Batheaston Parish Council

# SETTING THE 2021/22 PRECEPT

## Governance context

1. At the Extraordinary Meeting of 1/12/20, Council rejected the motion of consulting residents on the 21/22 precept level and instead resolved to make the public case of its choice for it.

2. At its 12/1/21 meeting, the Finance Committee considered the merits of several levels with a view of making a recommendation to Council. As there was no majority for any single option, the options discussed are presented in point 9 below.

3. Council is now required to decide formally a 2021/22 precept level at its meeting of 26/1/21, for binding communication to BANES no later than 10/2/21.

4. Council will also have to communicate its new precept level to its residents. Unlike last year, when the papers were not public and meetings were not recorded, residents will be able to know the Council decision almost immediately.

5. Once a precept level has been agreed, a budget for 21/22 can be constructed. The detailed work on this will be undertaken by the Clerk and members of the Finance Committee, and will be brought to February Council meeting for a first review and then for approval at the March meeting.

## Financial context

6. The 2021/22 tax base (i.e. the number of households paying precept) is 1,127.79, a -0.29% reduction on 20/21's figure of 1,130.97. This reduces our "no change" precept from £50,400 to £50,254.

7. Schedule 1 presents a 2021/22 pro-forma budget forecast based on 2020/21 run-rates, for information only.
   - The 2021/22 maintenance budget spend ("MSB") is forecast to be c£45k;
   - The 2021/22 discretionary spend budget ("DSB") is £19,442.
   - The capex budget is matched receipts and costs of up to £18k, for playground refurbishment.
   - The projected 2021/20 closing balance of reserves is £33,661, a reduction of £6,339 on the opening balance.

8. Schedule 2 shows precept growth levels and their impact on household precept payments. The two matrices show the same results, in different units: absolute value and change value.

9. Schedule 2 also shows the 3 options discussed at the Finance Committee:
   - Option 1 is a no change choice, argued on the basis that that COVID-19 has increased anxiety and hardship in our community, and that BPC should seek to make greater use of grants to fund its activities. This option attracted 1 out of 4 votes at The Finance Committee.
   - Option 2 is a reduction of the precept to £46,700. It is argued on the basis that BPC has not shown an ability to add value to the precept and that against the COVID background, a 1-year austerity precept would create goodwill amongst residents. This option attracted 1 out of 4 votes.
   - Option 3 is an increase of the precept of 5%, to £52,770, argued on the basis that BPC should match the anticipated council tax increase of BANES so as to start preparing itself for reduced central government funding. This option attracted 2 out of 4 votes.

