



**North Weald Bassett
PARISH COUNCIL**

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Clerk to the Council.
Susan De Luca

7th December 2022

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 12th December 2022**, 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 as a result of COVID. The public and press are invited to attend.

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. QUESTIONS FROM MEMBERS OF THE PUBLIC

To **RECEIVE** questions from members of the public for a period determined by the Chairman of the Meeting. *Please NOTE if the Clerk has not been previously notified of the Question Council may have to note questions and respond to them after the Meeting.*

5. BUDGET AND PRECEPT 2023/2024 🖐

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:

WHITE PAPER	Income and Expenditure. This gives a picture of Income and Expenditure for the current year (2022/23), and a suggested budget figure for 2023/2024, along with supporting notes.
CREAM	Earmarked Reserves - current year Provides a breakdown current Earmarked Reserves as at 30 th November 2022, and estimated final Earmarked Reserve figures as at 31st March 2023
GREEN	Additional Items for Budget Summary of Additional items for consideration for 2023/2024 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]

2023 / 2024 budget paperwork									
Previous year -v- Current Year -v- next year									
		2021/2022		2022/2023 - Current Year				2023/2024	NOTES
		Budget	Actual	Budget	Actual	Due	Exp Final	BUDGET	
Expenditure									
4019	Hospitality / Chairman's allowance	£ 150	£ -	£ 150	£ -			150	
4020	Misc. Expenses	£ 4,000	£ 10,903	£ 4,000	£ 8,660		8,660	4,000	y
4035	Publicity/Press	£ 1,500	£ 1,404	£ 1,500	£ 179		179	1,500	
4036	Property Maintenance	£ -	£ -	£ -	£ 625				
4037	Grounds Maintenance	£ 600	£ 1,165	£ 1,200	£ -			1,200	z

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 2023/2024.

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

EXPECTED INCOME FOR 22/23 VERSUS BUDGET

The total income for the current financial year is expected to be significantly higher than budgeted for (budgeted £253,440 versus expected £329,945, including precept receipt) – an expected increase of around £76,505. This can be broadly accounted for by a final grant of £40,000 from the HMRC/ EFDC regarding the Inland Border Facility (which has been placed into an EMR – the site has now closed), two grants totalling £4,000 secured by the Clerk via the

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ECC Locality Fund, and expected grant funding of £20,673 for the Weald Common Tree Project. The Parish Hall income is also expected to be higher than budgeted for as a result of diminishing COVID restrictions and what looks to be a return to pre-pandemic hire levels.

EXPECTED EXPENDITURE FOR 22/23 VERSUS BUDGET

The total expenditure for 22/23 is expected to be almost exactly as budgeted. There are fluctuations in the budget for a number of the cost centre codes, broadly as follows:

- Admin code expected to be under budget – main reasons include over budget of Tax and NI costs, underspend for overtime, training, travel and rent.
- Civic and Democratic expected to be over budget – main reasons are costs for Queens Jubilee event and Neighbourhood Plan costs (which are taken directly from EMR and not budgeted for)
- Weald Common expected to be over budget – reason is costs associated with tree planting project.

COVID

As we entered the 2021/2022 financial year, the potential impact of COVID was a complete unknown which made budgeting extremely difficult. This financial year has seen a slow return to a relatively normal operation of the Parish Council, albeit the Council remains without an office as a direct result of COVID which presents its own challenges.

STAFFING

Following the Parish Councils decision to continue with the Neighbourhood Plan, it is anticipated that further administrative assistance will be needed in 2023/2024. This matter will go before the Personnel Committee for formal consideration, however approximate figures have been factored into the draft budget for 2023/2024. In addition, for 2022 the Parish Council received funding to undertake specific COVID cleaning for the Parish Hall. This has helped with confidence in hall hiring as can be seen in the income received. The individual who completes this clean also conducts the defibrillator checks throughout the Parish and is on a one year contract, however it is proposed to offer a further one year contract starting 1st January 2023. Approximate figures have been factored into the draft budget for 2023/2024.

WEALD COMMON TREE PLANTING

Councillors will recall the tree planting project taking place on Weald Common. In conjunction with ECC, funding has been sought for this project via the England Woodland Creation Offer (EWCO). It is expected that £10,522 will be awarded via the ECWO grant toward the cost of trees, guards and planting. The trees are expected to be in region of £2,000, 1.2m plastic guards around £7,500, leaving just over £1,000 for the planting. In addition, we are expecting to receive £4,060 by way of a 'surplus grant income' or an 'additional benefit'. This has been awarded to use as a result of the project ticking a number of boxes including the proximity of the woodland to houses and the benefit in terms of hydrology (cleaning the water as it runs towards the village). This £4,060 can be spent by the Parish Council in any way the Council agrees, and is not restricted or ringfenced. It is expected that the majority of this money will be put toward the cost of planting and mulch. In addition, this Council has also been awarded £6,090.80 towards maintenance of the area over the next 10 years, roughly equating to just over £600 per year. Councillors are also reminded that within the budget for the current year it was agreed that £3,000 should come from the HMRC funds towards this project, and a further £1,500 from the HMRC funds towards information boards.

HASTINGWOOD EMR

At the 21 December 2020 F&GP Meeting, it was agreed that £1,500 should be placed in an EMR for various Projects for Hastingwood including 'Everything Council' public event, funding of litter pick equipment, planting along verges, and tidying up of existing sign,

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new Village Sign, village green area, improving bus stops, notice boards, etc. It was also agreed that any additional funds needed for these works could come from the S106 Hastingwood Fund (possibly up to around £15,000) and that any proposals for works would in the first instance be presented to Council for approval. Cllr Irvine, Hastingwood Ward Councillor, has asked that Council are reminded of this agreement, and that although these monies have not yet been spent this agreement is carried forward.

GRANT FUNDING

Yet again the Parish Clerk has been hugely successful in securing a number of grant funds in 2022/2023, including £20,673 for Weald Common, £2,000 for Wheelers Farm Gardens Allotments, £2,000 for the Parish Hall at Thornwood, £500 Microgrant for the Ride London Event and Queens Jubilee, and ensuring the £40,000 from HMRC came to this Council as agreed.

EXPECTED PROJECTS FOR 2023/2024

There are currently no expected large scale projects planned for 2023/2024. However, a number of large planning applications are currently being considered or expected to come forward over the coming 12-18 months, for which the Clerk and this Council will be expecting S106 agreements for the benefit of the community.

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 2023 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 25% of the precept. This is still relatively low, but just within acceptable limits. However the Parish Council has an exceptionally high level of Earmarked Reserve, greater than 100% of the precept. Councillors are asked to **CONSIDER** the Earmarked 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, for which we are expected to be entering.

BUDGET / PRECEPT CONSIDERATION

Councillors are asked to **NOTE** that last year, the Parish Council element of the Precept for a band D property was £88.49/year (£1.70 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:

$$\pounds 229,766 / 2596.60 = \pounds 88.49$$

The tax base for 2023/2024 has increased to 2,633.80. 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

$$\pounds 223,058 / 2633.80 = \pounds 88.49$$

The District Council has asked to be notified of the Precept request by **31st January 2023** and Members are therefore asked to **CONSIDER** the proposed 2023/2024 budget and precept figures and **AGREE** a recommended precept figure to be put forward to full council in January 2023 for ratification.