

# **BARNTON PARISH COUNCIL**

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## **TO ALL MEMBERS OF THE PARISH COUNCIL.**

I herewith attach my budget statement for the Financial Year 2011/2012 and Financial Statement of Accounts to the 31st December 2010 for Members to take into consideration when deciding the Precept for the next Financial Year.

This will be my 13th and final Budget Statement to Members of the Parish Council and my most difficult and controversial of all my previous budget statements due to the various demands on the Parish Precept which have been made by Members of the Parish Council. In the current severe economic climate it is in my opinion not prudent to produce a budget which will represent almost a 30% increase in the Precept. It is almost impossible to know whether the traditional budget statement I have previously produced for 12 years is now considered acceptable in the light of the various Government edicts which have been announced such as a Consultation on Local Referendums. It is more than possible that future budgets may be dealt with totally differently and it is quite clear to me that at some time in the very near future the provision of some Local Services may be devolved to larger Parish Councils in certain circumstances but we have still not received any guidance on this either.

The decision of the Parish Council to employing a Full Time Clerk following my retirement on 31st March 2011 and the employment of a Parish Handyman (circa £3000 per annum) has had a significant effect in increasing the Staff Salaries by almost 50%. I cannot find savings of that order within my budget and this will show as a major significant increase in my budget compared with the 2010/11 budget. Notwithstanding all the other possible changes that can or will take place in 2011/2012. The Parish Council have also indicated a wish for £10000 to be placed in a land purchase fund and in addition there will also be increases due to the requests for Grants and the borrowing £15000 from the Public Works Loan Board to offset the purchase of Gunnersclough Woodland in 2010/11 and the possible purchase of Land off Townfield Lane and the conversion of the Cemetery Allotments to consecrated ground which subject to the various planning consents and agreements will be the subject of a request in March 2011 for a further request to to the Secretary of State for Communities and Local Government to borrow funds in the region of £120,000.

Notwithstanding all of this I have again had to base my budget along traditional lines as I have done previous years.

I have provided you with a Financial Statement of Accounts at the 31st December 2010 Again as in previous years I have been only able to estimate very roughly the Recreation Ground Expenditure which again is due to the number of tasks that have been done by our Grounds Maintenance Contractor Mr. John Hughes. As these Invoices may not be presented by the end of the Financial Year it will be necessary to carry over the funds that are left to ensure you can pay the invoices when they are presented.

I have recommended a Precept of £100,000 and my reasons for doing so are set out in the explanation alongside each item and in the other documents which I have provided. This year it is particularly difficult to recommend an increase in the Budget due to the severe economic climate and the impending changes being made by Central and Local Government over which we have very little control and therefore there may be a significant back lash to the proposals for an increase in the precept of 29.87%. even though the actual reasons for the increase may appear extremely valid to Members of the Parish Council.

**A word of caution** Members will be aware that the Government has imposed a Pay and Budget Freeze on Principal Councils in addition to a varying level of reduction of their Central Government Grant in the region of 8%. I am not aware that this will be applied to the precepts of Town and Parish Councils as we receive no direct Central Government Grant however I would strongly recommend that Members of the Parish Council seriously consider the implications of increasing the Budget by such an amount and in case this budget is not acceptable to either Chester West and Chester Council or Central Government. and be prepared if necessary to cut the Budget accordingly.

I would also add the following further information which Members may wish to take into consideration when deciding what amount to set the Precept at for 2011/2012.

**BURIAL JOINT COMMITTEE.** The Burial Joint Committee have indicated that they require a Precept of £4000 for 2011/2012 This is a reduction of £120 however due to the Burial Joint Agreement with Anderton with Marbury Parish Council finishing On 30th April 2011. Our contribution to this Precept is now 100% and therefore this is an increase of £271.40 . ***(See also item Purchase of Land below)***

**SECTION 137 PAYMENTS. (DONATIONS)** I have allowed £5250 for Donations to various village organisations at the request of the Grants Committee which is an overall increase of £750 from last year and takes into account only the request for funding received from Barnton Wanderers Football Club. (£2000). Barnton Cricket Club (£250) Parish Plan Implementation Group (£2000) and Barnton Silver Band (£1000). I have not allowed for any donations to good causes (usually £50) The Parish Council will have to treat these requests which are received from time to time on an individual basis when they are received as I have allocated no budget to them and whether they warrant special consideration in light of this.

**AUDITORS FEES.** The Auditors Fees for auditing the accounts in 2010/11 were £765 . The Internal and External Auditor for 2011/12 will be the same and therefore I have allocated £800 in the budget for 2011/2012.