# Schedule 1
# 2021/22 run-rate budget

**Batheaston Parish Council**
**21/22 Run-rate Budget**

| Category | SortNo (New) | Item | 2020/21 Budget Forecast Feb 2020 | 2020-21 Budget Review Aug 2020 | 2021/22 Run-rate Budget | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | MSB | DSB | Capex | Comments |
| Income | 1 | CIL grant received | 15,890 | 6,890 | | 4,140 | 18,000 | £18k CIL is earmarked for playground CAPEX only; £4,140 of DSB may fall in 2020/21 |
| | 2 | Hire income - pavilion | 4,000 | 600 | 2,500 | | | |
| | 3 | Interest | 200 | 24 | 20 | | | |
| | 4 | Precept | 50,400 | 50,400 | 50,254 | | | Default level is no increase in resident payments |
| | 5 | Toilet income | 500 | 300 | 200 | | | |
| | 6 | PWL | 139,312 | - | | | | |
| | 7 | VAT refunds | 9,500 | 9,500 | 1,000 | | | Assumes full £9,500 of Vat refunds in 2020/21 |
| | 8 | | | | | | | |
| | 9 | **TOTAL INCOME** | **219,802** | **67,714** | **53,974** | **4,140** | **18,000** | |
| Expenses | 10 | Christmas - lights erection and power setup | (2,022) | (1,022) | (1,050) | | | |
| | 11 | Christmas - trees and decorations | - | - | | | | |
| | 12 | General - Audit | (618) | (750) | (620) | (150) | | |
| | 13 | General - bank charges | (72) | (72) | | | | |
| | 14 | General - chairman's expenses | (25) | (25) | | | | |
| | 15 | General - Clerk 1 expenses | (600) | (200) | (500) | | | |
| | 16 | General - Clerk 2 expenses | - | - | | | | |
| | 17 | General - Elections | (100) | (100) | | | | |
| | 18 | General - Grants given | (10,475) | (9,600) | | (12,000) | | Youth club: £9,500 |
| | 19 | General - insurance | (1,953) | (1,970) | (2,000) | | | |
| | 20 | General - mobile internet | (5) | (5) | | | | |
| | 21 | General - office equipment | (400) | (400) | | | | |
| | 22 | General - photocopying | (33) | (33) | | | | |
| | 23 | General - Postage | (20) | (20) | | | | |
| | 24 | General - Publishing and transparency, website e | (370) | (370) | | | | |
| | 25 | General - refreshments for events | (20) | (20) | | | | |
| | 26 | General - Stationery | (100) | (100) | | | | |
| | 27 | General - Subscriptions | (795) | (902) | | | | |
| | 28 | General - Training and Information | (450) | (450) | (6,150) | | | |
| | 29 | Highways - Cotswold Wardens | - | - | | | | |
| | 30 | Highways - Freeholders | - | - | | | | |
| | 31 | Highways - Garage hire for equipment storage | (410) | (389) | | | | |
| | 32 | Highways - Grass cutting | (750) | - | | | | |
| | 33 | Highways - Hanging baskets and watering | (960) | (960) | | | | |
| | 34 | Highways - Maintenance | - | - | | | | |
| | 35 | Highways - Monks Path maintenance | - | - | | | | |
| | 36 | Highways - noticeboards | - | - | | | | |
| | 37 | Highways - path clearing | (550) | - | | | | |
| | 38 | Highways - plants | - | - | | | | |
| | 39 | Highways - Refurbish signs | - | - | | | | |
| | 40 | Highways - Street sweeper petrol | (70) | (70) | | | | |
| | 41 | Highways - Streetlight maintenance | (365) | (410) | | | | |
| | 42 | Miscellaneous Expenses | (50) | (2,026) | | | | |
| | 43 | Neighbourhood Plan | - | - | | | | |
| | 44 | New "Vision Plan" | - | - | | | | |
