighting as these are assumed to no longer be required based on information from Tim Darch: This needs to be confirmed)





## Precept Comparisons (with Scenario 4)

Neighbour Parish Councils	Tax Base 20/21	Precept 20/21	20/21 Precept Band D
Bremhil	471	£9,200	£19.55
Clyffe Pypard	153	£3,000	£19.57
Hilmarton	310	£8,000	£25.80
Lyneham & Bradenstoke	1577	£48,704 (£52,704)	£30.88 (£34.84)
Brinkworth	628	£25,827	£41.10
Tockenham	120	£7,000	£58.41
Christian Malford	355	£23,589	£66.39
Dauntsey	259	£18,000	£69.52
Average			£41.40

Neighbour Town Councils	Tax Base 20/21	Precept 20/21	20/21 Precept Band D
Lyneham & Bradenstoke	1577	£48,704 (£52,704)	£30.88 (£34.84)
Royal Wootton Bassett	4738	£994,067	£209.81
Calne	6076	£1,309,754	£215.57
Chippenham	12350	£3,236,261	£262.05
Average			£179.58



## Precept Comparisons (with Scenario 5)

Neighbour Parish Councils	Tax Base 20/21	Precept 20/21	20/21 Precept Band D
Bremhil	471	£9,200	£19.55
Clyffe Pypard	153	£3,000	£19.57
Hilmarton	310	£8,000	£25.80
Lyneham & Bradenstoke	1577	£48,704 (£56,433)	£30.88 (£37.30)
Brinkworth	628	£25,827	£41.10
Tockenham	120	£7,000	£58.41
Christian Malford	355	£23,589	£66.39
Dauntsey	259	£18,000	£69.52
Average			£41.40

Neighbour Town Councils	Tax Base 20/21	Precept 20/21	20/21 Precept Band D
Lyneham & Bradenstoke	1577	£48,704 (£56,433)	£30.88 (£37.30)
Royal Wootton Bassett	4738	£994,067	£209.81
Calne	6076	£1,309,754	£215.57
Chippenham	12350	£3,236,261	£262.05
Average			£179.58