Horndean Parish Council

NOTICE OF MEETING

A MEETING OF THE FINANCE AND GENERAL PURPOSES COMMITTEE WILL BE HELD ONLINE ON MONDAY 07 DECEMBER 2020 AT 7.00 P.M.

Members of the public can login via the website link.

Documents pertaining to the meeting are available to download from the HPC website.

Members of the Committee Cllr D Alexander (Chairman), Cllr Mrs L Evans, Cllr A Forbes (Vice Chairman), Cllr J Lay, Cllr B Raymond, Cllr D Prosser, Cllr P Little are summoned to attend.

Carla Baverstock-Jones GCILEx, PSLCC, MCMI
Chief Officer

01 December 2020

AGENDA

1. To receive apologies for absence.
2. Declaration of interest: Members are reminded of their responsibility to declare any disclosable pecuniary interest which they may have in any item of business on the agenda no later than when that item is reached. Unless dispensation has been granted, you may not participate in any discussion of, or vote on, or discharge any function related to any matter in which you have a pecuniary interest as defined by regulations made by the Secretary of State under the Localism Act 2011. You must withdraw from the room or chamber when the meeting discusses and votes on the matter.
3. To open the meeting to members of the public to enable them to address questions to Parish Councillors. *The period of time which is designated for public participation shall not exceed 20 minutes. Each member of the public is entitled to speak once only in respect of business itemised on the agenda and shall not speak for more than 3 minutes. A question asked by a member of public during public participation session at a meeting shall not require a response or debate.*
4. To approve the Minutes of the Finance and General Purposes Committee meeting held on the 19 October 2020.
5. To receive and consider the final draft Budget for the year ending 2021/2022.

HORNDEAN PARISH COUNCIL

FINANCE AND GENERAL PURPOSES COMMITTEE

MINUTES OF THE FINANCE AND GENERAL PURPOSES COMMITTEE MEETING HELD VIRTUALLY ON MONDAY 19th OCTOBER 2020 AT 7:00 PM WITH MICROSOFT TEAMS

PRESENT: Cllr D Alexander (Chairman), Cllr Mrs. L Evans, Cllr A Forbes, Cllr J Lay, Cllr B Raymond, Cllr D Prosser, Cllr P Little

IN ATTENDANCE: Carla Baverstock-Jones, Chief Officer; Cheree Garvey, Office Manager (Minute Taker); Simon Ritson, Responsible Financial Officer.

PUBLIC ATTENDANCE: There was no members of the public or the press present.

F&GP 001/20/21 **TO RECEIVE APOLOGIES FOR ABSENCE**

All committee members were in attendance.

F&GP 002/20/21 **TO RECEIVE ANY DECLARATIONS OF INTEREST**

No declarations of interest were received.

F&GP 003/20/21 **TO OPEN THE MEETING TO MEMBERS OF THE PUBLIC**

There were no members of the public or the press present.

F&GP 004/20/21 **TO APPROVE THE MINUTES OF THE FINANCE AND GENERAL PURPOSES COMMITTEE MEETING HELD ON THE 27th JANUARY 2019**

It was **RESOLVED** that the minutes of the Finance and General Purposes Committee meeting held on the 27th January 2020 are duly signed as a true record of the meeting.

This was proposed by Cllr D Alexander and seconded by Cllr B Raymond. All agreed.

F&GP 005/20/21 **TO RECEIVE AND CONSIDER THE QUARTERLY MANAGEMENT ACCOUNTS FOR THE PERIOD ENDING SEPTEMBER 2020**

The RFO circulated the report and a brief discussion took place.

The RFO highlighted the following:

- since the preparation of the report and forecast that there had been a vehicle accident within the Countryside team. Vehicle hire costs has therefore been incurred.
- we have had confirmation from EDHC that the latest CIL contribution will be paid this week therefore bringing the CIL pot to £40,289.50. The RFO has added a column noting the date funding will lapse.

Another point to note is that the income level of the halls are higher than the forecast as we have retained some of the regular hirers which are able to operate within the Covid-19 restrictions.

F&GP 006/20/21 **TO RECEIVE AND CONSIDER THE REVISED BUDGET FOR THE YEAR ENDING 2021/2022**

The revised budget prepared by the RFO had been circulated a report and a brief discussion took place.

The RFO stated that we are still awaiting the tax base figures for 2021-2022 from EHDC and that we are currently not predicting a change to the precept.

