

HARTLEBURY PARISH COUNCIL

Agenda Item No 13

Parish Council Budget and Precept 2020/21

Background

This report sets out the suggested budget for the Parish Council for 2020/21 together with a proposal for the precept for that year. It is based on a similar approach to the budget proposals for 2019/20 with the aim of producing a balanced budget funded entirely from the income derived from the precept and the parish grant.

Considerations

The draft budget for 2019/20 has been prepared based purely on the income which can be expected from the precept. A copy is attached.

The two significant items not included in the budget which have appeared in previous years are the contribution to the maintenance of the churchyard at St James' Church (£1,600) and the annual maintenance of the Church clock (£200).

However it should be pointed out that legally the Parish Council should not be contributing towards the maintenance of the churchyard as it must be maintained by the Parochial Church Council as stated in Canon Law. Where one part of the state ie the PCC of the Established Church, has a clear legal duty to maintain a churchyard, it is legally unreasonable for another part of the state ie the Parish Council to spend public funds on that maintenance. Equally the same rules will apply to whether the Parish Council should be funding the maintenance of the church clock.

Your attention is drawn to the fact that the Parish Council has not received confirmation from the County Council that they will continue funding the Parish Lengthsman scheme in 2020/21. If they do not propose to do so or they reduce the level of funding, the Parish Council will need to come back to this issue at a later date.

By producing a balanced budget the Parish Council will be holding the following reserve funds:-

Provisional end of year bank balance	- £23,000
Scottish Widows Account	- £10,000
HSBC Savings Account	- £6,379
Former Tennis Club Account	- £680
Total Balances	- £40,059

The provisional balance has been calculated on the basis that the only known significant costs until the 31 March 2019 would be the normal external audit fee of £1,000. However I have been notified by the External Auditors that there will also be a further external audit charge of £1,218.75. This additional charge has resulted from additional work required as a result of the challenge correspondence received by them. Unfortunately the Parish Council is legally required to meet this cost. The other item of significant expenditure will be the allotment rent of £337.50.

The balanced budget referred to earlier is based on a total income of £25,592.00. This is made up of a precept of £24,100 plus the Parish Grant of £1,492. This would mean that the parish precept for 2020/21 would decrease by 1.5% over the figure for the current year. In real terms this would mean a decrease of 26p in the Parish Council precept for a band D property.

Alternatively, given the healthy level of reserves, the Parish Council may decide to reduce the level of

precept by say £2,000. This would mean that the total income would be £23,592.00 (£22,100 precept plus £1,492 Parish Grant). This would mean that that the parish precept would decrease by 9.7%. In real terms this would mean a decrease of £1.71 in the Parish Council precept for a band D property. Under this option the Parish Council would have to use some of the reserves to support the suggested budget.

It is suggested that the proposed budget should be further ratified at the April meeting of the Parish Council once the end of the financial year figures are confirmed.

Recommendations

1. The Parish Council approves a parish precept of either £24,100 or £22,100 plus the Parish Grant of £1,492.
 2. The Parish Council approves the draft budget for 2020/21
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