

3rd March 2021

Budget and Precept 2021/22

(1) Purpose of Report To provide information to assist members to set a budget and precept for the delivery of council services 2021/22.

(2) Information and Analysis

Detailed estimates of all receipts and payments including the use of reserves and all sources of funding for the year shall be prepared each year by the RFO in the form of a budget to be considered by the council.

The Council shall review the budget not later than the end of January each year and shall fix the Precept to be levied for the ensuing financial year. Derbyshire Dales District Council (the billing authority) is aware of this report; however the parish council must still consider the detail contained within and formally approve the budget and precept to be levied.

The RFO shall supply each member with a copy of the approved budget.

The annual budget shall form the basis of financial control for the ensuing year.

A local council should typically hold between 3 and 12 months expenditure as a general reserve. If the general reserve is too low then it may not be enough to cover unexpected expenditure or emergencies, whilst if the general reserve is too high then local electors have paid a tax which is not being used for the benefit of the local community.

The projected surplus at year end, excluding earmarked reserves, is estimated to be approximately £4,000 and Members are asked to consider carrying forward this figure as a general reserve for any unforeseen events during 2021/22.

VAT totalling approximately £800 for 2019/2020 is unclaimed. Work is currently underway to reclaim VAT for the 2019/2020 financial year. VAT reclaimed from HMRC would strengthen the general reserve. Any progress made will be reported to the precept meeting

Following a demand for use by parishioners, the council is committed to re-opening the allotments at West Hills during 2021. The allotments were abandoned approximately 40 years ago and require capital investment to improve access off Pike Hall Lane, provide limited informal parking and fencing off an area for allotment use from the rest of the land at West Hills, which is let out on licence for grazing and forms part of the councils yearly income. An estimated sum of £3000 is proposed to be used from the property reserve to carryout this work to bring the allotment back in to suitable use.

The requisite number of electors have notified the Returning Officer to trigger an election to fill the five casual vacancies arising from member resignations earlier this year. A request has been made to Derbyshire Dales District Council to provide a cost for such election, which is thought to be approximately £1200. It is proposed to fund the election through the use of the Election Reserve (£816) and the balance met through the precept.

To fund council services in 2021/2022, it is proposed that the council's budget be set at £27411. A detailed breakdown of the budget, as proposed, is attached to this report.

Receipts for 2021/2022, other than precept, are estimated to be £3428 excluding any receipts received from new perspective allotment licence holders.

It is therefore recommended that the Precept is set at £17683 (+1.9%). Average cost per household at Band D £109.27

Reserves

Earmarked reserves held at 1st February 2021

Open Spaces	£5000
Property	£7121
Election	£816
Cemetery	£20699
Total Reserve	£37888

A sum of £2220 is committed from the Open Space fund for the drainage repairs and realignment of the footpath on the west side at Woodhouse Lane. Minute no. 150/19 refers.

The Cemetery Reserve is held by council as Burial Authority and has accrued over many years from receipts for burial and memorial applications. The reserve is held for future capital works including, extension of burial space into Ashmore Pingle, (adjoining field in the ownership of the council) purchase of soil box and grave supports and surface repairs to turning area.

Three Year Forecast

The Council shall consider the need for and shall have regard to a three-year forecast of Revenue and Capital Receipts and Payments which may be prepared at the same time as the annual Budget.

Revenue budget should stay stable over the next three year period with inflationary increases only.

Fencing around the play equipment at Woodhouse Lane is in need of repair/replacement and the play equipment may itself have come to the end of its serviceable life by 2023. Capital investment will be required to replace this equipment.

Footpath surfacing on the east side of Woodhouse Lane has scoured through poor drainage. Investment is required in the shorter term to side back weed growth, improve drainage and surface dress approximately 100 linear metres of stone path.

Grounds maintenance equipment utilised by the Parish Warden in his duties to maintain the cemetery, churchyard and open spaces around the village are ageing and have become prone to breakdown which are costly to repair. It may be cost effective to replace in the shorter term rather than repair.