*Note. The Audit Commission who are our External Auditors at present are in the process of being disbanded by the current Government*

**MEMORIAL HALL.** The Hall Management Committee have provided a statement of expenditure to support the request for £7500 in the Precept for 2011/2012 which the Grants Committee have reduced to £7000 which is the same amount as last year. The Parish Council are permitted under Section 19 of the Local Government (Miscellaneous Provisions) Act 1976 to fund Village Halls and whilst there is no limit to the amount we can give these funds must be used to maintain or improve the Village Hall or in support of its running expenses.

**INSURANCE.** Our Insurance was changed in 2008/09 from Allianz to Norwich Union under a 3 year fixed scheme (subject to no claims being made) at a rate of £3100 per annum. This year 2011/12 it will be necessary to negotiate a new 3 Year Scheme.? We actually paid in 2010/11 the sum of £3072.12 I have allowed £3200.00 which should be adequate to renew our Insurance policy for 2011/2012.

**PETTY CASH.** I have allowed £600 for Petty Cash in 2011/2012. Petty Cash will be restricted to paying for Minor Consumables in 2011/12 only Staff Allowances and Members and Staff Mileage Claims for 2011/12 perviously paid through Petty Cash will be paid with Salaries.

**GROUNDS MAINTENANCE.** I have allocated £2750 in the budget for this item which includes the quotation of £2490 given by our Contractor (3rd Year of a 3 year Agreement) This allows for the following work to be carried out. . All grass cutting on fourteen occasions and the strimming of all boundary fence lines, and around trees and around all play equipment / benches etc. on six occasions on both Recreation Grounds and hedge cutting on one occasion during the winter months on both the Recreation Grounds and on Barnton Football Ground Townfield Lane. I have also allowed a further £260 for minor additional works

**BARNTON MAD YOUTH CLUB. (SECTION 137 PAYMENTS)** I have placed £10000 in the budget to support the MAD Youth Club which is the same as last year. The Youth Club have provided the Parish Council details of their Income and Expenditure and the Grants Committee have agreed this sum which I have allocated to the Budget as requested

*(The total of Section 137 of the Local Government Act 1972 funds that I have included in this Budget is £15250. The actual amount we are permitted to spend in 2011/2012 is 4398 (No. of Electors) x £5.64 per Elector = £24804.72.)*

*Does not include the principal and interest referred to in the Gunnersclough Woods Item below*

**ADMINISTRATION AND STATIONERY.** I have allowed £800 for this item which includes Stationery (£250) and also a further £550 to pay for IT Equipment for our new Clerk, if necessary

**POLICE COMMUNITY SUPPORT OFFICER.** I have included £11800 which will pay the salary required of our Police Community Support Officer in 2011/2012.

**SALARIES.** I have allowed £33,000 in the budget for Salaries in 2011/12. This is an increase of £10,000 over the previous year.

**Clerk.** The Salary of the Full Time Clerk from 1st April 2011 will be £19730 per annum also to be added is £1810 Employers National Insurance, Heat , Light & Broadband Expenses £1300 ??? (I am paid £642.72 per Annum for 18 hours per week.) There will also have to included a sum of money for depreciation if you allow the Clerk to use their own computer equipment. (This can be transferred from the Admin. & Stationery Account) and a sum probably in the region of £200 to £300 for Travel expenses. The total cost of employing a Full time Clerk which I have allowed for is £23200

**Deputy Clerk.** I have allowed for £3000 per annum the Deputy Clerk's salary made up at 18 hours per month @ £10.75 per hour plus £418 per annum for his own computer equipment depreciation. He will also be paid a Travelling allowance at current rates (55p a mile) and Heat Light and Broadband expenses of £ 21.50 per month

**Tunnel Top and Website Editor.** I have allowed £2300 to pay for the Salary of Mrs Jeffs our Tunnel Top and Website Editor which is 18 hours per month @ £9.00 per hour plus £21.50 per month Heat Light and Broadband expenses of £21.50 per month. She is also entitled to Travelling Expense at .55p per mile

**Park Warden.** The Park Warden is paid at the rate of £6.35 per hour. She works at Nursery Road Recreation Ground as follows October to March - 3 hours per week, April & September - 5 hours per week and May to August - 6 hours per week. I have therefore allowed a salary of £1750 per annum which equates to approximately 250 hours @ £6.35 per hour plus an occasional (especially in the Summer) to having to work a second hour due to the amount of detritus found.