| | 45 | Parking - car park controls | - | - | | | | |
| | 46 | Parking - estate parking | - | - | | | | |
| | 47 | Parking - refurbish signs | (500) | (500) | | (1,500) | | |
| | 48 | Planning - Local Support | - | - | | | | |
| | 49 | Play area - football pitch - grass cutting | -920 | -920 | (920) | (500) | | |
| | 50 | Play area - football pitch - maintenance | -500 | -500 | | | | |
| | 51 | Play area - grass cutting | (460) | | | | | |
| | 52 | Play area - inspections | (300) | (468) | (600) | | | |
| | 53 | Play area - maintenance and upgrades | (2,000) | (2,000) | | (2,000) | | |
| | 54 | Play area - pavilion - maintenance and upgrades | (700) | (450) | (600) | | | |
| | 55 | Play area - Pavilion - new entrance | - | - | | | | |
| | 56 | Play area - pavilion - safety checks & fire extingui | (40) | (140) | (140) | | | |
| | 57 | Riverside - car park/toilet - improvements & mai | (1,250) | (250) | (500) | | | |
| | 58 | Riverside - cycle way poles installation | - | - | | | | |
| | 59 | Riverside - grass cutting | (1,525) | (1,635) | (1,650) | | | |
| | 60 | Riverside - green bins | (180) | (180) | (180) | | | |
| | 61 | Riverside - pontoon, cycle rack | (1,600) | - | | | | |
| | 62 | Riverside - resiting youth shelter | - | - | | | | |
| | 63 | Riverside - secret garden works and plants | (1,250) | (500) | | (750) | | |
| | 64 | Staff - Bonuses, gratuities, training, advertising | - | - | | | | |
| | 65 | Staff - PAYE & NI | (2,288) | (3,510) | (3,510) | (70) | | |
| | 66 | Staff - Pension | (756) | (1,785) | (1,200) | | | |
| | 67 | Staff - Wages | (24,322) | (23,591) | (23,591) | (472) | | |
| | 68 | Suffragettes - Commermorative Tree | - | - | | | | |
| | 69 | Suffragettes - Kiosk | (20) | (20) | | | | |
| | 70 | Utilities - electric | (1,500) | (840) | (1,200) | | | |
| | 71 | Utlilities - Water | (500) | (527) | (600) | | | |
| | 72 | Tactical 1 | | | | | (18,000) | Capex offset vs CIL |
| | 73 | Tactical 2 | | | | | | |
| | 74 | Tactical 3 | (6,000) | (5,500) | | | | |
| | 75 | Tactical 4 | (1,000) | | | | | |
| | 76 | Strategic 1: Place we call home | | | | | | |
| | 77 | Strategic 2: Natural capital | (105,500) | (1,000) | | (1,000) | | Need to earmark money for public priorities; or remove the priorities |
| | 78 | Strategic 3: Sustainability by design | (20,000) | | | | | |
| | 79 | Strategic 4: Open for business | | | | | | |
| | 80 | Strategic 5: Shared mobility | | | | | | |
| | 81 | Strategic 6: Clean air | (1,000) | (1,000) | | (1,000) | | |
| | 82 | Other? | - | - | | | | |
| | 83 | | | | | | | |
| | 84 | **TOTAL SPEND** | **(195,324)** | **(65,209)** | **(45,011)** | **(19,442)** | **(18,000)** | |
| | 85 | **Category income/loss** | **24,478** | **2,505** | **8,963** | **(15,302)** | **-** | |
| | 86 | **Cumulative income/loss** | | | **8,963** | **(6,339)** | **(6,339)** | |
| | 87 | Category C/I | 88.9% | 96.3% | 83.4% | 469.7% | 100.0% | |
| | 88 | Cum C/I | | | 83.4% | 110.9% | 108.3% | |
| | 89 | **Starting reserves** | | | **40,000** | | | |
| | 90 | **Closing reserves** | | | **48,963** | **33,661** | **33,661** | |

