

Slindon Parish Council 2022/23 Budget Setting and Precept

Background

Parish Councils, irrespective of their size, have a statutory duty to prepare an annual budget.

The budget process:

- results in the council setting the precept for the following year*
- enables progress monitoring during the year by comparing actual spending against planned spending.

*It is not lawful to set a precept unless a budget has been prepared and approved.

What the Council Needs to Know

The precept requirement must be advised to Arun District Council as soon as possible but no later than 28th January 2022.

A draft budget is provided for consideration/amendment by the council which includes recommendations on the usual running costs, but also requires members to consider what services it intends to deliver in 2022/23.

The budget has 5 columns which cover

1. Actual expenditure for 2020/21 (for comparison purposes)
2. Budget projections for 2021/22
3. Projected annual out-turn for 2021/22
4. Variance of budget to projected annual out-turn 2021/22
5. Planned expenditure for 2022/23 (based on continuation of existing services) to set precept

Expenditure

Rationale/commentary for the planned expenditure in 2022/23 is provided alongside the lines within the budget document.

Reserves

The council must review its level of reserves as, whilst there are no statutory levels only guidance, significant levels may give rise to comment by the auditor.

Slindon Parish Council holds its reserves in line with that set out in the Joint Panel of Accountability and Governance March 2021 (p38 5.31-5.33) [file \(nalc.gov.uk\)](https://www.nalc.gov.uk)

What the Council Needs to Do

- Consider what services it wishes to provide and how these will be funded through the budget
- Review/resolve to approve the council's reserves and how these are allocated
- Approve the budget for the next financial year 2022/23 at a full council meeting
- Set the precept and notify ADC before its deadline of 28 January 2022.

Expenditure

The excel spreadsheet details

- the planned expenditure in 2022/23 with the rationale (tab 1)
- the projected annual expenditure for 21/22 and how it has/will be funded (tab 1)

	2021/22	2021/22	2021/22	2022/23										
	Budget	Predicted (out-turn for full year)	Variance 2021/22 (predicted to budget)	Draft										
Total expenditure	18518.10	82662.87	64144.77	20262.56										
Exceptional Spend														
Use of Earmarked Reserves		-356.80	-356.80		2021/22 - JDAC Grant towards defibrillator services, sign and familiarisation sessions (hall cost and donation)									
Use of Earmarked Reserves		-3294.08	-3294.08		2021/22 - Use of earmarked reserves towards cost of pavilion and legal fees for Recreation Ground licence									
Grant Funding		-62104.92	-62104.92		2021/22 - Funded by WSCC (Operation Watershed)									
	18518.10	16907.07	-1611.03	-1611.03										
Precept 2022/23				18651.53										

Reserves as at 31.3.22

The excel spreadsheet details

- Projected Reserves at 31.3.22 (tab 2)

RESERVES: projected at 31.3.22					
	Brought forward	Income Per I&E	Expenditure per I&E	Projected at 31.3.22	
	01/04/2021				
TOTAL RESERVES:	£ 36,404.17	£ 82,180.54	-£ 82,662.87	£ 35,921.84	
(1) GENERAL RESERVES	£ 9,547.37	£ 20,075.62	-£ 16,907.07	£ 12,715.92	
(2) EARMARKED RESERVES					
(i) Traffic Mgmt. Plan - next phase	£ 6,500.00			£ 6,500.00	
(ii) Neighbourhood Plan	£ 8,000.00			£ 8,000.00	
(iii) Recreation Ground & Top Field - for site maintenance (trees, fences, hedges), refurbish Sports Pavilion and replacement programme for ageing playground equipment	£ 12,000.00		-£ 3,294.08	£ 8,705.92	Meeting dated 23/8/21, minute 32 (iv) - £2599.31 Meeting dated 13/9/21, minute 57 (iv) - £694.77
Defibrillator - JDAC grant					Meeting dated 14/9/20, minute 64 (iii) - to EMR £356.80 Meeting dated 13/9/21, minute 57 (iv) - from EMR £82.39
	£ 356.80		-£ 356.80	£ -	
Operation Watershed	£ -	£ 62,104.92	-£ 62,104.92	£ -	To be received and spent in year to 31.3.22
TOTAL RESERVES (1) + (2):	£ 36,404.17	£ 82,180.54	£ 82,662.87	£ 35,921.84	

The current earmarked reserves make provision for

- A Neighbourhood Development Plan at £8000 – what is the appetite for this?
- Traffic Management Plan at £6500
- Recreation Ground and replacement of ageing play equipment at £8705.92

Considerations

- How to fund the VAT on the cost of Operation Watershed, before it can be reclaimed.
- Create an earmarked fund to meet future legal costs.
- Increase the Recreation Ground and replacement of ageing play equipment to £9705.92