**Deputy Park Warden.** The Deputy Park Warden is paid at the same rate as the Park Warden £6.35 per and works as follows. October to March - 3 hours per week. (2 hours at Nursery Road and 1 hour at Runcorn Road) April & September - 4 hours per week (2 hours at Runcorn Road and 2 hours at Nursery Road and May to August 9 hours per week (7 hours at Nursery Road and 2 hours at Runcorn Road. this equates to approximately 284 hours per annum @ £6.35 plus as with the park warden an occasional second hour and I have allowed £2000 for the Annual Salary.

**Relief Park Warden** When the Park Warden & Deputy Park Warden are sick or on holiday their duties have fallen to me in many instances to do their work. I have been able this year to get my Son in Law to stand in to do so however this will not be an option in 2011/12. I have therefore allowed a further £254 for 40 additional hours @ £6.35 per hour to cover this eventuality .

**Jubilee Corner.** I have allowed £200 for Mrs Harsey to maintain the Garden at Jubilee Corner for a maximum of 25 Weeks @ £7.80 per hour

There are therefore sufficient funds in this grand total of £33,000 to pay all Salaries (as existing) plus Allowances, Income Tax and National Insurance in the next Financial Year I have allowed an extra £550 to pay for any additional hours or if Members agree to pay increments in salaries when the pay and hours of Staff are reviewed at the Finance and General Purposes Committee on 31st January 2011.

**MISCELLANEOUS EXPENDITURE.** I have allowed £2550.00 to pay for the following items; Room Hire for Meetings (£500) Subscriptions (£50) other Minor Miscellaneous Items such as Members Training Courses, etc. (£200) and printing of 5 editions of Tunnel Top (£1800)

**RECREATION GROUNDS.** I have allocated £5750 in budget for the Recreation Grounds in 2011/12 I have allowed for Maintenance of the Skateboard Park (£600.00) and the Monthly Safety Inspections (£600) . Maintenance of the existing Play Equipment , Minor Renewals and Repairs plus any minor additional works (£1500) Payment of Electricity and Water Bills (£300) and a sum of £1500 to carry out any specified additional works by the Parish Council. The Collection of Litter and Emptying of the Litter Bins I have allowed for £1250. I will be tasking the Parks and Recreation Grounds Committee at its Meeting on 24th January 2011 whether it wishes to use this budget allocation plus the sum of £1500 allocated for other purposes in employing a handyman during 2011/12 to carry out the jobs which I as the Clerk did unpaid. This could include the emptying of our litter bins and other minor works such as removing detritus for the Rec. Grounds, Minor repairs to the Play Equipment, Removing litter and Sweeping Jubilee Corner on a frequent basis, etc. etc. Should the Parks and Recreation Ground Committee recommend a Parish Handyman be employed then the amount of any Salary must be transferred from this budget to the Salaries Budget.

**GUNNERSCLOUGH WOODLANDS.** The Parish Council during 2010 bought Gunnersclough Woodlands for £10,000 and following a successful application to the Department of Communities and Local Government we have applied to the Public Works Loan Board to borrow £15,000 over 10 years which has been granted to pay for the Purchase and Solicitors Expenses (Total £10893.66) The remaining funds are to be used for a Tree Survey and a Woodland Management Plan plus any urgent remedial works associated with either of these. There is in my opinion therefore sufficient funds to cover this eventuality for 2011/12. Members may also wish to try and get additional funding by applying for Grants (some of which require match funding) which are also available. The only other funding which is therefore necessary is for the Loan Repayments and I have allocated £2500 in the budget for this.

Please Note. The remaining funds borrowed and interest paid on it (£4106.34) and in future years any funds spent on the Woodland can only be paid for by using the Free Resource or Power of Well Being as it is now called under Section 137 of the Local Government Act 1972

**PURCHASE OF LAND .** The Parish Council during 2010 has started negotiations to purchase a plot of land off Townfield Lane, Barnton adjacent to Barnton Cricket Club for Allotments, a Junior Cricket pitch and Car parking. The land has been valued at £100,000 and 2 Planning Applications have been submitted to Cheshire West and Chester Council. At the time of writing this report One Application for the Land adjacent to Barnton Cricket Club has been approved and the second to convert the Allotments at the Cemetery in Hayes Drive into consecrated ground is awaiting determination but we have been informed informally that this is being cited for Approval and we await the actual letter of Approval. In 2009/2010 the Parish Council received back from the Burial Joint Committee a sum of £9050 which was surplus to requirements due an increase in Burial for the previous year.

