

PUDDINGTON PARISH COUNCIL
DRAFT BUDGET V1 2019-20

SUMMARY

The table at Appendix A sets out the Budget for 2018-19, Projected Outturn 2018-19 and models three different Budget Scenarios for 2019-20 for consideration. The Parish Council is **ASKED** to consider the scenarios and **DECIDE** what budget and precept it wishes to set.

NOTES:

1 Clerk's Salary:

The Clerk's salary should be reviewed annually and recorded in the Minutes. The salary calculation is based on the following formula:

Agreed number of hours to be paid per week	x	NALC/SLCC agreed hourly rates (notified by the Cheshire Association of Local Councils)	x 52
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This calculation is based on a National Agreement which was put in place in early 2005 which allows councils to base salaries on an assessment of the work that is being carried out on its behalf. The Clerk also acts as Responsible Financial Officer.

At its meeting on 17 January 2014, the Parish Council agreed that the Clerk would continue to be paid on SCP 27 but that the number of hours should be increased by 2 from 3 to 5 hours per week.

Pay awards have been applied in 2015 (minute ref: 14.94 (4) (i)) and 2017 (minute ref: 17.05 (3)) in line with the National Agreement.

In December 2018 the NJC and NALC/SLCC reached agreement on pay scales for 2019 and recommended that the salary scales of all clerks be adjusted in accordance with the published revised hourly rate. As notified by NALC in the Employment Briefing this gives an increase of **£0.59p** per hour and **£153.40** per annum and **£10.23** per month (after tax) and gives a salary breakdown of:

Annual Gross	Annual Tax	Annual Net	Monthly Gross	Monthly Tax	Monthly Net
£3,419	£683.80	£2,735.20	£284.91	£56.98	£227.93

However, the Parish Clerk would recommend that Councillors take the opportunity to review the number of hours per week with a view to reducing these to **4 hours**. A reduction of one hour would give a salary breakdown of:

Annual Gross	Annual Tax	Annual Net	Monthly Gross	Monthly Tax	Monthly Net
£2,735.20	£547.04	£2,188.16	£227.93	£45.59	£182.34

This represents a saving of **£35.36** per month and **£424.32** per annum.

The Parish Council is asked to **DECIDE** whether to:

OPTION 1: Apply the pay award in accordance with the National Agreement, OR

OPTION 2: Apply the pay award **AND** reduce the Parish Clerk's hours to 4 per week.

NB. Salary options are read in conjunction with all NOTES below and specifically NOTE 18 COST OF ELECTIONS

2 Clerk's Monthly allowance

It was agreed at the Parish Council meeting on 17 May 2011 (Minute 11.51 refers) that the Clerk should be paid a monthly allowance of £5 (paid every two months) to cover heating, lighting, telephone and use of Clerk's computer/internet. It is **PROPOSED** that this sum should remain the same in 2019-20 at **£60.00**.

3 Travelling Expenses

It was agreed at the Parish Council meeting on 17 May 2011 (Minute 11.51 refers) that the mileage allowance for both the Clerk and Councillors should be set at 45p per mile. It

is **PROPOSED** that the sum is reduced to **£32.40** in 2019-20 to reflect that no Planning Committee meetings took place in 2018-19 and that planning business is usually conducted at the six Full Parish Council meetings.

4 Insurance

The Parish Council's Insurance Policy runs out on 1 June 2019. The Council's Insurance Broker Came and Company will provide a renewal notice and quotations for the Council's consideration in May. At this point the Parish Council can undertake a detailed review of the cover including obtaining quotes from other providers. In the meantime, it is **PROPOSED** to set the budget at **£220.00** for 2019-20.

5 Subscriptions

At the time of the meeting Cheshire Association of Local Councils(ChALC) and Cheshire Community Action (CCA) have not yet decided whether to increase their 2019-20 subscriptions. As the actual subscriptions are linked to population there may be a slight increase. It is **PROPOSED** to hold the ChALC budget at **£150.00** and the CCA budget at **£20.00** for 2019-20.

6 Information Commissioner

It is **PROPOSED** to set the budget at **£40.00** for 2019-20.

7 Room Hire

At the time of the meeting it is not known whether there will be an increase in fees. This will be decided at the GVH AGM in March. The rate per hour was increased by £3.00 in 2017 to £7.00 per hour. Six Parish Council meetings are planned and these will go ahead. Although Planning Committee meetings are scheduled these are usually cancelled and planning business is conducted at the Full Parish Council Meeting. It is **PROPOSED** to hold the 2019-20 budget at £84.00 i.e. 6 meetings @ £7.00 x 2 hours = **£84.00** pending the outcome of the Gladstone Village Hall AGM and fee review.

8 Electricity for Kiosk

It is difficult to predict whether there will be an increase in electricity charges therefore it is **PROPOSED** that the budget be held at the same level for 2019-20 of **£75.00**.

9 Audit Fees

External Audit: In November 2017 the Smaller Authorities Audits Appointments Limited (SAAA), confirmed the appointment of PKF LITTLEJOHN LLP as the Parish Council's External Auditor for five years from 2017-18. Guidance and advice confirms that the Parish Council meets the criteria and has the right to certify that it is exempt from an external audit ie that income or expenditure does not exceed £25,000. As such there will be no fee and the Parish Council does not need to set a budget.

Internal Audit: the Parish Clerk is waiting for confirmation that the current Internal Auditor is willing to continue for the 2018-19 accounts and that the fee will be £62.50 plus VAT. As such, it is **PROPOSED** that the budget is increased to **£80.00**.

