

**North Weald Bassett
PARISH COUNCIL**

Thornwood Common Parish Hall, Weald Hall Lane, Thornwood, Essex CM16 6NB

Tel: 07572 507591 **Email:** clerk@northweald-pc.gov.uk
Web Site: www.northweald-pc.gov.uk

Clerk to the Council.
Susan De Luca

2nd December 2021

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 6th December 2021**, at **7.00pm** to transact the business shown in the Agenda below.

This meeting will be held in the Thornwood Common Parish Hall, Weald Hall Lane, Thornwood, with any necessary social distancing measures in place. Public attendance may be limited based on the numbers of people who may wish to attend and to ensure compliance with COVID secure measures. Councillors and Residents may be asked to wear face coverings when attending the meeting, however they may be removed whilst seated.

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 2022/2023 🖐

A precept is an 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

Understanding the Budget Paperwork

The budget paperwork attached to this agenda consists of the following:

Meeting: FINANCE & GENERAL PURPOSES COMMITTEE

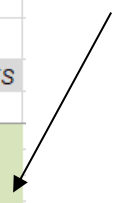
WHITE PAPER	Income and Expenditure. This gives a picture of Income and Expenditure for the current year (2021/22), and a suggested budget figure for 2022/2023, along with supporting notes.
CREAM	Earmarked Reserves - current year Provides a breakdown current Earmarked Reserves as at 1 st November 2021, and estimated final Earmarked Reserve figures as at 31st March 2022
GREEN	Additional Items for Budget Summary of Additional items for consideration for 2022/2023 budget, together with any associated paperwork available at the time of printing the agenda (together with costings if these have been provided by Councillors, or a provisional sum if not).
YELLOW	Final Summary sheet Summarises the expected income and expenditure and provides figures regarding percentage increase/decrease options for the precept for the next year. Gives details of how any such increase / decrease in the precept would affect the Parish Council element of Council tax for a band D Property.

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 requires clarification.** Members are advised to contact the Principal Finance Officer (PFO) **prior to the meeting** if they require clarification on any matter, or if they feel they have identified any errors or omissions. Councillors should also note that attached as part of the WHITE papers is a document entitled 'Reference and Supporting Statements'. These statements can be referenced to the relevant letters / numbers on the WHITE income and expenditure sheets as shown in the example below, and may offer an explanation to councillors queries:

[example]

2021/2022 budget paperwork

Previous year -v- Current Year		Year -v- next year				2021/2022	NOTES
		2020/2021				BUDGET	
		Budget	Actual	Due	Exp Final		
Expenditure							
4019	Hospitality / Chairman's allowance	£ 150	£ -	£ 30	30	150	dd
4020	Misc. Expenses	£ 3,500	£ 7,653	£ 200	7,853	4,000	ee
4035	Newsletter	£ 2,000	£ 1,071	£ 57	1,128	1,500	ff
4037	Grounds Maintenance	£ 400	£ 340	£ 250	590	600	gg



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 2022/2023.

Additional Useful Information for Councillors and for which decisions may be needed

EXPECTED INCOME FOR 21/22 VERSUS BUDGET

Despite the continuing effects of COVID, the total income for the current financial year is expected to be significantly higher than budgeted for (budgeted £244,132 versus expected £296,651, including precept receipt). This has been assisted by a grant of £10,800 from RCCE secured by the Clerk for works or items for the Parish Hall to ensure it continues to be COVID

Meeting: FINANCE & GENERAL PURPOSES COMMITTEE

safe, and £40,000 received via HMRC/ EFDC regarding the Inland Border Facility (which has been placed into an EMR).

EXPECTED EXPENDITURE FOR 21/22 VERSUS BUDGET

The expected total expenditure for 2021/22 shows an underspend of roughly £8,000. Whilst there were fluctuations in all the nominal codes, broadly the underspend can be accounted for as follows:

- £5,490 cost for moving paperwork to electronic files not having taken place (money placed into Earmarked Reserve)
- £2,000 WFG Car Park works not having taken place (placed into Earmarked Reserve)

COVID

As we entered the 2021/2022 financial year, the potential impact of COVID was a complete unknown. For 2020/2021, the COVID pandemic affected both the way the Council office operated, and almost all areas of the finances, specifically the income from the Parish Hall at Thornwood. Thankfully, this financial year has seen a slow return to a relatively normal state, albeit COVID continues to affect some elements of Parish Council business.

