

Council Report
12 January 2022

1. Last year the Council agreed 0% increase to the precept, as it held strong reserves due to sound financial management, along with CIL funds from the forthcoming developments.
2. This proposed budget continues the strategy of planning for the future, by continuing to build up the existing building maintenance and streetlighting earmarked funds, and by starting an additional two long-term equipment replacement funds for play equipment and grounds vehicles.
3. A significant amount of CIL money and S106 monies have been received in the last two years, with more to come. A plan for using these funds has been put into place by the CIL and Commuted Sum Working Group, and is included with the budget for information. The budget also contains some projects which will not be funded from CIL, such as replacement of obsolete streetlight lanterns.
4. The tax base is the number of properties in Cringleford who pay precept. Due to the increase in houses, the Cringleford tax base has increased from 1903 in 21/22 to 1999 in 22/23. This brings about a natural increase to the precept amount to be received by the Council.
5. The level of precept has to be recalculated each year in line with current projects and expenditure, to cover the difference between income and expenditure. Keeping the cost per Band D property the same as in 21/22 (£158 per household per year) would permit a 0% increase to residents in these trying times. This would involve using some reserves, whilst still leaving the existing reserves in a strong condition.
6. Therefore, Members of the Finance Advisory Group (FAG) are recommending to Council a precept of £315,842 for 2022/23, which is an increase of £15206 on the precept due to the larger tax base, but keeps the Band D charge £158, as in 2021/22, a 0% increase to parishioners.
7. At 31 March 2021 the Council had funds totalling £1,556,848.00. Councils are recommended to hold a general reserve equivalent to approximately 50% of precept, for emergencies. Some of this money is held in earmarked reserves, ring fenced funds (CIL /S106) and long-term maintenance funds.

8. The general budget has been calculated excluding ringfenced funds as these have to be spent in specific areas.
9. Assuming a precept of £315,842 is agreed, the projected income is £ 421,866. compared with outgoings of £461,284 (see appendix) – a deficit of £39419, which would be taken from general reserves. This would leave the general reserves at £519,273.74 on 31 March 2023 (including the building, streetlight playground and grounds equipment funds). Deducting these funds leaves a healthy balance of £235,420.00
10. In Summary, if this budget is agreed the March 2023 year end position should be:

Total in bank account 31 March 2023	£ 2,306,455.61
<i>Minus current earmarked funds:</i>	
<i>CIL money</i>	<i>1410025</i>
<i>Bus stop maintenance fund</i>	<i>£13030</i>
<i>Commuted sums</i>	<i>£364,126.87</i>
<i>Building Maintenance Funds</i>	<i>£283,853.74</i>
Total in general spend 31 March 2023	£2,354,20.00

Maintenance funds could be used in an emergency situation if required as these have been earmarked by the parish council, rather than district council.

11. This budget allows Cringelford Parish Council to adequately manage all expenses. The Band D freeze allows for a healthy reserve to be maintained to cover any emergencies or unexpected costs, without any increase to our parishioners.

Sonya Blythe
 Responsible Financial Officer
 December 2021



Appendix.

* Final figures differ slightly to main budget spreadsheet due to rounding below

Budget 2022-23 (excludes CIL / Commuted sum spend)					
		PC	TWC	Pav	
Predicted Income					
Precept and Grants		315,842			315842
Facility hire			70000	10700	80700
Grass cutting income		4423.74			4423.74
Sports club hire				9280	9280
Misc		100	11250	270	11620
		320366	81250	20250	421865.7
Predicted Expenditure					
Salaries		67090	95915.7	33836	196841.7
General admin /misc /donations		32110	7481.5	3770	43361.15
Streetlighting		19250	0	0	19250
Trees, grounds and sport		25916.92	200	8560.2	34677.12
Rates and utilities		0	16229.4	6938.9	23168.3
General repairs and maintenance		600	12075	8400	21075
Play equipment		0	0	4000	4000
Maintenance earmarked reserve funds		11000	35194	13000	59194
Loan repayment		0	26717	0	26717
Projects		13000	20000	0	33000
		168966.57	213812.6	78505.1	461284.3