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# Briefing Note

## Budget & Precept 2022/2023

### 1.0 Background

1.1 The Parish Council is required to agree a budget for the coming year and make application to Cornwall Council to collect a precept before 31 December 2021. Because the council does not hold a public meeting in December, councillors are asked to approve a budget and precept application at their meeting on 18 November 2021. This briefing note sets out the background to the budget and recommends that the council support a precept that will enable it to carry its statutory duties and projects for the next financial year.

### 2.0 The issues

2.1 Expenditure for 2022/23 is budgeted to be £24,270, which is an increase of £2,088 (9%) compared to the budget set last year. The reason for the increase in expenses is because of the extra costs forecast for maintaining the council's open spaces. This is projected to increase from £3670 to £5865 and accounts for 105% of the overall increase (it is higher than 100% because some costs have been reduced). The change in costs is accounted for by an increase in the charge for waste disposal from Biffa (£1925) and the potential uplift in the cost of ground maintenance (£420).

2.2 In order to meet the day to day expenses of the parish council, I have taken into account Council Tax Support grant from Cornwall Council and included income that will derive from fees and charges.

2.3 In calculating a budget for 2022/2023, the Clerk has examined all the costs incurred to date and made provision for changes, as well as including items that we may be liable for in the future.

2.4 At the close of business on 31 October 2021, your reserves were £92,376.47.

2.5 The final calculation for a budget that takes account of all these factors will require a precept which is higher than that previously levied. The proposal is that the precept be increased to £22,316. This is an increase of £1933 or 9%.

2.6 At its public meeting on 16 May 2019, councillors agreed to set an annual budget for its Community Grants (Item 50/2019A) that would be based on current demand for grants. In April 2021, councillors received applications for grants totalling £1,580. At the time of drafting this note, the remaining budget for 2021/22 is £3,420. Based on previous experience, the council might expect to receive applications totalling £5,000 each year.

2.7 At its July 2021 meeting, councillors agreed to adopt four policy commitments as part of its response to the challenge of climate change. Policy 3 committed the council to establishing an annual budget to support movement towards a zero-carbon environment and this proposal was made:

*The council already has a working system for receiving and assessing applications for grants and donation. Using this as a template, the council could quickly set up an equivalent system for climate change projects. Consultation will be needed to agree criteria for awards.*

Please see the separate briefing note that sets out the options.

### **3.0 Recommendations**

3.1 To accept the budget calculation and support an increased precept. The final calculation for the precept in 2022/23 would be £22,316.

3.2 To top up the Community Grants budget from the general reserve to a figure of £5,000, the final amount to be agreed at the April 2022 public meeting.

3.3 To maintain the current reserves with Cornwall Council.

Attachments:

Appendix 1 Budget working notes

Appendix 2 Budget background notes

Author: John Hesketh

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Expenditure for 2022/23		Item	Frequency	Cost	Extension	To Budget
<b>1.0</b>	<b>Open Spaces</b>					
1.1	Grasscutting	New contractor	16	145.00	2320.00	£ 2,320.00
1.2	Strimming	Deleted from specification			0.00	£ -
1.3	Weedspraying	New contractor	2	300.00	600.00	£ 600.00
1.4	Misc	Footpaths New contractor	1	370.00	370.00	
1.4		RoSPA Inspections	1	150.00	150.00	
1.4		Trelawney Gardens	1	0.00	0.00	
1.4		Miscellaneous Repairs	1	500.00	500.00	
1.4		Biffa waste disposal annual fee	7	275.00	1925.00	
1.4		Menheniot Green	1	0.00	0.00	£ 2,945.00
	<b>sub total</b>					<b>£ 5,865.00</b>
<b>2.0</b>	<b>General Administration</b>					
2.1	Salaries	Clerk increase to Grade 18 13.25 ph inc 10% overtime	12	728.75	8745.00	£ 8,745.00
2.2	Audit fees	Internal auditor & PKF Littlejohn	1	400.00	400.00	£ 400.00
2.3	Other expenses	PPSA	1	1000.00	1000.00	
		Training Clerk	1	100.00	100.00	
		Training Councillors	1	500.00	500.00	
		CALC subscription	1	600.00	600.00	
		SLCC subscription	1	300.00	300.00	
		Insurance	1	855.00	855.00	
		Web support	1	150.00	150.00	
		IT support inc Zoom subscription	1	120.00	120.00	
		Prydis payroll processing	4	95.00	380.00	
		ICO registration	1	40.00	40.00	
		Venue Hire	1	200.00	200.00	
		Clerk's Office Expenses	52	4.00	208.00	£ 4,453.00
2.4	Fees & Elections	No election due until 2025	1	0.00	0.00	£ -
	<b>sub total</b>					<b>£ 13,598.00</b>
<b>3.0</b>	<b>Allotments</b>					
3.1	Rent	Tenants agreements	1	80.00	80.00	
3.2	Maintenance	Repairs & Renewals/Water	1	100.00	100.00	
	<b>sub total</b>					<b>£ 180.00</b>
<b>4.0</b>	<b>Public toilets</b>					
4.1	Cleaner	Salary £9.50 ph	12	237.50	2850.00	
4.2	Maintenance	Repairs & Renewals/Waste disposal	1	395.00	395.00	
4.3	Water	South West Water	1	200.00	200.00	

	<b>sub total</b>					<b>£ 3,445.00</b>
<b>5.0</b>	<b>Public lighting</b>					
5.1	Electricity	EDF	4	130.00	520.00	
5.2	Maintenance	SSE Enterprise	4	40.50	162.00	
	<b>sub total</b>					<b>£ 682.00</b>
<b>6.0</b>	<b>Donations</b>				0.00	
6.1	Donations		1	500.00	500.00	
6.2	Grants/Donations			0.00	0.00	
	<b>sub total</b>					<b>£ 500.00</b>
<b>6E</b>	<b>Neighbourhood Plan</b>					
6E1	Project costs			0.00	0.00	
	<b>sub total</b>					<b>£ -</b>
	<b>All Expenditure</b>					<b>£ 24,270.00</b>
<b>7.0</b>	<b>Income Statutory &amp; Discretionary</b>	<b>Item</b>	<b>Frequency</b>	<b>Cost</b>	<b>Extension</b>	<b>To Budget</b>
7.1	Council Precept	Collected by Cornwall Council	1	0.00	20383.00	<b>£ 22,316.00</b>
7.2	Council Tax Support Grant	Funded by Cornwall Council	1	400.00	400.00	£ 400.00
7.3	Allotment rent	100% occupancy	1	265.00	265.00	£ 265.00
7.4	Footpaths Subsidy	Local Maintenance Partnership	1	728.00	728.00	£ 728.00
7.5	Grants/VAT	Unplanned grants	1	0.00	0.00	£ -
7.6	Fees & Other Income	Cottages & Playgroup licences	1	61.00	61.00	£ 61.00
7.7	Bank Interest	Cornwall Council Call Account	1	500.00	500.00	£ 500.00
7.8	Income Misc	Unplanned income	1	0.00	0.00	£ -
7.9	From General Reserve		1	0.00	0.00	£ -
	<b>All Income</b>					<b>£ 24,270.00</b>

## Background to the parish council's budget 2022

This Guide explains how the budget is derived and a precept calculated and where the figures are obtained from.

