

11th December 2020.

To all members of the Council.

You are summoned to attend a Parish Council Meeting at 19.00 on Monday 21st December 2020 which will take place using Zoom to transact the following business.

General information.

The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020 (LAPCP Regulations 2020) allow Parish Council Standing Orders to be updated to allow the use of remote meetings while social distancing is in place.

Members of the public wishing to join the meeting should contact the Clerk for a link to the meeting and provide information about any matters they wish to raise. You can join the meeting either by phone, computer or android/apple device.



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AGENDA

2020/77. To consider apologies for absence.

2020/78. Declarations of Interest: a) in accordance with s.31 of the Localism Act 2011, Members to declare any Disclosable Pecuniary Interests in items on this Agenda; and b) the Clerk to report any written requests for dispensation in respect of items on this Agenda.

2020/79. Public Participation:

- Resolution to adjourn the meeting for public participation and any County and District Councillor reports.

2020/80. To confirm minutes of the Parish Council Meeting on 25th November 2020.

2020/81. To report matters arising from minutes not on the Agenda: for information only.

2020/82. To Agree the Budget for 2020-21 and set the Parish Precept for 2020-21 attached to this Agenda.

2020/83. Correspondence received.

2020/84. Items for the next meeting.

CORRESPONDENCE RECEIVED FOR DISCUSSION.

The following list is paper correspondence received to: 11th December 2020.

None received to date.

Keswick and Intwood Parish Council Draft Budget 2021-22 and 2022-23 and Precept Setting.

This document compares actual performance of the 2020-21 budget with the original proposal. It also contains a budget for 2021 -2022 and 22-23; and proposals for the 2021-22 precept.

1. Keswick and Intwood Parish Council Draft Budget 2020-21 and 2021-22

1.1. The following table compares actual performance of the 2019-20 budget with the original proposal. It also contains a budget for 2020-21 and 2021-22.

	2020-21 (Budget)	2020-21 (Actual)	2021-22 (Budget)	2022-23 (Budget)
Receipts	£	£	£	£
Precepts and Grant	6,000	6,000	6,000	6,150
VAT Refund	60	30	30	30
Interest on Deposit Account	-	-	-	-
Other Income	-	-		
CIL Payment		230	-	-
Total	6,060	6,260	6,030	6,030
Payments				
NALC Subscription	170	167	170	180
Training	200	20	200	250
Internal Audit Fee	50	55	60	65
Insurance	645	655	665	675
HR Payments (inc. PAYE)	2,805	2,764	2,850	2,950
Clerk's Expenses	220	150	220	250
Ladywell Accounting (PAYE)	35	34	45	55

Services)				
Legal Expenses and other fees. (Information Commissioner.)	500	35	500	500
VAT Recoverable	25	25	30	30
Reading Room Maintenance	250	-	-	-
Bus Shelter Cleaning	150	120	170	190
Computer Service/ Agreement	499	500	550	600
Sundry	150	150	150	150
Contingency for asset replacement	150	150	150	150
Total	5,849	4,825	5,760	6,045
Budget Surplus.	211	1,435	270	105

1.2. Notes:

2019-2020 Outcome:

The projected expenditure variance of £1,224 (£211 – £1,435) is made up as follows:

VAT	(30.00)
Additional CIL Income	230.00
NALC	3.00
Training	180.00
Internal Audit Fee	(5.00)
Insurance	(10.00)
HR Payments	41.00
Clerk's Expenses	70.00
Ladywell Accounting	1.00
Legal Expenses	465.00
Reading Room Expenses	250.00

Bus Shelter Cleaning	30.00
Computer Service Agreement	(1.00)
Total	<u>£ 1,224.00</u>

1.3 Explanation of significant variances (£100 or more):

- CIL (Community Infrastructure Levy): income is always an unknown and this amount was not expected. There will be further amounts coming forward as the Business Park Development proceeds and these sums are going to be significant
- Training: the lockdown has prevented "normal" training from taking place. However, it is important that training is kept going for the Clerk and Councillors, probably in the virtual environment, to be sure our Local Authority Foundation Award is renewed when that comes around in June 2021
- Legal Expenses: assumes possible payment of about £465.00 in planning consultancy fees before 31st March but this seems unlikely; and
- Reading Room Expenses: the Reading Room has received a significant grant which covers maintenance and redecoration so this contribution has not been required.

