

# Great Bedwyn Parish Council Financial Committee Chair Report: 2021/22 Budget

14 January 2021

## Introduction

The purpose of this document and the attached spreadsheet is to present, recommend and justify the 21/22 budget for adoption by the Great Bedwyn Parish Council ("GBPC") and also to present indicative budgets for 22/23 and 23/24. This document and the attached spreadsheet have been prepared by the Cllr Ian Barry, Chair of the Finance Committee.

All councillors were formally requested for their input into the 21/22 budget.

The aim of this budget is to detail the income and expenditure required for GBPC to meet the needs of its parish during the period between 1<sup>st</sup> April 2021 and 31<sup>st</sup> March 2022 – in summary to:

- meet the **day-to-day running of the PC**, ensuring it can operate in a professional and transparent manner;
- meet (the most deserving) **grant requests** in support of community groups;
- **maintain our parish** including grass cutting and hedge trimming; maintain the **playground** – including formal inspections, maintenance and allocation towards eventual playground equipment replacement; and manage/maintain the **allotments**;
- represent the community in all appropriate matters, including importantly in **planning**; and
- fund certain **special activities** as required by the parish.

The budget has been prepared in line with the following principles which are unchanged from 17/18:

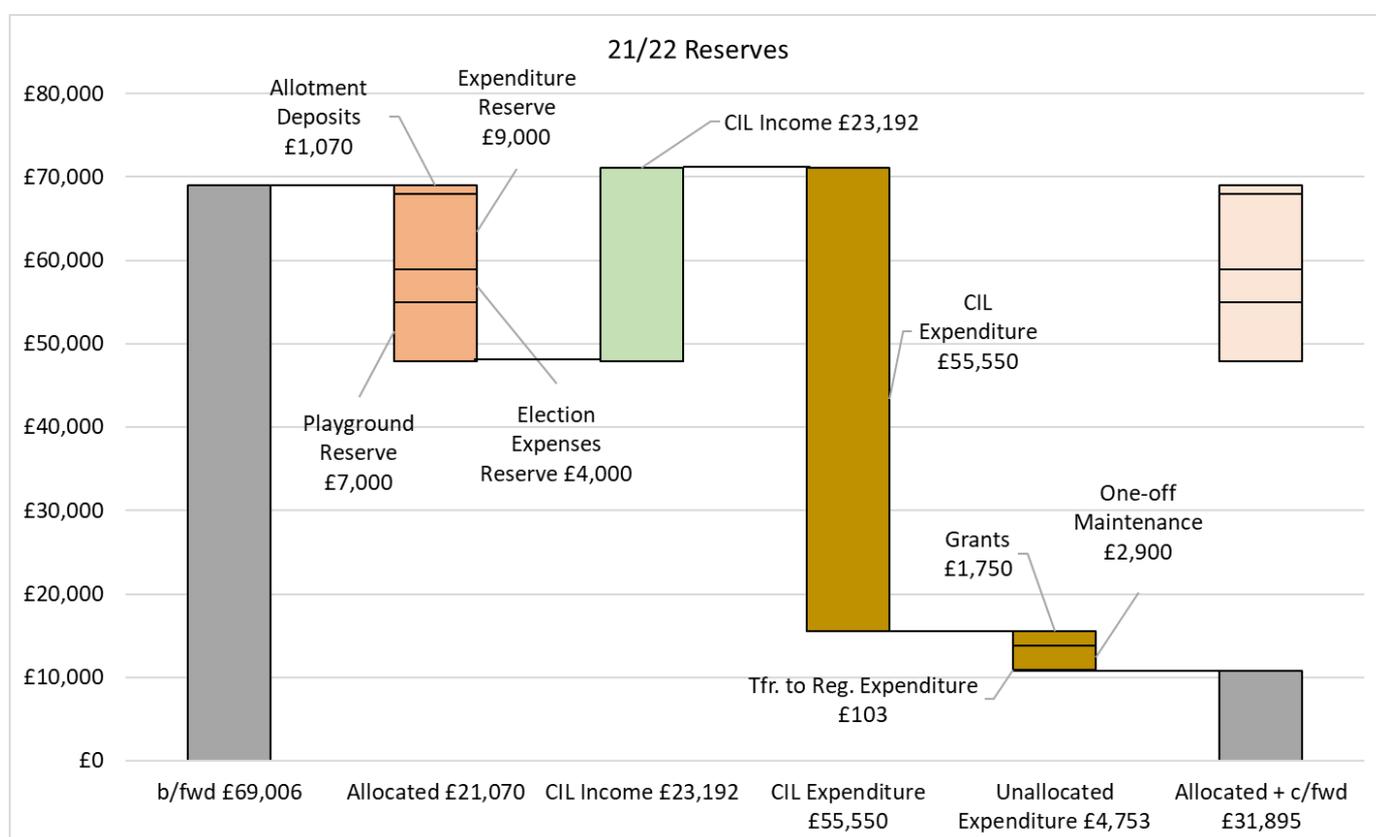
1. **That reserves must be maintained as appropriate and only where they can be justified towards specific future expenditure.** This means that excessive reserves must be reduced over time through support of regular expenditure.
2. **That regular expenditure and regular income must be balanced:** The council must ensure it does not commit to regular expenditure that cannot be afforded by its income. If regular income can be acceptably increased, then it should be to match justifiable regular expenditure. Equally, regular income should be reduced (ideally returned to the taxpayer via lower precept) where it is superfluous.
3. **That all income and expenditure be extensively reviewed.** Requested expenditure must be extensively reviewed for fit with the council's remit, demand from the community and value for money. Comparisons with past expenditure have been made and differences scrutinised. Alternatives to funding by GBPC must be considered for all major items. Income sources should be evaluated to ensure they are maximised.