COMPUTER SOFTWARE

As a result of the Pandemic, it was necessary to purchase new computer software for Cemeteries, Allotments, and the Parish Hall Bookings, driven by the need to work remotely. It was hoped this software would also make the management of these services easier. This software was installed in September 2020. This was facilitated by the hosting of the software remotely to allow all staff to access it during the Pandemic. After a year of use, and numerous issues, it has been established that neither the hall booking software, nor the Cemetery software, is bringing any added value to the Parish Council, and is in fact necessitating significant additional staff time to manage for no tangible benefit. It has therefore been agreed not to continue with these two software packages from 2022. This will also negate the need for remote hosting (a saving of £1,044 per year). The Clerk is currently negotiating an early release payment from what is a three year contract.

DOG BINS

In September 2021 the Council was notified by their previous contractor who emptied the dog bins on a weekly basis that their prices were increasing by 78% from £2.90 to £5.00 from October. It was agreed by the Parish Council that as of 31st October 2021 the Council's supplier would change. The Parish Council has 14 dog bins, two of which are located adjacent to North Weald Village Hall and the pedestrian entrance to St Andrews School. These bins were originally installed at the request of these bodies, and under agreement that both North Weald Village Hall and St Andrews School would be recharged for their emptying. However, this increase in charge has prompted a challenge by both St Andrews School and North Weald Village Hall that the cost of emptying these bins should be borne by the Parish Council. Councillors are asked to **CONSIDER** this. As of April 2022, the cost to empty each bin will be £5.00 per week, with a number of bins needing to be emptied twice. These figures are included in the budget paperwork.

INLAND BORDER FACILITY

In January 2021, the Clerk and Chairman had a meeting with the Chief Executive of EFDC and Cllr Chris Whitbread, during which it was agreed that a sum of money would be provided to the Parish Council each year the Inland Border Facility was operating from the Airfield. This was negotiated between the Clerk, the Chairman and Cllr Whitbread last year to be £40,000 per year. £40,000 was indeed received in April 2021, and the Council is expecting a further payment

Meeting: FINANCE & GENERAL PURPOSES COMMITTEE

in April 2022, however this is not guaranteed income and as such is not included in the budgeted figures for the next financial year.

GRANT FUDNING

The Parish Clerk has been hugely successful in securing a number of grant funds in 2021/2022, including £10,800 from RCCE, £40,000 from EFDC/HMRC, £250 Lockdown Support Grant, £2,000 Locality Fund Grant for Allotments, and just over £300 towards Christmas lighting.

STREET LIGHTING

As part of our green commitment, and as agreed in 2020/2021, the Councils rollout of LED Street Light replacements is underway. The Office staff are in the process of obtaining an up to date certificate from our local distribution company so that this can be sent to the Councils electricity supplier to reduce the cost of street lighting.

EARMARKED RESERVES

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 is between 25%-100% of the precept. Larger councils would be nearer the 25% end. The current predicted figures for 31st March 2022 show that the level of General Reserves (i.e. those reserves that have not been placed into an earmarked fund) is expected to be around 29% of the precept. This is still relatively low, but greater than last year. However the Parish Council has an exceptionally high level of Earmarked Reserve, greater than 100% of the precept. This is mainly due to the HMRC/EFDC receipts of £90,000 over the last two years. Councillors are asked to **CONSIDER** the Ear Marked Reserves, and if any changes or movements are necessary. Councillors are however asked to note that this build up of Earmarked reserves is as a result of prudent financial management and the Clerk taking every opportunity to source any funding opportunities that are available. Such funding may not be forthcoming in times of a less affluent economy.

BUDGET / PRECEPT CONSIDERATION

Councillors are asked to **NOTE** that last year, the Parish Council element of the Precept for a band D property was £85.91 (£1.65 a week). The calculation to get to this is the amount the Council request in precept divided by the tax base (no. of houses EFDC are expecting to collect council tax from), which for last year was as follows:

$$\pounds 220,376 / 2565.20 = \pounds 85.91$$

The tax base for 2022/2023 has increased to 2596.60. If the Parish Council wishes to show a NIL increase in the parish council element of Council tax for next year, the maximum amount the Council can demand of EFDC in terms of precept would be £223,074

$$\pounds 223,074 / 2596.60 = \pounds 85.91$$

The District Council has asked to be notified of the Precept request by **31st January 2022** and Members are therefore asked to **CONSIDER** the proposed 2022/2023 budget and precept figures and **AGREE** a recommended precept figure to be put forward to full council in January 2022 for ratification.

