

Notes of the budget working group - 29th November at 7.00 p.m., via Microsoft Teams

A draft budget document had been sent to members of the working group for discussion showing the budget and outturn for 20/21, the budget and projected outturn for 21/22 (the current year) and a proposed budget for 22/23.

It can be seen from the spreadsheet that the council will hold a high level of total reserves at the end of this financial year. The reasons for this are that the expenditure budget is underspent and additional income has been received – CIL funds, Parish Grant and also additional VAT. Reserves have increased year on year and increased slightly more last year, due to VAT being claimed for 3-4 years., the sale of the parcel of land and finally receiving the locality grant for the SID.

Auditors will question the high level of reserves the Council hold. It can be seen on the reserve tab at the bottom of the spreadsheet, that these have been separated into reserves for a particular purpose and general reserves. The recommendation for general reserves for a small council is between 3 and 12 months expenditure and if reserves go above twice the precept, auditors will request a full breakdown. Council should review and agree the level of reserves annually.

The budget plan also includes several tabs at the bottom of the spreadsheet, including salary information and a list of regular contractors and suppliers, which council are asked to review.

The draft budget was discussed by the working group and the following proposals have been made for council to consider at the December meeting.

Subscriptions and Memberships: this is a fairly straightforward part of the budget: it is proposed that we continue with the current subscriptions. Both SALC and SLCC offer very good advice and training for Councils. The other subscriptions are historical, but the working party agreed to propose that the subscriptions detailed in the plan continue for a further year.

Grants and Donations: despite quite extensive advertising on noticeboards, website, facebook, etc. there have been few applications for funding. Based on the applications received, it was agreed to add a grant of £200 for the Repair Café, to continue with the grants to the PCC (increasing it from £400 to £500), SARS, First Responders (increased to £100), Holbrook Academy (for their awards evening) Holbrook Helpers and a donation to RBL for the poppy wreath for Remembrance Day., It is proposed to reduce the Village Hall grant to £200, as they will be receiving income from the bottle bank and the council has also pledged £500 towards the projector to be purchased for the village hall.. It is also proposed that the grant to the RBL be discontinued. It was originally given in response to their members keeping the bus shelter near The Compasses clean and tidy.

Salaries and Expenses: The Clerk's contract includes an annual incremental progression, which will mean going from scale 11 to scale 12. It is also proposed by the working group that the Clerk's hours increase with effect from January 22 from 12 hours a week to 15 hours a week, which will be reviewed annually

Councillors' expenses have been left the same: the last two years have been untypical in terms of expenditure as all training some meetings have taken place online. The assumption is that there will be no change to the Clerk's homeworking allowance and the Chairman's allowance. The minimum wage will increase to £9.50 so the Community Caretaker's salary has been calculated on that basis. The grant from BDC's Cleansing Department will offset this salary. The Community Caretaker is also entitled to an expense allowance. SALC payroll charges have been increased by 3% which has been recommended but not confirmed.

Asset Maintenance and Other Works: Footway lighting had a huge increase last year. A 7% increase has been included this year, but there has been no confirmation of charges.

Grass cutting is underspent this year. The proposed budgets have been reduced for 22/23, for all but the contract with SCC. Reade Field Other Maintenance: a small budget has been included for next year (no expenditure to date in the current year, so there is an opportunity to carry out any small maintenance work). A small budget is included for the playground. Quotes are being sought to replace the damaged bins on the Reade Field and elsewhere as there are funds in this year's budget. Reserves from 22/23 budget have been allocated to the replacement of bus shelters. eco lighting, election costs and the pavilion.

We have asked for a quote from Suffolk County Council to replace all our street lighting bulbs with LED bulbs. The indication from SCC is that they will be able to provide a competitive price as they are carrying out a county-wide replacement of SCC owned lights. The Clerk will try and get a quote for individual timers.

The locality grant for the CSHG has been unspent as the groups is currently inactive. The grant application also included additional grit bins, for which we have applied, but there has been no contact from Highways since our application, despite several emails to chase. This has therefore been carried forward in the expenditure column for next year.

Administration: Most of these are self-explanatory and are budgeted at similar levels as last year. The courses and training budget, however, has been reduced as CILCA was a major part of this year's budget. Election costs are estimated at £2100, and currently, on the reserves table, we will be holding £1200 at the end of this financial year.

Neighbourhood plan: a grant of £4,500 was received this year for the consultant – it is not clear whether some of this will need to be carried over to next financial year.

The Village Recorder doesn't anticipate any expenditure will be required.

The lottery is a bit of a guess for the outturn this year and for next year's income and expenditure, as contributions are currently low. The introduction of online payment may encourage further subscriptions.

INCOME

There is no anticipated grant funding for next year at the moment, with the exception of the grant for the Community Caretaker. The VAT claim is estimated.

If some of the reserves are transferred to the National Savings and Investment Account, the interest might slightly increase.

PRECEPT

Having carefully considered the draft budget, income and expenditure totals. Surplus from 21.22 and earmarked reserves, it is proposed that the Council consider requesting a precept of £31,930, a 3% increase in monetary terms on last year's precept.

The indicative Tax Base from Babergh is 717.05 (an increase of 1.54%), giving a Cost per Band D equivalent: £44.53, equivalent to a 1.44% increase. This is the information which will appear on Council Tax bills.