F&GP 007/20/21 **TO CONSIDER AND AGREE THE PLACEMENT OF THE REMAINING FUNDS FROM THE PUBLIC WORKS LOAN BOARD**

Following a brief discussion it was **RESOLVED** in principle to return the remaining funds to the PWLB after a year providing that there are no penalties to do so.

This was proposed by Cllr Mrs L Evans and seconded by Cllr A Forbes. All agreed

F&GP 008/20/21 **TO RECEIVE A FINANCIAL UPDATE IN RESPECT OF THE JUBILEE HALL CONSTRUCTION PROJECT**

The RFO circulated the report. It is noted that the Jubilee Hall Construction project is still within budget including contingencies.

Meeting closed at 7:39 pm

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Chairman

.....
Dated

DRAFT

HORNDEAN PARISH COUNCIL

FINANCE & GP MEETING : 7th December 2020

SUBJECT OF REPORT: Draft Budget 2021-22

Recap

A virtual meeting was held in August where direction was given by Council on some key assumptions. This was followed by a virtual budget workshop held on Monday 28th September and a Finance and General Purposes Meeting held on 19th October.
The main assumptions contained in the budget are as follows:

- To set hall income levels at 30% of the 2019-20 outturn.
- To reduce/remove any non-recurring or variable budgets where possible.
- To maintain current staffing levels and to keep within a total 2% pay award. (To clarify, this is compiled of a 0% cost of living increase plus a maximum of 2% PRP)
- To freeze the Precept at the 2020-21 level.
- To adjust earmarked reserves to create a general reserve of approximately 3 months running costs of the 2021-22 budget.
- To return any unspent funds from the loan in the summer of 2021 (12 months after the loan was received) should this be financial beneficial.
- The budget for caretakers that relates to the number of hall openings has been reduced in line with the budgeted 30% level of openings in 21-22. This released £4.1k which has been added to the Vehicle Replacement Earmarked Reserves.

Tax Base

The precept notification letter has been received from East Hampshire District Council and contains the following line.

The budget requirement of the District Council includes the precepts levied by local Town and Parish Councils. I would therefore be grateful to receive notification of your precept for 2021/22 by ***Thursday 31 December 2020****.*

The letter includes the tax base figures for 2021-22 and it shows a slight decrease from 5,092.66 to 5,075.63 (0.33%).
This is in line with many other Town/Parish Councils within the East Hampshire District Council boundaries but I have asked for the detailed calculation that supports this headline figure.

The figure is based on an estimate of the number of properties within the parish in 2021-22 but it is calculated taking other factors than growth into account (e.g. the number of properties that are exempt or have a discount plus an estimated bad debt provision).

This reduction has required a small downward adjustment to the General Reserve level to ensure that there is no increase to the precept levied on this reduced tax base. This amounts to c£1,300.

Reserves (Section 3)

Column B of the document has been refreshed with the updated forecast outturn position as at 31/3/21 following the completion of the October accounts.

Figures for the number of months running costs for both general and total reserves are shown for both the total budget and total expenditure budget.

Summary (Section 1)

This shows the revised budget with the tax base figure confirmed.

