



North Weald Bassett

PARISH COUNCIL



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Clerk to the Council
Susan De Luca

16th December 2015

TO: MEMBERS OF THE NORTH WEALD BASSETT PARISH COUNCIL

You are hereby invited to attend a **Meeting** of the **Finance & General Purposes Committee** which will be held on **Monday 21st December 2015**, in the **Library, 138 High road, North Weald** at **6.30pm** to transact the business shown in the Agenda below.

Susan De Luca
Clerk to the Council

AGENDA

1. APOLOGIES FOR ABSENCE

To **RECEIVE** any apologies for absence.

2. OTHER ABSENCES

To **NOTE** any absences for which no apology has been received.

3. DECLARATIONS OF INTEREST

To **RECEIVE** any Declarations of Interest by Members.

A Member with a personal interest in a matter must consider whether it is a Disclosable Pecuniary, Non Pecuniary or Other Pecuniary Interest, and declare it accordingly. A Member who is unsure as to how to declare their interest should seek independent advice.

4. BUDGET AND PRECEPT 2016/2017 



A precept is a peremptory order to a billing authority (EFDC) to pay a parish council a named sum which the billing authority draws up by 31st January for the following financial year.

The parish council, in calculating its precept, must as far as possible secure that it will suffice for four classes of items, namely:

- Next year's expenditure, including an allowance for contingencies
- Outstanding expenditure incurred in previous years
- Expenditure likely to be incurred before the precepted sum becomes available
- Payments to capital fund, or renewal and repairs fund

Following the move to using the new Omega accounts software, the Principal Finance Officer has as far as is possible used the same format for the budget/precept as used in November 2014. As such, the budget paperwork consists of the following:

WHITE	Income and Expenditure shown on the same sheet. This will allow Councillors to assess the areas of the Parish that run at a cost to Parishioners. This gives a picture of both actual and expected income, actual and expected expenditure, and a suggested budget figure for both for 2016/2017. There are also some supporting notes.
CREAM	Balance sheet, which includes details of earmarked reserves and general reserve fund
GREEN	Summary of Additional precept items to be considered for 2016/2017 together with any associated paperwork available at the time of printing the agenda
BLUE	Final Summary sheet with examples of how this would increase / decrease the precept together with the effect on households

In order to ensure enough time is available to discuss all areas of the budget, **Members are kindly asked to spend some time prior to the meeting perusing these figures, identifying any areas they wish to discuss in further detail or which require clarification.** Members are free to contact the Principal Finance Officer (PFO) prior to the meeting if preferred, which would ensure a timely end to the meeting. Councillors should also note that attached as part of the WHITE papers is a document entitled ‘Reference - Supporting Statement’. These statements can be referenced to the relevant letters / numbers on the income and expenditure sheets as shown in the figure below, and may offer an explanation to councillors queries.

the calculations as all figures quoted are excluding VAT. £1,378 rebate for first trimester of 2014/2015 has already been claimed.

15,347	12,464	23,217	23,217	0	2,987	0	2,987	49,115	10,545	
		2,565	0	2,565	0	0	0	2,565	B	0
		7,844	0	7,844	0	2,643	0	2,643	C	0
	12,464	12,809	28,885	41,694	0	345	0	345	D	10,545
NOTE: £2,564 received in donations towards P/Hall car park fund, £7,749 P/Hall rates rebate received, £12,464				NOTES: £2,643 cost for P/Hall rates rebate						

It is emphasised that expected figures are ‘estimate’ final income and expenditure figures and should be used as a guide when deciding the budget/precept figures for 2016/2017.

Some additional information for Members is as follows:

- The expected total expenditure for 2015/2016 shows a possible approximate overspend of £21,000, the reasons for this are explained below:

- Approximate £2,000 overspend on grave digging, however this is offset by the income received. As usual, such costs are extremely hard to judge and can be affected by a large number of factors.
 - Approximate £5,000 overspend on Open Spaces. This is mainly due to the under budgeting of costs associated with the weekly inspections being undertaken by an outside contractor. However, most of these are now undertaken by the PFO, and budget costs for 2016/2017 have been adjusted accordingly.
 - Approximate £4,000 overspend on Weald Common. Technically, this is not an overspend as the costs were anticipated however it was agreed not to specifically precept for these costs but for them to be taken from the Weald Common Earmarked Reserves.
 - Approximate £2,000 overspend in salaries, however this is due to the Neighbourhood Plan events held in June/July, together with some additional overtime predominantly for Neighbourhood Plan however also to cover the loss of one member of staff.
 - Approximate £5,600 overspend in Street Lighting - this is mainly due to the urgent replacement of two lamp columns following the Electrical and Structural inspections which took place earlier this year. However, there have also been a large number of street light outages towards the latter part of 2015.
- The expected total income for 2015/2016 shows a possible increase in receipts of £16,000, the reasons for which are explained below:
 - The Clerk has successfully obtained approximately £5,500 by way of grant funding for both the green outside the Shops in North Weald, and for the Milestone project.
 - The accounts system were set up such that £2,432 of income received in 2014/2015 for Parish Hall bookings but related to 2015/2016 booking dates was moved from the 2014/2015 accounts to the 2015/2016 accounts.
 - Approximately £1,000 has been raised by the Parish Hall at Thornwood Committee by way of public quiz nights and ploughman's events to be put towards the hall income.
 - Approximately £2,000 more than expected has been received in cemetery plot purchases.
 - The Clerk obtained £4,550 by way of compensation following the Cable works completed at Queens Road allotments.
 - The Council currently holds £50,000 by way of a section 106 agreement for works regarding the Brent House Farm development in Hastingwood. The Clerk is currently liaising, and has been for some time, with EFDC regarding securing the second tranche of the monies. The Council are not permitted to agree the expenditure of the £50,000 held in the earmarked reserves until building begins (refer to Confidential Item).
 - Unlike previous years, this Parish Council will receive its precept in one tranche on 29th April 2016.

- 2016 marks the 100th Anniversary of North Weald Airfield. Councillors may wish to consider any events or associated costs when setting the budget.
- Earmarked reserves, which are set aside for specific purposes and for savings for future projects, should be realistic and approved by the council. However, the amount of general reserves should be risk assessed annually and also approved by the council. It is recognised general good practice that the minimum level of General Reserves a Parish Council should hold between 25%-100% of the precept. Larger councils would be nearer the 25% end. The current predicted figures for 31st March 2016 show that the level of General Reserves will be 7.33%. The Clerk has been advised **once again** by the Internal Auditor that the reserves should be higher than the level that we currently hold, and has been asked to reiterate this firmly to Councillor. In addition, the Principal Finance Officer has historically been advised when querying the level of general reserves at a training course (undertaken by NALC Representative) that such a level is too low. Councillors are therefore asked to **CONSIDER** increasing the level of General Reserves.

Parish Support Grant from EFDC

Councillors may recall that due to the recent welfare reforms, the way in which council tax benefit is calculated has changed, with the responsibility for the benefit scheme being passed to, and agreed by, the local authority (EFDC). This subsequently meant a change in the council tax base, which in turn had the effect of showing a greater increase in the Parish Council percentage of council tax despite there being no changes. The effect this would have on town and parish councils was of great debate in 2012, the outcome of which was that EFDC agreed to pass on a percentage of the support grant they receive from Government to Parish Councils to offset this alteration. This grant is NOT guaranteed.

The Parish Support grant for 2014/2015 was £10,087. On 30th November 2015 the Clerk received an email from Rob Pavey, Assistant Director of Resource at EFDC, advising that as EFDC has not yet received notification from the Government as to their financial settlement for 2016/2017, they are unable to provide us with the grant amount for the 2016/2017 financial year, however a reduction of 10% is anticipated. This has been accounted for in the expected income.

Councillors should also note that a cap is in place affecting EFDC's ability to raise its precept without the need to go to a referendum - the cap being 2%. This cap does not currently apply to town and parish councils.

The District Council needs to be notified of the Precept request by **31st January 2016** and Members are, therefore, asked to **CONSIDER** the proposed 2016/2017 precept figures, and agree a recommended precept figure to be put forward to full council in January for ratification. This precept figure will include any agreed additional items.

Meeting: FINANCE & GENERAL PURPOSES COMMITTEE

Date: 21st December 2015

As per last year, the Principal Finance Officer will update the budget / precept spreadsheet during the meeting so that figures can be amended and viewed on a 'live' basis to enable members to have a clear idea of all the options.

5. EXCLUSION OF THE PUBLIC AND THE PRESS 

In the event that the Agenda contains Exempt (pink) pages, or an item needs to be discussed confidentially, to **CONSIDER** the following motion to be proposed by the Chairman:

“That the public and the press be excluded from the meeting, the Council believing that publicity would be prejudicial to the public interest by reason of the confidential nature of the business about to be discussed.”

There are currently **ONE** confidential item to be considered