
Subject: 2021/22 Budget and Precept
Date: 12 January 2021
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1. Object of Paper

A discussion paper about Blackawton Parish Council's 2021/22 budget and precept demand. These will be finalised by BPC in January 2021.

2. Governance and Accountability for Smaller Authorities in England March 2019

This document states:

Budgeting

The key stages in the budgeting process are:

- decide the form and level of detail of the budget;
- review the current year budget and spending;
- determine the cost of spending plans;
- assess levels of income;
- bring together spending and income plans;
- provide for contingencies and consider the need for reserves;
- approve the budget;
- confirm the precept or rates and special levies; and
- review progress against the budget regularly throughout the year.

3 Forecast Year-end Financial Position

Please note that these values are estimates and can be expected to change.

A carry forward unearmarked reserves balance of more than twice the precept requires explanation to the External Auditor. The appropriateness of reserves must also be justified.

Brought forward	53,771
2020/21	1,563
Carried forward	55,334

There is uncertainty in this figure, for example:

- Playing Fields Committee request for grant funds for tree removal pending
- Blackawton Business Units may request financial support to complete the transfer of the property and commence trading.

Working capital is required – the amount depends on the individual council's operations.

A carry forward unearmarked reserves balance of more than twice the precept requires explanation to the External Auditor. Reserves must be reasonable and able to be explained.

4. 2021/22 Spending Plans

Councillors may wish to allocate funds for projects / objectives for 2020/21. In this draft:

- The Parish Lengthsman service funded at 30 hours as for 2020/21 included
- Village drain clearance **not** included - DCC has responded that the gullies on Main St are on an annual clean, as is the gully at Woodford (chosen as example of a local lane)
- Weed spraying has not taken place this year. Does BPC want to spray or use an alternative no-toxic method to remove weeds.
- Lengthsman's comment: 'At this stage it is quite difficult to gauge a pragmatic bid for 2021 / 22 hours because, despite progress on some of the restoration / resilience projects, there are still several significant jobs whose success/progress depends on whether landowner co-operation or

lengthsman hours are used to get them done. These include significant places like Cornish Copse and Bow Bridge, as well as less critical places. If what I hear (as discussed with you briefly yesterday) about DCC Highways push to get landowners to fulfil their responsibilities does bear fruit, then we will need fewer hours or scan expand the remit. So I suggest a target total of 40 hours for FY 21/22 (vice 45 this FY), made up of 25 or 30 hours of PC contract and 10 or 15 hours of DCC grant, if that can be achieved'.

- Slapton Monument - A high estimate of the annual cost of £200 used in the budget.
- Trees - Treeworks last carried out in August 2016. £1,000 allocated in budget for survey and works.
- Grounds Maintenance Contract – a contingency of £500 has been added because the current three year agreement (valued at £2010) ends in 2021.

5. Reserves Allocations

Purpose of earmarked reserves - unexpected call on funds (eg churchyard), scheduled replacement

Purpose of unearmarked reserves - cash flow

6. 2021/22 Reserve Allocations

Reserve	Proposed allocation
<u>Churchyard</u> – Allocated reduced to less than £10,000 at end of 2020/21 by maintenance work expenditure. The reserve was established in response to a pattern of intermittent large expenditure. This reserve has increased from 1.5 times largest repair bill to 1.75 time over recent years (largest repair = £7,350, £11,000 to £13,000).	£2,000
<u>Cemetery</u> –Next inspection due 2022. Project to identify owners of memorials in 2021 suggested. Additional hours of Clerk's time anticipated.	£250
<u>Ex Devon/SHDC Services</u> – No drain clearance in current budget, and additional clearance by gully sucker or parish lengthsman may be required.	Suggest increase by £697 to £1,500
<u>MUGA Reserve</u> – BPC may need more funds for management of increased playground responsibilities including the MUGA and toddler play area. Requested named Playground Replacement	£1,500
<u>Car Park</u> - BPC expects to have the new responsibility to manage the French Furze car park.	£1,500
<u>Total</u>	£5,947

8. Precept

The proposed budget retains a precept plus Council Tax Support Grant allocation (now zero) of £16,500.

The Clerk was asked by the December 2021 meeting to calculate a precept demand which is increased to incorporate the new housing and keeps the band D equivalent payment unchanged. This was done in the 20/21 budget.

In 2020/21 BPC decided to increase the Precept plus CTSG to £16,500. This increase was approximately £500 more than the estimated increase calculated by including all of the 60 new residences at French Furze and keeping the contribution per household the same as the 19/20 Band D rate (£15,976) and rounded up from the £283 Council Tax Grant. BPC no longer received a Council Tax Support Grant.