	<b>Expenditure</b>	
<b>1.0</b>	Open Spaces	The day-to-day ground maintenance and repair of the grounds and assets of the parish council.
<b>1.1</b>	Grass cutting	Set out in the specification for the contractor we employ.
<b>1.2</b>	Strimming	Deleted in this year's budget because it will not be included in the new specification.
<b>1.3</b>	Weed spraying	Set out in the specification for the contractor we employ.
<b>1.4</b>	Other expenses	Costs of footpath maintenance, RoSPA safety inspection, tree survey and other general maintenance costs
<b>1.5</b>	Menheniot Green	New budget proposed to fund works undertaken by volunteers relating to climate change and environmental projects. Please see separate briefing note.
<b>2.0</b>	General Administration	Day to day costs of administering the parish council
<b>2.1</b>	Salaries	Clerk's salary is negotiated centrally and increases each year, subject to a satisfactory annual appraisal.
<b>2.2</b>	Audit fees	Charges for our statutory annual audit.
<b>2.3</b>	Other expenses	Includes our printing and stationery costs; training budget (for clerk and councillors); professional subscriptions; insurance' IT support; venue hire; clerk's home expenses.
<b>2.4</b>	Fees and election	Only applicable in election years (the next in 2025) – zero included in this years budget.
<b>3.0</b>	Allotments	Council has a long-term agreement with a local farmer who rents us the land at East Road.
<b>3.1</b>	Rent	Annual peppercorn rent payable.
<b>3.2</b>	Maintenance	Repairs and water supply charges.
<b>4.0</b>	Public toilets	Public toilets on East Road
<b>4.1</b>	Cleaner's salary	Salary for part-time cleaner
<b>4.2</b>	Maintenance	Repairs and waste disposal
<b>4.3</b>	Water	Water supply charges
<b>5.0</b>	Public lighting	We currently pay for public lighting on Mine Hill and Bowling Green. Negotiating with Cornwall Council to transfer ownership and responsibility to them.
<b>5.1</b>	Electricity	Charge is based on an unmetered rate (based on energy consumption of lamp)
<b>5.2</b>	Maintenance	Quarterly maintenance undertaken by independent contractor.
<b>6.0</b>	Donations	Council operates a system of giving financial support to local and regional organisations. Details on website.
<b>6.1</b>	Donation	Small sums (up to £100) is funded through the precept.
<b>6.2</b>	Grants	Larger grants (more than £100) are funded from the general reserve. Budget is agreed each year.

<b>6E</b>	Neighbourhood Development Plan	Central government sources fund costs and expenses of the NDP, so almost all costs are recoverable through grants.
<b>7.0</b>	<b>Income</b>	
<b>7.1</b>	Precept	Cornwall Council collect the parish precept (the very local council tax) on our behalf, and we receive this in two equal amounts in spring and autumn. The precept is charged to cover day to day running expenses of the parish council. You can see what your current parish precept payment is on your annual Council Tax bill.
<b>7.2</b>	CTS Grant (Council Tax Support)	Council Tax Support schemes provide help for people on low incomes with their Council Tax bill. Where a resident has claimed CTS from Cornwall Council (because of their overall council tax commitment) this separate payment is made to compensate the parish for the shortfall in the direct payment.
<b>7.3</b>	Allotment rentals	Annual fee of £12 is set to recover all running costs, based on 90% occupancy and income.
<b>7.4</b>	Parish paths grant (Local Maintenance Partnership)	The parish council receives a fixed sum each year from Cornwall Council as a contribution towards the cost of maintaining footpaths.
<b>7.5</b>	Grants	Council may receive unplanned for amounts of funding from other sources.
<b>7.6</b>	Fees & other income	Council receives a small fee income from the Menheniot Playgroup and Village Green cottages.
<b>7.7</b>	Bank interest	The council has deposited surplus funds with Cornwall Council and receives a higher rate of interest than from commercial banks. You can see the balance on your monthly bank reconciliation.
<b>7.8</b>	Miscellaneous income	Council occasionally received other grants, subsidies and donations that are shown here.
<b>7.9</b>	From General Reserve	Where councillors wish to fund work that is outside the scope of day to day running expenses, payments can be made from the council's reserves and this section shows that amount.

Nov 2021