

PUDDINGTON PARISH COUNCIL
DRAFT BUDGET 2020-21

	BUDGET 2019-20 £	PROJECTED OUTTURN 2019-20	DRAFT BUDGET 2020-21
Clerk's Salary (net) (Note 1)	2735.20	2735.16	2735.20
Income Tax (Note 1)	683.80	683.76	683.80
Clerk's monthly allowance (£5 per month) (Note 2)	60.00	60.00	60.00
Travelling Expenses (Note 3)	40.00	48.60	54.00
Insurance (Note 4)	220.00	218.00	230.00
Subscription-Cheshire Assoc of Local Councils (Note 5)	150.00	150.48	150.00
Subscription-Cheshire Community Action (Note 5)	20.00	20.00	20.00
Information Commissioner (Note 6)	40.00	40.00	40.00
Room Hire (Note 7)	84.00	115.50	120.00
Electricity Charge for Kiosk (Note 13)	0	74.53	0
External Audit Fee (Note 9)	0	0	0
Internal Audit Fee (Note 9)	75.00	75.00	75.00
Allowance for Training (Note 10)	0	0	105.00
Postage (Note 11)	30.00	33.60	40.00
Stationery (Note 11)	50.00	0	50.00
Printing Newsletter (Note 12)	0	0	50.00
Village Green Maintenance (Note 13)	0	0	0
Puddington Festive Christmas Lights (Note 13)	0	46.00	0
Community & Environment Improvements (Note 13)	630.00	230.00	630.00
Allowance for S137 payments (Note 15)	0	0	0
Website (Note 16)	40.00	664.99	130.00
Unity Trust Bank : Service Charges (Note 17)	72.00	72.00	72.00
Cost Of 2019 Local Elections	181.00	181.00	0
VAT	0	0	0
Contingency for uncertain items (Note 18)	139.00	0	115.00
TOTAL	5250.00	5448.62	5360.00

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)); 2017 (minute ref: 17.05 (3)) and 2019 minute ref: 19.05 (4) (i) in line with the National Agreements. The current salary breakdown is as follows:

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

NOTE this is based on a salary calculation of:

£13.15 x 5 hours = £65.75 per week

£65.75 x 52 = £3419 per annum

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 2020-21 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 increased to **£54.00** in 2020-21 to reflect that Planning Committee meetings are taking place either on the same evening as Parish Council meetings or on a separate scheduled date.

4 Insurance

The Parish Council's Insurance Policy runs out on 1 June 2020. 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 **£230.00** for 2020-21.

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 2020-21 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 2020-21 pending confirmation.

6 Information Commissioner

It is **PROPOSED** to set the budget at **£40.00** for 2020-21.

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. Planning Committee meetings have taken place regularly during 2019-20 either on the same date as the Parish Council meeting or on a separate date. It is **PROPOSED** to increase the **2020-21 budget to £120.00** i.e. 6 meetings @ £7.00 x 2 hours = **£84.00** and 5 meetings @ £7.00 x 1 hours = **£35.00** pending the outcome of the Gladstone Village Hall AGM and fee review.

8 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 i.e. 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 current Internal Auditor has confirmed she is willing to continue for the 2019-2020 accounts and that the fee will be £62.50 plus VAT. As such, it is **PROPOSED** that the budget is set at **£75.00**.

9 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

£105.00 which would “buy” three sessions or perhaps a whole Council training session.

10 Postage and Stationery

It is **PROPOSED** to set budgets for postage and stationery at **£40.00** for postage and **£50.00** for stationery for 2020-21.

11 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 but it would be prudent not to assume this would be the case in 2020-21. Whilst an **ESTIMATE** of **£50.00** has been included for **2020-21** this would fall considerably short of the total cost and the balance would need to be subsidised from the contingency or reserves.

12 Community & Environment Improvements

As part of last year's budget setting process it was **AGREED** to merge the individual budgets relating to:

- Village Green Maintenance £100
- Electricity Kiosk £80
- Festive Lighting £50
- S137 funds £150 (including the Christmas Tree)

Under a new heading of "Community & Environment Improvements" for 2019-20. The Parish Council also **AGREED** to increase this fund by **£250**. It is difficult to predict whether there will be an increase/decrease in electricity charges for 2020-21 therefore it is **PROPOSED** that the budgets relating to electricity be held at the same levels i.e. £80 and £50 respectively for 2020-21. **It is ALSO PROPOSED to hold the total budget at £630 for 2020-21.**

13 Website

The new Parish Council website went live in December 2019. Ongoing hosting and IT support provided by Myles Corbett Website Strategies is charged at £130 per annum December 2019 to November 2020. Therefore it is **PROPOSED** that a sum of **£130.00** be included in the 2020-21 budget.

15 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 2020-21.

16 Contingency Item

It is **PROPOSED** that this budget which acts as a balancing item to enable the precept to be set at £5360.00 is **£115.00**.

17 Balances

The opening balance in the bank on 1 April 2019 was **£5051.76**. The 2019-20 budget of **£5250** is projected to be overspent by **£198.62**. The estimated balance (reserves) at 31 March 2020 is **£4853.14**. 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 2020 would almost cover a full year costs.

18 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.

19 PRECEPT

Cheshire West and Chester Council have advised that the tax base for the Parish has been calculated as **248.4 Band D equivalent properties**. As such there are two options:

OPTION 1

The Band D charge for Puddington Parish Council in 2019-2020 was **£21.58**. If the Parish Council charge the same in 2020-21 it will need to request a precept of **£5,360**.

OPTION 2

In 2019-20 the Parish Council requested a precept of **£5,250**. If the Parish Council wants the same precept for 2020-21 then the Band D precept charge will be reduced by £0.44 to **£21.14**

It is therefore **PROPOSED** to implement **OPTION 1** and hold the Band D charge at the same level as 2019-20. Therefore to raise the amount of **£5,360** calculated in the Draft Budget, each Band D property would pay the following **ANNUAL** amount:

5,360	248.4	£21.58
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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 £5,360 would result in no change per Band D property which would stay at the same level as 2019-20 at £21.58 per Band D property.

RECOMMENDED

That the Parish Council:

- 1. Note the report**
- 2. APPROVE Option 1**
- 3. Agree the 2020-21 Budget at £5360**
- 4. Agree the Precept for 2020-21 at £21.58 per Band D property.**

Pat Wells
Clerk
Puddington Parish Council

Thursday 23 January 2020