**PURCHASE OF LAND . (Continued)** This sum was placed in an Earmarked Reserve for the Purchase of land. These funds will pay for the 2 Planning Applications, Architects and Solicitors Fees plus a £5000 deposit to be paid to the Vendor. It will be necessary to submit a further Application to the Department for Communities and Local Government in 2011 to borrow approximately £120,000 to complete the purchase and develop the site. The income from the lease of the Allotments and a Lease to Barnton Cricket Club when agreed should be sufficient to pay off the principal and interest charges of the Loan] if we are successful with our Application to borrow the necessary funds to do so from the Secretary of State for Communities and Local Government. I have therefore placed in the Budget £10,000 which should be sufficient to pay any of the instalments of the Loan during 2011/12

I have not included in this total any funds relating to the conversion of the Cemetery Allotments into consecrated land for burials. Our Outline Planning Application at the time of writing still has not been determined (although we have been informed unofficially that it will be). I have therefore no details of any planning conditions such as boundary fencing or planning requirements which will be necessary

During 2011/12 it is also possible that the Parish Council may be interested in purchasing another property in the Village. (207 Runcorn Road) adjacent to our Runcorn Road Recreation Ground It is unlikely that we could or would be able to finalise such a purchase till late in 2011 or early 2012 and therefore I have made no specific budget allocation to this for the following reasons. I have allocated £10,000 for the Land Purchase off Townfield Lane in 2011/12 which will be primarily to pay for the Loan to purchase the land. I estimate that there will be at least £2000 of this unallocated and along with the fact there may be monies left unspent in the current Earmarked Reserve of £9057.33 and the income for 2011/12 which I anticipate will be possibly around £1500 to £2000 which depends on the financial details of the lease agreement with the Cricket Club and this can be used to add to this total which is likely to be around £4000 to £5000 to offset any loan charges, solicitors fees, etc. if we are successful in purchasing this property.

**CONCLUSION.** I have shown in my statement of accounts that I predict we will have an overspend £1530.48 at the end of the Financial Year and that this could increase by another £7519.45 to £9049.93 and I have recommended that £4126.72 be transferred from the Recreation Grounds Earmarked Reserve to offset the purchase of the Multi Unit Games Wall at Runcorn Road and £502.50 from the Land Purchase Earmarked Reserve to offset the Planning Applications submitted at the Cemetery and the Land of Townfield Lane (Total £4629.22) however this still leaves us with a 2010/11 Budget Shortfall of £4420.71 and I have asked that this shortfall be addressed by the Finance and General Purposes Committee on Monday 31st January 2011 (In actual fact it is unlikely that our Grounds Maintenance Contractor will present his invoice for 2011/12 until after the precept for 2011/12 has been received) however Members should note I have provided no allowance in the Budget for 2011/12 to pay for this shortfall.

## **CONCLUSION. (Continued)**

Members are of course fully entitled to challenge the budget and make any changes that they think fit however they must be specific and itemise any changes that they wish to make to the budget and these must be recorded and voted on accordingly. Any funds allocated in the Precept must be specific as to what they are for and the Precept cannot be increased for speculative items or because we just might like to have more money to spend on something. Members can of course increase the amount of the Precept if they wish to do so and you can of course, if the funds are not spent for the allocated purpose in the 2010/2011 budget, they can be reallocated to pay for other items or to reduce the precept in future years or be carried over to spend in the next year's budget on items at the sole discretion of the Council. What you also must remember we cannot once the Precept Requirement has been set we cannot later in the year ask for additional funds and must work within our Budget and my role as the Responsible Financial Officer is to ensure that we do so.

*The Parish Council Budgetary Requirements is through our power to Precept and added to the Council Tax for our Parish Area. The Parish Council Tax is calculated by dividing the Precept we request by the estimated Tax Base for our Parish Area. The Tax Base for Barnton Parish has been calculated as 1824 Band "D" equivalent properties. A precept of £100,000 represents approximately £54.82p per Band "D" Property per annum. The £23000 increase I have recommended at the request of Members over the Precept for 2010/11 is an increase of approximately £12.60p per Band "D" property per annum*

I recommend in accordance with the wishes of Members of the Parish Council that the Precept for 2011/2012 be set at £100,000 which is an increase of £23,000 over the Precept set for 2010/2011 was £77,000 and this increase in the Precept for 2011/12 represents an increase of 29.87% compared with 2010/2011

Yours faithfully,

C. R. Garton  
Clerk and Responsible Financial Officer