## Budget Summary - Reserves

Reserves are expected to be £69,006 at the beginning of 21/22, of which £25,987 is from normal reserves and £43,019 is from the CIL scheme.

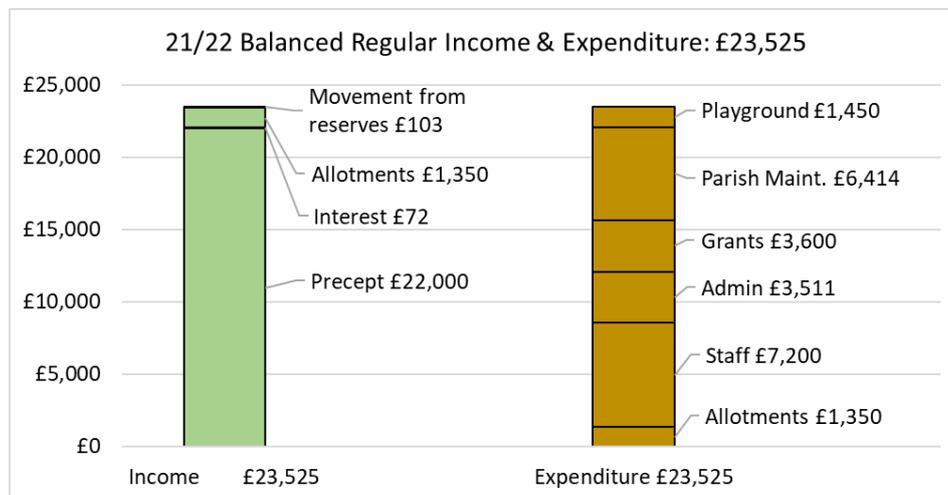
In line with the budget principles, this budget proposes a plan for all reserves:

- Of the normal reserves of £25,987: £21,070 is formally allocated (and is not expected to be spent or re-allocated during the year) and £4,753 is assigned for other expenditure (requires council approval during the year). The normal reserve balance is expected to be £21,214 at the end of the forthcoming year.
- Of the CIL reserves of £43,019 and expected income of £23,192 in April 2021 (totalling £66,211): £55,550 is assigned for expenditure (requires council approval during the year). The CIL balance at the end of the forthcoming year is expected to be £10,661.



## Budget Summary – Regular Income & Expenditure

In line with the budget principles, 21/22 regular expenditure is balanced with income.



The income is formed from a precept of £22,000, allotment income of £1,350 (including bad debt) and reduction in reserve of £103. Regular expenditure is 2.5% higher than previous year and a breakdown of this is shown in the subsequent 'Combined Expenditure' section.

The proposed regular expenditure has been scrutinized in line with the principles previously discussed and it is required to be spent for the benefit of the community.

