

Shadow Throop and Holdenhurst Village Parish Council BUDGET AND PRECEPT 2021-22

Report to Full Shadow Council 12.01.21

1. Executive Summary:

- 1.1 The Shadow Throop and Holdenhurst Village Parish Council (STHVPC) is required by Bournemouth, Christchurch and Poole Council (BCP) to set out a budget and precept for 2021/22. This report is intended to introduce a draft budget for 2021/22 and to inform and support the shadow council in agreeing the first budget for the new parish council.
- 1.2 This report therefore sets out a suggested budget for the year following the establishment of the new parish council. Once a budget has been agreed by the Shadow parish council, it will be submitted to BCP Council in order for the precept to be calculated and included in the BCP Council tax charge for 2021-22.
- 1.3 The underlying considerations supporting the level of this first budget, under the new parish arrangements, are as follows:
- The requirement to fund the agreed priorities for the parish in year one.
 - The requirement to ensure that there are sufficient balances available for emergencies/unforeseen expenditure.
 - A desire to keep the level of precept as low as possible.
- 1.4 A small Parish Council budget is mainly made up of Income (Receipts) and Expenditure (Payments). Within these two headings, the funds to be received or spent, are broken down into “cost centres” and then “budget lines”.
- 1.5 It should be noted that discussions in respect of the statutory transfer of the Longbarrow allotments are on-going. There is a Council owned building on site which may need to be included in the formal “Asset transfer” to the parish. There is no current lease agreement in force between BCP Council and the Allotments Association, although BCP council hopes to have one agreed prior to the transfer of the allotment site to the new parish. BCP council have not, as a consequence, collected any rent for a number of years. During a recent site visit, shadow council representatives were made aware of an outstanding allotment association request to BCP council, for improvements to the water supply estimated to require approximately £1600. In addition, BCP council have now supplied limited information concerning their running costs over the last 3-4 years and these figures suggest that an additional £700 (approximately) per annum may have to be allocated in the parish budget to cover this. As previously stated, discussions are on-going and the request for start-up funding seeks to address this issue with BCP Council.
- 1.6 it is not possible therefore, at this stage, to make a completely accurate prediction of exactly how much will be spent or received. Where necessary amounts have been estimated in order to calculate an overall level of budget. Inevitably, some level of virement between individual budget headings may result. Financial Regulations allow this to happen during the year, with agreement of a “Full” parish council meeting and in accordance with the parish council’s Standing Orders.

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2. Background Information:

Income:

2.1 The income of the parish is expected to be generated by;

- Precept.
- Donations.
- Fundraising activities.
- Rent from Longbarrow allotment site.

Assets:

2.2 The assets of the parish consist of:

- Longbarrow allotments site.
- Allotment site building.
- Bank account balance.
- Parish noticeboard.

Expenditure:

2.3 Anticipated expenditure includes:

- Employment of a Parish Clerk (P/T).
- Maintenance and management of Longbarrow allotment site.
- Office costs/expenses.
- Training.
- Insurance.
- Subscriptions - Dorset Association of Town & Parish Councils (DAPTC), Society of Local Council Clerks (SLCC) & Association of Local Council Clerks (ALCC)
- Communication and Consultation costs.
- All stationery, consumables, postage and printing charges.
- Web site maintenance (hosting and support costs).
- 2021 Election expenses.
- Special Projects such as a second notice board and the commission of a Neighbourhood Development Plan (NDP). Grants are normally available to help with the production of an NDP and therefore only a small provision is suggested to aid a Steering Group in overseeing the work.

Precept Calculation:

2.4 The amount of income required from its residents (the precept) is specified by each parish as part of its annual budget setting process and notified to its "parent" authority which is responsible for including it within its collection of the Council Tax.

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- 2.5 The amount notified to the parent authority is then divided by the number of properties in the parish that fall into Band D Council Tax bands. The resulting figure is then adjusted to take account of factors such as exempt properties, single occupancy and planned new houses. The product of this is the precept that each Council Tax payer in the parish will contribute/pay.
- 2.6 We have now been notified by BCP council that the number of Band D equivalent properties to use for this purpose has been calculated by them to be 289.7.
- 2.7 It is anticipated that BCP Council will make the total amount of collected precept available to the Parish in two instalments around April/May and September/October time.
- 2.8 A significant consideration in determining how quickly progress can be made with setting up the parish and its infrastructure will be the availability, or not, of start-up funding from BCP Council. A formal request for start-up funds has been made to the council. This funding does not therefore form part of the 2021/22 budget. Failure to obtain start-up funds from the council may result in a delay to the efficient operating ability of the new parish as well as adding to the financial pressures on its first budget.

Reserves and Balances:

- 2.9 The Local Government Finance Act 1992 (As Amended) requires local authorities to have regard to the level of reserves it would need to meet estimated future expenditure. There is no specification within regulations concerning the actual level of the reserve and it is normally a responsibility of a Responsible Financial Officer (The Parish Clerk) to advise about the level of reserves required and its use when necessary.
- 2.10 It is suggested that the parish aims to build a suitable level of reserves over a number of years. In the first year an amount equivalent to approximately 6 weeks "running costs" would seem reasonable. Similar provision in following years until the overall reserve is considered large enough to afford protection for unforeseen or emergency expenditure should be considered.

3. Recommendations:

3.1 The Shadow Parish Council is asked to:

- 1. Consider the issues outlined in this report.**
- 2. Agree the Throop & Holdenhurst Village Parish Council budget for 2021/22.**
- 3. Authorise the submission of the agreed 2021/22 budget total to Bournemouth, Christchurch and Poole Council, (the precepting Council) by 31st January 2021.**

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APPENDIX A

Description:	Income:	Expenditure:
Assets:		
Longbarrow Allotments	1,100.00	
Bank balance	200.00	
Notice Board (Throop donation)	0	
Expenditure:		
Salary - P/T Clerk		3,300.00
Recruitment costs		100.00
Accommodation costs		250.00
DAPTC - Subscription		450.00
SLCC/ALCC - Subscription		220.00
Zoom/Team Meeting software		250.00
External & Internal Audit Fees		100.00
Admin. (Stationery, postage etc)		250.00
Allotment maintenance		700.00
Allotment Insurance		500.00
Website maintenance		500.00
Leaflets/Surveys		250.00
Property, Public Liability Ins.		250.00
Training - Councillors & Clerk		750.00
Contribution to balances		750.00
Committed HP Meeting expenditure		200.00
Neighbourhood Development Plan		100.00
Provision for election expenses		500.00
"One-Off" costs:		
Website purchase/creation/design		2,000.00
TOTALS:	1,300.00	11,420.00

Estimated Precept Calculation:

Precept would be approx. £34.93 per band D property.