

Council Report  
14 January 2021

1. Last year the Council agreed an increase to the precept of 2% in order to ensure an adequate level of reserves were maintained. Money had also been put in an earmarked fund to refurbish the Pavilion, which will be fully spent through 2021-22.
2. This proposed budget continues the strategy of planning for the future, by continuing to build up the building maintenance and streetlighting replacement earmarked funds.
3. A significant amount of CIL money and S106 monies were received in 2020/21. These funds, along with the earmarked reserves, can be used to fund all projects that have been suggested within the proposed 2021-22 budget. Therefore at the December 2020 meeting, Council agreed that there should be no need for a precept increase in 21/22, dependent upon the tax base which at that time had not been received.
4. The tax base is the number of properties in Cringleford who pay precept. We had been told to expect a reduction in the tax base in 2021/22 due to increased households on benefits. However the Cringleford tax base has actually increased from 1869 to 1903, due to the forthcoming new properties.
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 precept amount the same as 20/21 (£300,636) would lead to a small discount per household, without impacting the income of the Parish Council.
6. Therefore, Members of the Finance Advisory Group (FAG) are recommending to Council a precept of £300,636 for 2021/22, which is an increase of 0%. This would **decrease** the Band D charge from £160.85 per household to £157.98.
7. At 31 March 2020 the Council had funds totalling £713,155. Councils are recommended to hold a general reserve equivalent to approximately 50% of precept. Some of this money is held in earmarked reserves, ring fenced funds (CIL) and sink 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 £300,636 is agreed, the projected income is £404,118. compared with outgoings of £399,176 (see appendix) – a surplus of £4941, which would be put in general reserves to ensure a safe level of balances is retained. This would leave the general reserves at £392,355 on 31 March 2022 (including the building and streetlight sink-funds). Deducting the building and streetlight funds leaves a healthy balance of £160,210.
10. Predicted income has taken account of a reduction in room hire income, due to the continuing repercussions from the pandemic.
11. In Summary, if this budget is agreed the March 2022 year end position should be:

Total in bank account 31 March 2022	£ 1,452,618
<i>Minus current earmarked funds at 31 March 2021:</i>	
<i>CIL money</i>	<i>£671,847</i>
<i>Bus stop maintenance fund</i>	<i>£13030</i>
<i>Commutated sums</i>	<i>£375,386</i>
<i>Sink Funds</i>	<i>£232,145</i>
Total in general spend 31 March 2022	<b>£160,210</b>

Additional CIL money is expected on 2021/22. Sink funds could be used in an emergency situation if required as these have been earmarked by the parish council, rather than district council.

12. This budget allows Cringleford Parish Council to adequately manage all expenses. The precept 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 2020



\*It should be note that the Pavilion income may decrease if refurbishment works overrun and depending on how sports groups are affected.

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

<b>Budget 2021-22 (excludes CIL / Commuted sum spend)</b>				
	<b>PC</b>	<b>TWC</b>	<b>Pav</b>	
<b>Predicted Income</b>				
Precept and Grants	300936			<b>300936</b>
Facility hire		76250	8980	<b>85230</b>
Grass cutting income	4372			<b>4372</b>
Sports club hire		2500	11080	<b>13580</b>
Misc				<b>0</b>
	305308	78750	20060	<b>404118</b>
<b>Predicted Expenditure</b>				
Salaries	78206	89233	31058	<b>198497</b>
General admin /misc /donations	30267	10497	7142	<b>47906</b>
Streetlighting	15039	0	0	<b>15039</b>
Trees, grounds and sport	10849	1000	7382	<b>19231</b>
Rates and utilities	0	17853	6243	<b>24096</b>
General repairs and maintenance	515	12075	4000	<b>16590</b>
Play equipment	0	0	75	<b>75</b>
Building / streetlight sink fund	3000	38027	10000	<b>51027</b>
Loan repayment	0	26717	0	<b>26717</b>
Projects	0	0	0	<b>0</b>
	137876	195402	65900	<b>399178</b>