10 Training

Traditionally, the Council has relied on briefings and 'free' workshops hosted by CWAC and ChALC. Formal training through ChALC usually costs **£35** per Councillor per session. An initiative to join forces with other Local Parish Councils did not succeed but remains an option. The Parish Council is asked to decide whether to set a budget of **£70.00**.

11 Postage and Stationery

It is **PROPOSED** to reduce the budget for postage and stationery to **£20.00** and **£30.00** respectively in 2019-20.

12 Newsletter

The Parish Council will need to decide how many Newsletters it intends to publish during the year so that the cost of printing and distribution can be assessed. The last newsletter was printed free of charge. Whilst an **ESTIMATE** of **£30.00** has been included for **2019-20** this would fall considerably short of the total cost and the balance would need to be subsidised from the Contingency or reserves.

13 Village Green Maintenance

It is **PROPOSED** to hold the budget of **£100** for 2019-20 for Village Green Maintenance to cover the costs of repairing some fence posts and cobbles.

14 Festive Lighting

It is **PROPOSED** to hold the budget at the same level of **£50.00** for 2019-20

15 Section 137:

Under S137 of the LGA 1972, the Parish Council has the discretionary power to "promote or improve the economic, social or environmental well being of the area". Since 2012-13, the Council has contributed the Woodland Trust for a Jubilee Tree, planting at the Shotwick Church Car Park, the Puddington Christmas Tree, Tree Survey, risk assessment and maintenance work, Commemorative Benches for Eddie Jenkins and Lynda Hayes. The Summary of expenditure at appendix 1 refers. The power is limited to an amount per elector and increases each year in line with the RPI. At the time of the meeting, we are still awaiting confirmation from the DCLG as to what the 2019-20 rate will be. It is **PROPOSED** to hold the budget at the same level of **£130.00** for 2019-20.

16 Website

The new Parish Council website went live in September 2017 no expenditure has been incurred since. It is **PROPOSED** to reduce the budget to **£40.00** for 2019-20 to cover any local IT Support or help which may be required.

17 Unity Trust Bank Charges

With effect from 4 June 2016 the Bank introduced a Service Tariff of £6.00 per month and ceased to pay credit interest on current accounts. It is **PROPOSED** to hold the budget at the same level of **£72.00** for 2019-20.

18 Cost of Elections 2019

In February 2014 the Parish Council was advised that with effect from 2015, the cost of elections previously funded in full by CWAC would be charged to Parish Councils. However, they also advised that the budget would not be delegated.

There are two scenarios:

- **Uncontested Election: Charge of £181** made up of **£165 admin fee plus £16.00** Returning Officer fee based on the number of electors (at £16 per 1000 electors or part) as per the Cheshire scale of fees and charges.
- **Contested Election: A minimum charge of £547.50** at **£0.85** per elector (at **£500 admin fee plus the Returning Officer fee of £47.50** as per the Cheshire Scale of Fees and Charges.) There will be a cap on the maximum amount recharged to ensure that no local council pays more than the actual additional costs incurred by CWAC in carrying out the election.

For budget purposes it would be prudent to budget for the Contested Election.

Denise Philipson, Democracy Business Manager, CWAC has confirmed that costs for a Contested Election in May 2019 can be paid for in two stages 50% in 2019-20 and 50% in 2020-21. Therefore it is **PROPOSED** that a sum of **£273.75** be included in the budget for 2015-16.

19 Contingency Item

This budget acts as a balancing item to enable the precept to be held at the same level as last year. **NOTE: Scenario 1: £3.85; Scenario 2: £565.05 and Scenario 3: £46.60.**

20 Balances

The opening balance in the bank on 1 April 2018 was **£5,312.11**. The 2018-19 budget of **£4,903** plus the Transparency Code Grant of **£650**, so a total of **£5553**, is projected to be on target. The estimated balance (reserves) at 31 March 2019 is **£4,954**. The Audit Commission advises that balances at year end should be between 3 months and a year's operating costs. The projected reserves at March 2019 would almost cover a full year costs.

21 Sources of Income

The Parish Council can no longer rely on the Council Tax Reduction Scheme or the New Homes Bonus Grant as sources of income. The only income it can rely on is the precept.

22 PRECEPT

Cheshire West and Chester Council have advised that:

- The tax base for the Parish has been calculated as **243.3 Band D equivalent properties.**
- The Band D charge for Puddington Parish Council in **2018-19 was £20.55.**

CWAC has also advised that if the Parish Council wishes to charge the same Precept in 2019-20 then it would set a budget of **£5000.**

It is therefore **PROPOSED** to hold the precept at the same levels as 2018-19. Therefore to raise the amount of **£5,000** calculated in the Draft Budget, each Band D property would pay the following **ANNUAL** amount:

£5,000	243.3	£20.55
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Properties above and below Band D pay a proportional amount, as follows:

Band A 6/9ths
Band B 7/9ths
Band C 8/9ths
Band D 9/9ths
Band E 11/9ths
Band F 13/19ths
Band G 15/9ths
Band H 18/9ths

CONCLUSION:

Setting a Budget of £5,000 would result in no change per Band D property which would stay at the same level as 2018-19 at £20.55 per Band D property.

RECOMMENDED

That the Parish Council:

- 1. Note the report**
- 2. DECIDE which scenario it wishes to APPROVE including whether to:**
 - **Apply the Pay Award, or**
 - **Apply the Pay Award and reduce the Parish Clerk's hours to 4 per week**
 - **Whether to budget for a Contested Election or an Uncontested Election**
- 3. Agree the 2019-20 Budget £5000**
- 4. Agree the Precept for 2019-20 at £20.55 per Band D property.**

**Pat Wells
Clerk
Puddington Parish Council**

Thursday 24 January 2019