

Minutes
Burton-in-Lonsdale Parish Council
Finance Committee Meeting
7.30pm Thursday 19 November 2020

Convened under The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020; 7th April 2020 to 7th May 2021

Venue:

<https://us02web.zoom.us/j/88573875061?pwd=WUVJOWNmV0RKSGk1c3UwMW8vY0JFQT09> tiny url: <https://tinyurl.com/y58kah5n>

Present: Councillors Handley, Shaw, and Thompson.

In attendance: the Clerk.

57/2020 Appointment of Chairman for the Meeting

Resolved

Cllr Thompson to chair the meeting.

58/2020 Apologies

There were none.

59/2020 Code of Conduct and Recording of Disclosable Pecuniary Interests

To record Councillor's Disclosable Pecuniary Interests relating to this Agenda and any changes since the previous disclosure to Craven District Council

There were none.

60/2020 Half Year Accounts 1st April – 30th September 2020

Summary and report.

Prior to the meeting the Clerk circulated a receipts and payments account for the period 1st April to 15th September 2020. Three items exceeded budgeted expenditure as at 15th September: street lighting power (£63), grass cutting (£242), s137 donations (£239). Village projects have either been funded from reserves or grants. Overall, expenditure by year end 31st March 2021 should be in line with the budget. It was noted that income from Recreation Field & Sports Pavilion use is contributing to the Council's funds, although not wholly predictable.

61/2020 2021-22 Budget : discussion and recommendations to full council, including

a. Consideration of re-allocation of fund surplus (if any) to other Parish Council projects

A formal exercise to re-allocate any surplus funds has not been performed for some time; any surplus has been carried forward to the following year in general reserves. This ensures a contingency fund of a minimum £5,000.

Resolved

To review any surplus funds at year end; to re-allocate any surplus funds to specific items in the following year's budget, recognising this will not change the amount of precept received in the following year.

- b. Routine Maintenance, Recreation Field & Pavilion and Administration
The reserves have also been augmented in 2020 by the Coronavirus payment of £10,000 in respect of the Sports Pavilion, of which some has been used to re-surface the Recreation Field's main entrance, recently damaged by flood water from Jingling Gill in February and October 2020. A quote for the work had been received; the work was done by a second contractor. It was not possible to obtain additional tenders.

Cllr Thompson circulated a budget proposal which was discussed:

- street lights power supply increase to take account of increased charges
- street lights renewals/loan repayments to reduce slightly, as coming to end of loan period
- grass cutting increased to £3,500, as season runs from end March to early November and now have a soccer club using the field on a regular basis (ie more cuts)
- pavilion utilities remains the same noting the water leak problem appears to be solved. This does not take into consideration RHI and FiT payments (see below)
- pavilion maintenance: same amount as 2020-21
- equipment inspection & maintenance: slight increase as equipment well-used, leading to wear, which has to be monitored and rectified as necessary
- audit: slight increase as payments on course to exceed £25,000 in current year (external audit fees increase when receipts or payments exceeds £25,000)
- subscriptions to remain the same
- insurance to remain same at £1,500
- Room hire/ZOOM annual subscription to remain at £240 total
- Clerk's salary & gratuity as per most recent salary award
- Contingency fund: propose to leave at £5,000 (ie no addition)

In view of the proposed expenditure, the likely income in 2021-22 from various sources was identified:

Recreation Field and Pavilion Hire:	£500
RHI & FiT receipts:	£250
Riverside Land Licence:	<u>£300</u>
TOTAL	£1,050

which could be off-set against expenditure ie potential total budget £18,357.

- c. Grant applications from Village and other Organisations
No applications have been received; it was noted that village organisations tend to approach the Parish Council during the year as and when a project is being considered, partly influenced by other agencies' funding schedules.
- d. Village Projects
This item was not discussed, except to note these are an extension of item c) above, as there is more flexibility during the financial year to consider funding for projects.

e. Risk assessment and insurance items' valuations

Grant for repair of clock.

Having made enquiries to NYCC and CDC, the conclusion is that the Parish Council is within its powers to make the grant to All Saints PCC in respect of the church clock repairs as the clock is visible from most parts of the village and is considered to be a public clock. 1894 legislation prohibits expenditure for Church clocks. However, no council has ever been prosecuted for expenditure relating to church clocks that are visible to the general public, and so it was considered appropriate to make the grant as the clock is considered to be a public clock. The District Council has also made a grant; NYCC was able to make a grant, however, the money was not required.

It is always necessary to ensure expenditure is within council's powers. The Clerk consults with YLCA if any unusual expenditure is planned.

Property values in the insurance schedule will be reviewed in April prior to the annual renewal.

f. Proposed 2021-22 budget for recommendation to full Council

Resolved

To propose to full council a **total budget of £19,407**. (appendix 2)

62/2020 2021-2022 Annual Precept: recommendation to full council of amount to be requested from Craven District Council, in the light of the proposed total budget for 2021-2022, and projected unallocated reserves available at year end 31st March 2021.

The Craven District Council precept calculator for Burton in Lonsdale shows a predicted tax base reduction for 2021-22 (final figures to be confirmed late February 2021). The forecast predicts there will be fewer full council tax-paying households in equivalent Band D at 251 (down from 257 in current year). For each household not in equivalent Band D, only 75% of the annual council tax is paid (e.g. single person allowance, etc). In Burton it is forecast a total of 24 fewer households will be paying 100% council tax in 2021-22; the tax burden falls on fewer households and each household will be paying more. Even if the Parish Council asks for a zero increase, it will translate to an increase in the parish element of council tax. The Committee recognises that this may present difficulties to some residents as the current economic climate arising from the Coronavirus pandemic has reduced incomes. Also noted is the reduction of the central government grant to zero, putting more tax burden on local residents, if essential expenditure is to be maintained.