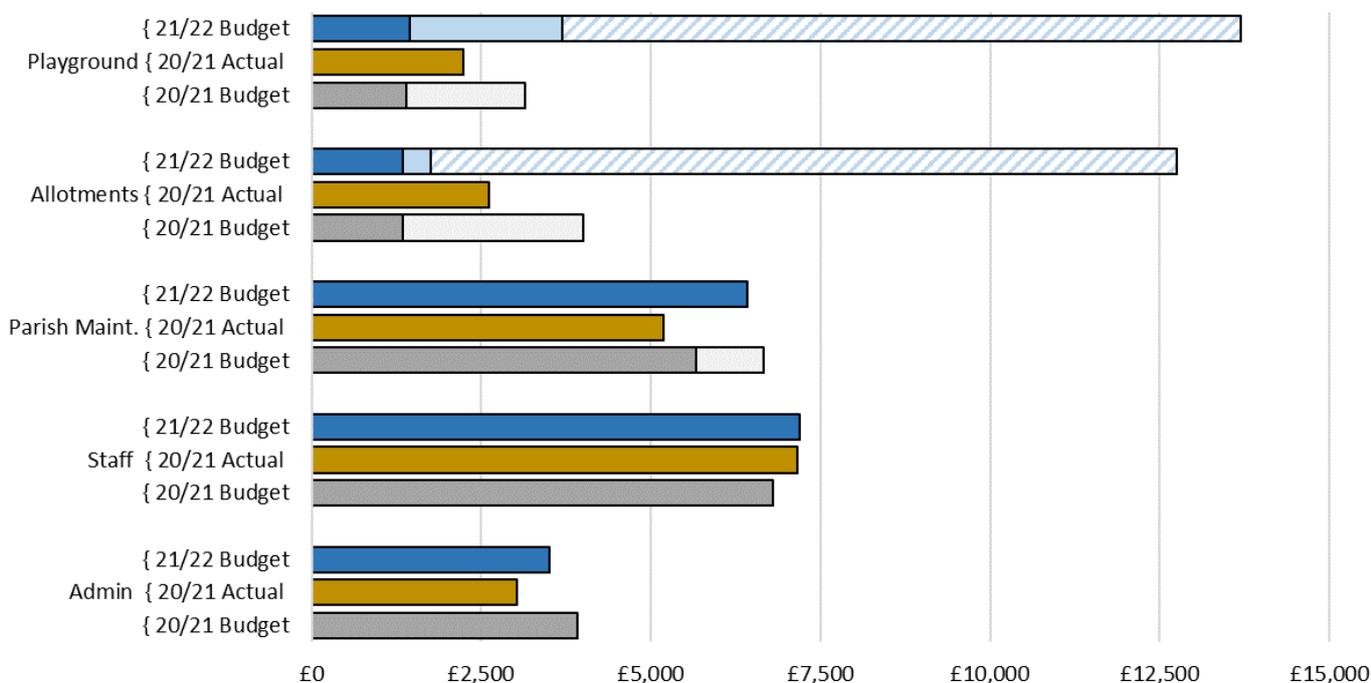
There is no significant excess from reserves that can be transferred to support regular expenditure (CIL reserves cannot be spent on regular items). Therefore in order to meet the expenditure requirements it is necessary to propose increasing the precept from £20,000 to £22,000 in 21/22. (Last year we forecast that it would increase this year to £21,500.) It is forecast that the precept will increase to £23,000 in 22/23 and £24,000 in 23/24.

The impact of the precept change combined with an increase in the taxbase from 575.53 to 576.76 will result in an annual precept of £38.14 per band-D parish household which is an increase of £3.39 compared to 20/21.

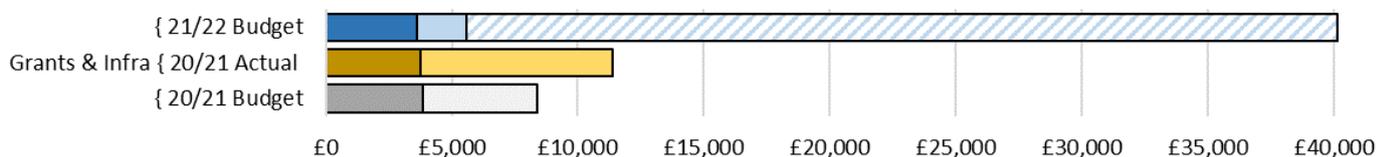
## Combined Expenditure

Below we present a combined view and commentary across Regular, Reserves and CIL Expenditure. The forthcoming year (blue) is compared with the current year actuals (gold) and the current year budget (grey).

Expenditure: 21/22 Budget vs 20/21 Actual vs 20/21 Budget (excluding Grants & Infrastructure)



Expenditure: 21/22 Budget vs 20/21 Actual vs 20/21 Budget (Grants & Infrastructure)



21/22 Budget Expenditure:	Regular £23,525	Reserves £4,650	CIL £55,550
20/21 Actual Expenditure:	Regular/Reserves £24,013	CIL £7,608	
20/21 Budget Expenditure:	Regular £22,959	Reserves £9,950	

### Commentary:

- Total Regular Expenditure: In 21/22 regular expenditure is £23,525, up 2.5% on 20/21.
- Total Reserve/CIL Expenditure: In 21/22 reserve expenditure (£8,950) and CIL expenditure (£55,550) is significantly higher than 20/21 reserve expenditure (£9,950). This is due to a significant increase in CIL and because no CIL expenditure was previously budgeted.
- Administration & Staff: No significant changes are expected.
- Parish Maintenance: Increased support for footpath maintenance is forecast.
- Allotments: In 21/22 we expect additional fence and tree works. Enabling disabled access to the allotments is a candidate for CIL expenditure.

- Playground: In 21/22 we expect potential repair of the monkey bars and/or overhead rail. Significant playground enhancement is also a candidate for CIL expenditure.
- Grants and Infrastructure: In 21/22 we expect to be able take advantage of CIL for many of the grant beneficiaries, therefore grant expenditure in Regular and Reserve and categories is reduced. A major CIL beneficiary is expected to be the expansion of the Village Hall. There is also potential expenditure for Traffic Management and Noticeboards among other things.

N.B. 20/21 actuals are estimates. Regular expenditure presented above is approved in line with the approval of this budget. Reserve and CIL expenditure presented in the above graph is unallocated; it requires agreement subsequent to the approval of this budget and may be spent on other items.

## Conclusion

This budget is set out with clear and prudent financial principals and will enable the GBPC to meet the needs of the Great Bedwyn parish during 21/22 financial year. I recommend this budget to the council.

Ian Barry  
Great Bedwyn Parish Council Financial Committee Chair