## Precept level tables

| | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | New precept payment per band, total £ p.a. | | | | | | | | New precept payment per band, increase £ p.a. | | | | | | | |
| Current precept level | 50,400.00 | | | Band | | | | | | | | | | | | | | | | |
| Current D band precept | 44.56 | Growth, % | Precept, £ | 0.67 | 0.78 | 0.89 | 1.00 | 1.22 | 1.44 | 1.67 | 2.00 | | | | | | | | | |
| No months / year | 10.00 | \| | \| | A | B | C | D | E | F | G | H | A | B | C | D | E | F | G | H |
| Tax base 2021/22 | 1,127.79 | -8.00% | **46,234** | 27.33 | 31.89 | 36.44 | 41.00 | 50.11 | 59.22 | 68.33 | 81.99 | -2.38 | -2.77 | -3.17 | -3.56 | -4.36 | -5.15 | -5.94 | -7.13 |
| Increase step Growth | 0.50% | -7.50% | **46,485** | 27.48 | 32.06 | 36.64 | 41.22 | 50.38 | 59.54 | 68.70 | 82.44 | -2.23 | -2.60 | -2.97 | -3.34 | -4.08 | -4.83 | -5.57 | -6.68 |
| | | -7.00% | **46,737** | 27.63 | 32.23 | 36.84 | 41.44 | 50.65 | 59.86 | 69.07 | 82.88 | -2.08 | -2.43 | -2.77 | -3.12 | -3.81 | -4.51 | -5.20 | -6.24 |
| | **Option 2** | -6.50% | **46,988** | 27.78 | 32.41 | 37.03 | 41.66 | 50.92 | 60.18 | 69.44 | 83.33 | -1.93 | -2.25 | -2.57 | -2.90 | -3.54 | -4.18 | -4.83 | -5.79 |
| | | -6.00% | **47,239** | 27.92 | 32.58 | 37.23 | 41.89 | 51.19 | 60.50 | 69.81 | 83.77 | -1.78 | -2.08 | -2.38 | -2.67 | -3.27 | -3.86 | -4.46 | -5.35 |
| | | -5.50% | **47,490** | 28.07 | 32.75 | 37.43 | 42.11 | 51.47 | 60.82 | 70.18 | 84.22 | -1.63 | -1.91 | -2.18 | -2.45 | -3.00 | -3.54 | -4.08 | -4.90 |
| | | -5.00% | **47,742** | 28.22 | 32.92 | 37.63 | 42.33 | 51.74 | 61.15 | 70.55 | 84.66 | -1.49 | -1.73 | -1.98 | -2.23 | -2.72 | -3.22 | -3.71 | -4.46 |
| | | -4.50% | **47,993** | 28.37 | 33.10 | 37.83 | 42.55 | 52.01 | 61.47 | 70.92 | 85.11 | -1.34 | -1.56 | -1.78 | -2.01 | -2.45 | -2.90 | -3.34 | -4.01 |
| | | -4.00% | **48,244** | 28.52 | 33.27 | 38.02 | 42.78 | 52.28 | 61.79 | 71.30 | 85.56 | -1.19 | -1.39 | -1.58 | -1.78 | -2.18 | -2.57 | -2.97 | -3.56 |
| | | -3.50% | **48,495** | 28.67 | 33.44 | 38.22 | 43.00 | 52.56 | 62.11 | 71.67 | 86.00 | -1.04 | -1.21 | -1.39 | -1.56 | -1.91 | -2.25 | -2.60 | -3.12 |
| | | -3.00% | **48,747** | 28.82 | 33.62 | 38.42 | 43.22 | 52.83 | 62.43 | 72.04 | 86.45 | -0.89 | -1.04 | -1.19 | -1.34 | -1.63 | -1.93 | -2.23 | -2.67 |
| | | -2.50% | **48,998** | 28.96 | 33.79 | 38.62 | 43.45 | 53.10 | 62.76 | 72.41 | 86.89 | -0.74 | -0.87 | -0.99 | -1.11 | -1.36 | -1.61 | -1.86 | -2.23 |
| | | -2.00% | **49,249** | 29.11 | 33.96 | 38.82 | 43.67 | 53.37 | 63.08 | 72.78 | 87.34 | -0.59 | -0.69 | -0.79 | -0.89 | -1.09 | -1.29 | -1.49 | -1.78 |
| | | -1.50% | **49,501** | 29.26 | 34.14 | 39.01 | 43.89 | 53.65 | 63.40 | 73.15 | 87.78 | -0.45 | -0.52 | -0.59 | -0.67 | -0.82 | -0.97 | -1.11 | -1.34 |