Resolved

In view of the proposed budget of £19407, a **precept of £17,000** for the year 2021-22 be proposed to full council in expectation of income of about £1,000-£1,500. The Parish Council also holds reserves from which about £1,400 can be drawn down to cover proposed expenditure.

Further, the £10,000 Coronavirus grant for the Pavilion will be used to do works which are necessary, without having to increase the precept.

An article will be submitted to the Burtonian to explain the process of setting the budget and precept.

63/2020 Further discussion on the accounting treatment of Contingency Fund

The accounting treatment of the Contingency Fund was discussed by Cllr Thompson, the Clerk and the internal auditor.

The contingency fund is for unexpected items of expenditure, not identified in the budget. Currently expenditures are defined as budgeted and non-budgeted items. The auditor was asked if the unbudgeted items could be taken from the contingency fund; the response was if the items were to be monitored and deducted from the contingency fund, this in itself would be creating more work; ultimately it would make no difference to the accounting. However Cllr Thompson will circulate a worked example for comment.

64/2020 Date, time and venue next monthly Parish Council meeting

Resolved

Full Council meeting via ZOOM, 7.30pm Thursday 26th November 2020

The meeting finished at 8.27pm

Signed

Dated

Appendix 1

Receipts and Payments for Period 1st April to 15th September 2020

year end 31.03.20		period 1.4.2020 to 15.9.2020
	Receipts	
17,000.00	Precept	8,750.00
72.86	Bank Interest	13.94
300.00	Sundry Income	0.00
7,958.56	Grants/Donations	10,062.90
2,797.00	Hire Fees	388.00
374.09	Miscellaneous	167.42
<u>1,716.70</u>	VAT Refund Received	<u>2,088.21</u>
30,219.21	Total Income	21,470.47
	Payments	
1,072.40	Administration	369.39
2,393.52	Staff Costs	1,029.20
0.00	Section 137 Payments	238.90
6,942.08	Village Projects	7,604.63
984.72	Utilities excl Rec Field	1,062.76
580.58	Street Lights Maintenance	0.00
1,926.36	Street Lights Loan repayment	948.60
1,788.29	Maintenance	844.49
3,325.17	Rec Field Committee	1,403.17
2,742.33	Sports Pavilion project	0.00
3,052.65	Sports Pavilion: maintenance	558.85
328.00	Subscriptions	0.00
1,347.98	Insurances	1,386.92
0.00	Room Hire	100.48
490.00	Audit Fees	290.00
0.00	Donations	0.00
151.48	Sundries	40.00
0.00	Elections	0.00
0.00	Petty Cash	0.00
<u>3,201.75</u>	VAT Paid	<u>1,706.42</u>
30,327.31	Total Expenditure	17,583.81
	Cumulative Fund Balance	
32,389.53	Balance brought forward	32,281.43
<u>30,219.21</u>	Add total receipts	<u>21,470.47</u>
62,608.74		53,751.90
<u>30,327.31</u>	Less total payments	<u>17,583.81</u>
32,281.43	Balance carried forward	36,168.09

Appendix 2

Budget 2021-22
to be proposed to Full Council

Maintenance and renewals

Street lights power supply
Street Lights (year 1 of maintenance cycle)
Street Lights: Renewals/loan repayments
Seat Maintenance
Street maintenance, Notice Boards
Grass cuts Areas 1-5
Trees Riverside Land, VOSCY & VG
Xmas Tree for Village Green (250), power (75)
Village Green misc inc War memorial

	Ex VAT	Ex VAT
Budget 2020-21		Budget 2021-22
1,000		1,100
300		300
1,887		1,850
300		50
100		0
3,000		3,500
1,000		1,000
300		300
0		0

Village Organisations & Projects

S/137 donations to village organisations
Donations other than s137
Village Projects

0	0
0	0
	0

Recreation Field

Pavilion water, electric
Sports Pavilion capital purchases
Pavilion maintenance (LGA 1976 Misc Provs)
Equipment inspection; maintenance
Rec Field (excl. Pavilion) maintenance

1,500	1,500
0	0
1,500	1,500
400	500
750	750

Administration

Transparency Code compliance expenses
Annual Audit (external & internal)
Training fees
Travel
Communications: telephone, internet, email
Sports Pavilion website (annual £72); domain name (every 2 yrs)
Print, postage
Subscriptions
Insurance (incl Pavilion)
Room Hire (@ £8 / hr) & ZOOM annual subscription
Elections
Sundries
Clerk's Salary (244.2hrs x £11.30/hr incl ann. leave) net including HMRC PAYE Costs

150	100
500	600
100	100
100	100
200	200
75	75
300	300
400	400
1,500	1,500
240	240
0	0
200	200
2500	2759.46

	Budget 2020- 21	Budget 2021-22
Clerks Use of home, heat, light, file storage: £371 p.a.	400	400
Clerk's Gratuity part, total payable upon retirement; calc as 3% annual gross salary £2759.46 as of Sep 2020	75	82.78
Contingency Fund (currently at £5,000)		
TOTAL BUDGET	18,777	19,407