

Budget and Precept Proposal 2020-21

RFO Report and Recommendations

Approved budget 27th November 2019 Minutes 130.1.19 RR152/11/19, RR153/11/19, RR154/11/19

130.1. Draft Budget and precept 2020/21 (Doc 064/19)

Members considered the draft budget report prepared by the RFO (Document 064), which recommended not to increase the annual precept for the Parish in 2020/21. Proposed by Cllr Mercer that WPC budget an additional £1000 as an environment fund for the Parish to support the declaration of climate emergency made by WPC, seconded by Cllr Naylor, all in favour and Resolved (RR151/11/19)

Proposed by Cllr Hodgson that WPC budget an additional £400 for defibrillator replacement accrual, seconded by Cllr Mercer, all in favour and Resolved (RR152/11/19)

RFO reported that this would raise the precept by £1400 for 2020/21 compared to 2019/20 and raise the council tax band per band D property by £2.25 per year (19p per month) (based on 2019/20 tax base)

Proposed by Cllr Hodgson that WPC move to approve the annual budget as per agenda document 064/19 presented by the RFO with an additional £1000 for the environment fund and £400 for defibrillators, giving a total budget of £36,316.00 seconded by Cllr Mercer all in favour and Resolved (RR153/11/19)

Proposed by Cllr Mercer that WPC set the 2020/21 precept as £28,636.00, seconded by Cllr Naylor, all in favour and Resolved (RR154/11/19)

RFO (Clerk) to write an article for next edition of Distinctly Winkleigh explaining the budget and precept rise

CONSIDERATIONS

1. The budget should be prudent and safe, and should;
 - Provide for the necessary routine services and administration
 - Enable the Council to make developments for community benefit.
 - Mindful of the need to minimise costs and any increases with parishioners in mind
2. As government pressures to reduce Council Tax increase and more and more local services are being cascaded down to Parish Councils, setting a low precept now may give the Council greater difficulties in future years.
3. In making the budget and precept, the Finance Group have looked at the management of reserves in order to:
 - Cover the management of cash flow as the precept is paid in stages and other receipts are unpredictable (e.g. burial fees)
 - Provide for a considered amount for unpredictable outgoings
 - Provide for smoothing between years to avoid extreme variations between years

- Begin precepting so that funds are available for projects which are known in outline but not in detail, so that all the funds do not have to be raised in a single year (i.e. bus stop replacement, Winkleigh Gateway signage and election fees)

RECOMMENDATION:

Having considered all the information that is available Winkleigh Parish Council raise their precept and sets the precept for 2020-21 of £28,636.00

This is equating to a annual Band D household rate of £45.09 (2020/21 tax base), which is an increase of £1.24 (2.3%) (10p per month). Full breakdown is as follows: -

SUMMARY

2019/20 (Current financial year)

The overall annual managements costs for Winkleigh Parish Council was budgeted to be £28,141.00, which is £869.00 increase (3.19%) over the previous year.

This is mainly due to the increased staff costs due to the Clerks qualification and increased administration/IT costs due to the requirements of complying with the General Data Protection Regulations 2018

In Addition:

- Winkleigh Parish Council awarded grant applications totalling £5,275.00 (£4,550.00 increase on 2018/19)
- Winkleigh Parish Council budgeted a further £1,500.00 during 2019 towards New Village Gateway Signage

The total budget outgoings of £34,916.00, was an increase of £6,919.00 over 2018/19

This was marginally offset by increasing the income from the cemetery bungalow rental and cemetery fees, however, it is inherently impossible to predict how much income we will receive from interments and memorials;

Resulting in an overall increase of £6,684.00 in the precept for current financial year 2019-20

2020/21 NEW BUDGET (New financial year)

The overall annual management costs for Winkleigh Parish Council is budgeted to be £29,317.00, which is £1176.00 (4.18%) increase over the current year.

This is mainly due to the predicted annual increased costs for staff, administration, professional fees, IT and GDPR compliance

In addition:

- Winkleigh Parish Council awarded grant applications payable in the next financial year totalling £1,245.00
- The Parish Council are legally required to upgrade their website in accordance with Accessibility Regulations at considerable cost
- The Cemetery Bungalow requires electrical work and contingency accrual towards boiler replacement
- The Winkleigh Parish Neighbourhood Plan has used all of the available grants and therefore any additional costs will need to be paid by the Parish Council
- There is predicted over-budget income from 2019-20 due to the number of cemetery interments and memorials during the current financial year. This unpredicted additional income will be held in Parish Council reserves to facilitate funding the VE & VJ Day events and any further costs associated with the Winkleigh Parish Neighbourhood Plan without additional burden on the precept
- Councillor and clerk training budget have been increased due to the number of vacancies on the parish council and the requirement to train any new councillors.

CASH BALANCE.

The predicted cash balance at the end of this financial year will amount to approximately £21,224,68 of which £19,761.92 is earmarked as indicated below.