1.4. 2021-2022 Assumptions:

- The Harford Triangle development may produce some significant CIL but there is no indication of what these might be or when they might become available. Otherwise, having incurred a budget surplus this year, it is assumed our Precept will remain at £6,000.
- The following increases (reductions) are assumed:

Internal Audit	10.00	This is in line with Anne Barnes' past increases
Insurance	20.00	Assumes a similar increase to this year
HR Payments	45.00	There is a small National increase agreed for Parish Clerks
Ladywell Accounting	10.00	This is in line with past increases
VAT	5.00	
Reading Room Maintenance	(250.00)	Other grants make the need for a contribution unlikely
Bus Shelter	20.00	Chris Hare has received no increase for two years
Computer Service Agreement	51.00	There has been no increase for two years.
Total Increases	<u>(89.00)</u>	

Other items have been left unaltered on the basis of there being no information to suggest change.

The Council has £496.42 of CIL payments included in its balance of which £266.00 must be spent by 1st April 2022. It's worth a special note that CIL money cannot be used for traffic management related expenditure.

1.5 2022-2023 Assumptions:

- It is anticipated that by 2022-23 the Business Park Development will have produced some significant CIL payments but there is no indication of what these might be so no provision has been made for that extra income. Otherwise, it is assumed our Precept will be increased by around 2.5% but this can be little more than guesswork.
- Similar increases have been made to the 2022-23 assumptions.

2. Precept Setting 2021-22

2.1. In addition to the comments in section 1 above, it is a material consideration that if the budget turns out as anticipated the Council's bank balance will increase to over £11,000.

The current account balances carried forward over the past seven years have been

- 2015-16 £5,704
- 2016-17 £6,721 (+ £1,017)
- 2017-18 £9,520 (+ £2,799)
- 2018-19 £9,780 (+ £260)
- 2019-20 £10,448 (+ £668)
- 2020-21 £11,520 (+ £670)
- 2021-22 £12,902 (+ £1,382).

Council balances are tending to be more than double the annual spending and this will need to be explained in the Annual Financial Return to PKF Littlejohn (the external auditors). Councillors have previously agreed this was justified because of unknown requirements the Council may encounter regarding forthcoming planning applications; and possibly match funding road safety improvements. However, there is nothing definite to evidence the need for a further increase in the reserves currently being held. This is especially so bearing in mind that the Business Park Developer must fund the entire traffic management plan for Low Road and there is the possibility of CIL payments coming forward too.

2.2. The Band D figure shown in the Council Tax bills is calculated by dividing the Precept amount by the tax base. The Parish tax base this year (2021-22) is 199 (last year it was 207).

- The Band D figure in 2020-21 was £28.99 based on the tax base of 207

2.3. The Precept options for 2021-22 are based around:

- Maintaining the same precept requirement as 2020-21. The Band D calculation will then be:
 - £6,000 / 199 = £30.15
 - (This is higher than 2020-21 figure due to the lower tax base. The reason for it being lower is due to discounts and exemptions granted and there may be more people claiming Council Tax Support than before.) This provides a 2020-21 surplus of £270.
- Retaining the Band D charge at £28.99. The Band D calculation will then be:
 - £28.99 x 199 = £5,769. This drops our Precept by £231 and reduces the 2020-21 surplus to £39.00.
- Normally we give consideration to increasing the Band D charge by around 2% - 3% to create an increase in the Precept. Doing that would increase the Band D charge to £29.86 and a Precept of £5,942. The following table summarises the options:

Precept. £.	Band D charge (2021-2022). £	Band D charge (2020-2021). £	Increase. £
6,000	30.15	28.99	1.16. 4.0%
5,769	28.99	28.99	0.00. 0%
5,942	29.86	28.99	0.87. 3.0%

3. Conclusion

3.1. Maintaining the Precept at £6,000 maybe the desirable option. Although it is an increase of 4% in the Band D charge which is above our “norm” and maybe more than the government will encourage, there will be no “cap” on local authorities. DHCLG has consistently said that any “cap” will not apply to local councils, and if they were planning one for 2021-22, they would have needed to consult on it by now.

3.2. Keeping the Band D increase at 3% (which maybe the governments preference) will result in a small drop in the Precept.

3.3. Councillors could, of course, move to a higher Precept and an increase of above 4% in the Band D charge but there is justification for doing this considering our financial position.

3.4. None of this takes into account the absolute unknown of CIL income from the Business Park Development. The recommendation therefore is to maintain the Precept at £6,000 but it is, of course, a matter for Councillors to decide.

Phillip Brooks
Parish Clerk and RFO
7th December 2020