| | | -1.00% | **49,752** | 29.41 | 34.31 | 39.21 | 44.11 | 53.92 | 63.72 | 73.52 | 88.23 | -0.30 | -0.35 | -0.40 | -0.45 | -0.54 | -0.64 | -0.74 | -0.89 |
| | | -0.50% | **50,003** | 29.56 | 34.48 | 39.41 | 44.34 | 54.19 | 64.04 | 73.90 | 88.67 | -0.15 | -0.17 | -0.20 | -0.22 | -0.27 | -0.32 | -0.37 | -0.45 |
| | **Option 1** | 0.00% | **50,254** | 29.71 | 34.66 | 39.61 | 44.56 | 54.46 | 64.36 | 74.27 | 89.12 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | | 0.50% | **50,506** | 29.86 | 34.83 | 39.81 | 44.78 | 54.73 | 64.69 | 74.64 | 89.57 | 0.15 | 0.17 | 0.20 | 0.22 | 0.27 | 0.32 | 0.37 | 0.45 |
| | | 1.00% | **50,757** | 30.00 | 35.00 | 40.00 | 45.01 | 55.01 | 65.01 | 75.01 | 90.01 | 0.30 | 0.35 | 0.40 | 0.45 | 0.54 | 0.64 | 0.74 | 0.89 |
| | | 1.50% | **51,008** | 30.15 | 35.18 | 40.20 | 45.23 | 55.28 | 65.33 | 75.38 | 90.46 | 0.45 | 0.52 | 0.59 | 0.67 | 0.82 | 0.97 | 1.11 | 1.34 |
| | | 2.00% | **51,259** | 30.30 | 35.35 | 40.40 | 45.45 | 55.55 | 65.65 | 75.75 | 90.90 | 0.59 | 0.69 | 0.79 | 0.89 | 1.09 | 1.29 | 1.49 | 1.78 |
| | | 2.50% | **51,511** | 30.45 | 35.52 | 40.60 | 45.67 | 55.82 | 65.97 | 76.12 | 91.35 | 0.74 | 0.87 | 0.99 | 1.11 | 1.36 | 1.61 | 1.86 | 2.23 |
| | | 3.00% | **51,762** | 30.60 | 35.70 | 40.80 | 45.90 | 56.10 | 66.30 | 76.49 | 91.79 | 0.89 | 1.04 | 1.19 | 1.34 | 1.63 | 1.93 | 2.23 | 2.67 |
| | | 3.50% | **52,013** | 30.75 | 35.87 | 41.00 | 46.12 | 56.37 | 66.62 | 76.87 | 92.24 | 1.04 | 1.21 | 1.39 | 1.56 | 1.91 | 2.25 | 2.60 | 3.12 |
| | | 4.00% | **52,264** | 30.89 | 36.04 | 41.19 | 46.34 | 56.64 | 66.94 | 77.24 | 92.68 | 1.19 | 1.39 | 1.58 | 1.78 | 2.18 | 2.57 | 2.97 | 3.56 |
| | | 4.50% | **52,516** | 31.04 | 36.22 | 41.39 | 46.57 | 56.91 | 67.26 | 77.61 | 93.13 | 1.34 | 1.56 | 1.78 | 2.01 | 2.45 | 2.90 | 3.34 | 4.01 |
| | **Option 3** | 5.00% | **52,767** | 31.19 | 36.39 | 41.59 | 46.79 | 57.19 | 67.58 | 77.98 | 93.58 | 1.49 | 1.73 | 1.98 | 2.23 | 2.72 | 3.22 | 3.71 | 4.46 |
| | | 5.50% | **53,018** | 31.34 | 36.56 | 41.79 | 47.01 | 57.46 | 67.90 | 78.35 | 94.02 | 1.63 | 1.91 | 2.18 | 2.45 | 3.00 | 3.54 | 4.08 | 4.90 |
| | | 6.00% | **53,270** | 31.49 | 36.74 | 41.99 | 47.23 | 57.73 | 68.23 | 78.72 | 94.47 | 1.78 | 2.08 | 2.38 | 2.67 | 3.27 | 3.86 | 4.46 | 5.35 |
| | | 6.50% | **53,521** | 31.64 | 36.91 | 42.18 | 47.46 | 58.00 | 68.55 | 79.09 | 94.91 | 1.93 | 2.25 | 2.57 | 2.90 | 3.54 | 4.18 | 4.83 | 5.79 |
| | | 7.00% | **53,772** | 31.79 | 37.08 | 42.38 | 47.68 | 58.27 | 68.87 | 79.47 | 95.36 | 2.08 | 2.43 | 2.77 | 3.12 | 3.81 | 4.51 | 5.20 | 6.24 |
| | | 7.50% | **54,023** | 31.93 | 37.26 | 42.58 | 47.90 | 58.55 | 69.19 | 79.84 | 95.80 | 2.23 | 2.60 | 2.97 | 3.34 | 4.08 | 4.83 | 5.57 | 6.68 |
| | | 8.00% | **54,275** | 32.08 | 37.43 | 42.78 | 48.12 | 58.82 | 69.51 | 80.21 | 96.25 | 2.38 | 2.77 | 3.17 | 3.56 | 4.36 | 5.15 | 5.94 | 7.13 |