Current Account	£ 3382.39		
		Requirement for April Bills prior to receipt of precept (leaving a Working contingency of £1462.76)	£1919.63
Reserves Account	£11551.55		
		Restricted funds for Election costs	£1000.00
		Earmarked VE & VJ Day events	£1000.00
		Earmarked WPC reserves contingency	£7279.41
		Restricted Tap Fund Grant (Footpath map)	£ 140.00
		Earmarked Gateway Signage	£1719.12
		Restricted P3 Parish Paths Partnership	£ 413.02
Bungalow A/c contingency	£ 6290.74		
		Accrual for Emergencies and boiler replacement	£6290.74

The forecast cash balance as of 31st March 2020, in the current bank account includes unspent but allocated budgeted payments and contingency for payments prior to receipt of the first precept payment.

Reserves

The level of reserves is sufficient to meet the needs of the current budget and in accordance with Winkleigh Parish Council Reserves Policy. The Reserves currently amount to 3 months running costs, as modest contingencies. The legal guidance on unrestricted reserves is 3-6 months running costs as a maximum to be held as contingency.

WINKLEIGH PARISH COUNCIL 2020-21 BUDGET PROPOSAL

BUDGET HEADS EXPENDITURE	Budget				Comments
	2017/18 Budget	2018/19 Budget	2019/20 Budget	2020/21 draft Budget	
Staff Costs	12441.00	13174.00	14786.00	17604.00	
Administration	2160.00	1547.00	1910.00	3000.00	
Running Costs	3246.00	3992.00	3360.00	3468.00	
Professional fees	1064.00	935.00	965.00	1010.00	
Assets Maintenance & Purchases	986.00	1500.00	1000.00	1400.00	
Grants/Donations	1125.00	725.00	5275.00	1245.00	
Contingency	315.00	0.00	500.00	500.00	
Winkleigh 125/Signage Project	0.00	0.00	1500.00	0.00	
Community Environment Fund				1000.00	
Winkleigh Parish Neighbourhood Plan				369.00	
Bungalow	1681.00	2150.00	2150.00	3250.00	
Cemetery Rates & Grounds Maintenance	3555.00	3974.00	3470.00	3470.00	
TOTAL	26573.00	27997.00	34916.00	36316.00	

INCOME	Budget				Comments
	2017/18 Budget	2018/19 Budget	2019/20 Budget	2020/21 draft budget	
Precept	20552.00	20552.00	27236.00	28636.00	
Grants	500.00	0.00	0.00	0.00	
Other/Interest	12.00	0.00	12.00	12.00	
Bungalow Rent	5644.00	5945.00	6168.00	6168.00	
Cemetery Fees	1060.00	1500.00	1500.00	1500.00	
TOTAL	27768.00	27997.00	34916.00	36316.00	

WINKLEIGH PARISH COUNCIL 2020-21 BUDGET PROPOSAL

	2018-19	2019-20	2020-21
STAFF COSTS	13174.11	14786.00	17604.00
Clerk Salary	10746.11	12074.00	14742.00
Clerk working from home allowance	612	612.00	612.00
Clerk Mileage allowance	250	150.00	150.00
Chairman's allowance	216	200.00	200.00
HMRC employer Deductions	900	1300.00	1300.00
Training	450	450.00	600.00
ADMINISTRATION	1547	1910.00	3000.00
Election	0	0.00	0.00
Insurance	1000	850.00	850.00
Website	130	130.00	1120.00
Room Hire	207	150.00	150.00
Stationary	200	150.00	250.00
Postage	10	10.00	10.00
BT Symantec		250.00	250.00
Microsoft Office		350.00	350.00
Adobe		20.00	20.00
Contingency	0	0.00	0.00
RUNNING COSTS	3992	3360.00	3468.00
Electric to square	192	60.00	168.00
Street Cleaning	3000	2500.00	2500.00
Grass Cutting	800	800.00	800.00
PROFESSIONAL FEES	935	965	1010.00
Audit internal & external	400	425	425.00
Data Protection Registration	35	40	35.00
DPO			
Subscriptions	500	500	550.00

WINKLEIGH PARISH COUNCIL 2020-21 BUDGET PROPOSAL

ASSETS		1500	1000	1400.00
Maintenance		500	500	500.00
Defibrillator Replacement accrual				400.00
Purchases		1000	500	500.00
GRANTS/DONATIONS		725	5275	1245.00
CAB/OCDTG/RBL wreaths		725		
Football club			2000	
Village Hall			2000	
OCDTG			500	500.00
CAB			400	400.00
North Devon Records Office			300	300.00
Remembrance Wreath			75	45.00
WINKLEIGH GATEWAY SIGNAGE			1500	
COMMUNITY ENVIRONMENT FUND				1000.00
NEIGHBOURHOOD PLAN				369.00
Contingency			500	500.00
CEMETERY		3974	3470	3470.00
Rates		424	470	470.00
Grounds Maintenance		2500	2500	2500.00
General Maintenance/contingency		1050	500	500.00
BUNGALOW		2150	2150	3250.00
Bungalow maintenance		150	150	250.00
Bungalow Contingency		1000	0	1000.00
Bungalow Kitchen			1000	
Bungalow Admin/letting fees		500	500	500.00
Electrical upgrade				1000.00
Bungalow General Maintenance		500	500	500.00

WINKLEIGH PARISH COUNCIL 2020-21 BUDGET PROPOSAL

TOTAL		27997	34916	36316.00
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