The council is committed to developing and managing part of the common has a traditional hay meadow. Allowances for this initiative may be necessary to develop and manage this initiative moving forwards.

Reimbursable Expenditure

Each year the council is able to reclaim from Derbyshire Dales District Council reimbursable expenditure for grounds maintenance (mowing/strimming). The reimbursable expenditure is limited to the following:

- Burial Ground £1421
- Playing Fields £814

Reimbursable expenditure contributes to the cost of the above service areas and it is proposed continue to make reimbursable claims for expenses incurred during 2021/22. The above figures are included as income shown in the budget breakdown. (attached)

(3) Legislation

In preparation of the 2021/22 budget reference has been made to the Governance and Accountability for Local Councils – A Practitioners' Guide (England) March 2014.

Local councils have a statutory duty to set a balanced budget in advance of each financial year in accordance with Section 50 of the Local Government Finance Act 1992. Under Section 50 the Council **must** calculate its budget requirement or precept, taking into account:

- its estimated revenue expenditure for the year ahead; plus
- an amount as contingency for unforeseen events; plus
- a level of reserves that it will require for future years; plus
- an amount required to cover any estimated revenue account deficit for previous years not already provided for; minus
- its estimated revenue income for the year ahead (excluding the precept).

Section 136 of the Local Government Act 1972 enacts two or more local authorities to make arrangements for defraying any expenditure incurred by one of them in exercising any functions exercisable by both or all of them.

(4) Recommendation: That:

- (1) a surplus of £4000 is carried forward to 2021/22 as a general reserve.
- (2) the Budget of £27411 for 2021/22 is approved
- (3) projected income £3428 including reimbursable expenditure during 2021/22 is noted
- (3) a precept of £17683 is levied to fund council services 2021/22 and the billing authority is confirmed accordingly.
- (4) earmarked reserves listed in the report are noted
- (4) earmarked reserves are used for the purposes set out in the report
- (5) the three year projected forecast is noted.

Heading	2020/21	2021/22	NOTES
Staff salaries	7500	7000	
Administration	1035	1050	Web host, support & licence, ICO fee, phone/broadband, ink, stationery etc
Payroll Services	150	150	Out sourced service
Room Hire	500	500	To cover fees for meetings
Common	3348	3448	Grounds maintenance cost
Bus Shelter	170	170	Honorarium, consumables and window cleaning services
Chairman Allowance	120	120	
Insurances	750	800	
DALC Subscriptions	317	353	Membership fee for upper level cover
Audit	300	300	Internal and external audit
Parish Clock	50	50	Up keep of Church clock
Donations	100	100	
Membership fees	160	160	ICCM, Open Spaces Society and Peak Park Parishes' Forum
Seat Maintenance	250	250	Allowance for repair/painting programme
Rights of Way Maintenance	385	385	Expenditure under MMA
Woodhouse Lane Grounds Maintenance	1238	1250	Grass cutting of play area and open space inc. 3% increase on 2019/20 cost.
Member/Officer Training	100	300	
Winter Maintenance	500	500	Purchase of rock salt, refilling of PC grit bins and maintenance of Snow Patrol equipment
Market House Licence Fee	325	325	To cover the hire of ground floor
Grounds Maintenance Equipment	300	300	To cover cost of consumables, repairs and servicing
Play Area Maintenance	1000	1500	Inspection fee, minor repairs and repainting of equipment
Public Works Loan Board	786	700	To service loan repayments - Woodhouse Lane Play Area
Public Toilets	1000	1000	Consumables, cleaning, energy water/sewage costs and minor repairs
Election costs	500	1200	Estimated cost of contested election to fill casual vacancies
Installation of bollards		2500	
Allotment Development		3000	Fencing and resurfacing of track
Total	20884	27411	

2021/22 Budget	£ 27411
2021/22 Projected income	£ 3428 -
Use of Election Reserve	£ 800-
Use of Property Reserve (Allotment Development)	£ 3000-
Use of Property Reserve (Bollards)	£ 2500-
2019/20 Precept	£ 17683

Rob Greatorex
Clerk & Responsible Financial Officer