Report Prepared by Simon Ritson, Responsible Finance Officer, 30th November 2020

Horndean Parish Council

FINAL BUDGET (DRAFT) 2021-22

SUMMARY - SECTION 1

Cost Centre Code	Cost Centre Name	FULL YR ACTUAL 2019-20	FULL YR BUDGET 2020-21	YTD ACT APR-AUG 2020-21	FULL YR BUDGET 2021-22	Change	Notes
201	Central Costs	180,961	194,623	74,853	191,265	-3,357	
222	Grants	4,680	7,000	2,075	5,000	-2,000	
	TOTAL EXPENDITURE	185,641	201,623	76,928	196,265	-5,357	
201	Central Costs	-18,739	-5,504	-9,037	-5,164	340	
	TOTAL INCOME	-18,739	-5,504	-9,037	-5,164	340	
Finance & General Purpose	**NET EXPENDITURE**	**166,902**	**196,119**	**67,891**	**191,101**	**-5,017**	
301	Napier Hall	39,789	20,757	4,722	20,073	-684	
305	Jubilee Hall	336,247	22,190	241,770	20,388	-1,802	
306	Jubilee Admin	0	36,300	0	38,476	2,176	Transfer from 310/315 + loan
310	Tyfield House	26,206	0	15,287	0	0	closed
315	Lucky Lite	9,746	0	5,482	0	0	closed
	TOTAL EXPENDITURE	411,988	79,247	267,261	78,937	-310	
301	Napier Hall	-28,223	-29,200	-836	-8,760	20,440	reduced income target due to COVID 19
305	Jubilee Hall	-307,046	-27,900	-1,042	-8,370	19,530	reduced income target due to COVID 19
	TOTAL INCOME	-335,269	-57,100	-1,878	-17,130	39,970	
Property Management	**NET EXPENDITURE**	**76,719**	**22,147**	**265,384**	**61,807**	**39,660**	
407	Countryside Sites	987	1,000	193	1,000	0	
408	Amenity Sites	7,486	8,608	12,905	8,737	129	
470	Other Open Spaces Costs	160,296	175,783	60,180	174,707	-1,076	
	TOTAL EXPENDITURE	168,769	185,391	73,278	184,444	-947	
407	Countryside Sites	-13,605	-11,729	-777	-11,729	0	
408	Amenity Sites	-3,767	-2,100	-525	-2,100	0	
	TOTAL INCOME	-17,372	-13,829	-1,302	-13,829	0	
Open Spaces	**NET EXPENDITURE**	**151,398**	**171,562**	**71,977**	**170,615**	**-947**	
	GRAND TOTAL EXPENDITURE	**766,398**	**466,260**	**417,468**	**459,646**	**-6,614**	
	GRAND TOTAL INCOME	**-371,379**	**-76,433**	**-12,216**	**-36,123**	**40,310**	
	GRAND NET EXPENDITURE	**395,018**	**389,827**	**405,251**	**423,523**	**33,696**	
	EARMARKED RESERVES		**5,071**		**-23,057**	**-28,128**	
	GENERAL RESERVES		**-13,357**		**-20,201**	**-6,844**	
	GRAND TOTAL		**381,541**		**380,265**	**-1,276**	
	EHDC Allowance (tax Support Grant)		**0**		**0**		
	Precept		**381,541**		**380,265**		
	Tax Base		**5,092.66**		**5,075.63**		
	2020-21 / 2021-22 Band d precept		**£74.92**		**£74.92**	**0.00%**	

Horndean Parish Council

RESERVES - SECTION 3

	RESERVES	A ACT Aug-20	B Q4 FCAST Mar-21	C F&GP 21-22	D SRR 21-22	E Loan Returned	F EMR Adj's	G Forecast Apr-21	Notes
Code									
310	**GENERAL FUNDS**	**168,896**	**89,119**	**-9,500**	**32,557**			**112,176**	
	Funds needed to balance budget							-20,201	
		168,896	**89,119**	**-9,500**	**32,557**	**0**	**0**	**91,975**	
	% of Precept							**24.2%**	
	No. of Months Running Costs							**2.9**	Forecast General Rerserves at 01/04/21 divided by Total Budget
	No. of Months Running Costs							**2.4**	Forecast General Rerserves at 01/04/21 divided by Expenditure Budget
325	IT Equipment	6,000	6,000		-3,500			2,500	Reserve held for possible replacement of IT equipment
326	Vehicle Replacement	20,000	0	5,000	-887			4,113	assume new vehicle is purchased in 20-21
329	Napier Hall Improvements	13,043	13,043		-12,043			1,000	reduced as refurbishment undertaken in 2019-20, to be built up in coming years
334	The Granary	6,000	6,000		-4,000			2,000	
338	Lith Roads re-surfacing	3,838	3,838		-838			3,000	
340	Jubilee Hall Project	405,346	100,000		10,000	-100,000		10,000	£10,000 reserve for new build
341	Playgrounds	7,000	7,000					7,000	
342	Grounds Equipment	4,517	4,517		-2,017			2,500	
343	Legal & Professional Costs	10,000	10,000		-6,000			4,000	
344	Election	5,522	5,522		-3,522			2,000	
346	Fencing	5,000	5,000		-1,000			4,000	
347	Tree Maintenance	757	0	4,000				4,000	
348	LychGate Repairs	1,500	1,500	500	-500			1,500	increased pa by £500 to reach £5k for possible for repair works in 2027/28 ; defer 21-22 transfer
350	Community Infrastructure Levy	25,885	40,290					40,290	
351	Land East of Horndean	7,250	6,650		-4,750			1,900	
352	Wagtail Road Grass Cutting	3,750	3,500		-3,500			0	
	TOTAL OF EARMARKED FUNDS	**525,408**	**212,860**	**9,500**	**-32,557**	**-100,000**	**0**	**89,803**	
	GRAND TOTAL	**694,304**	**301,979**	**0**	**0**	**-100,000**	**0**	**181,778**	
	% of Precept							**47.8%**	
	No. of Months Running Costs							**5.7**	Forecast Total Rerserves at 01/04/21 divided by Total Budget
	No. of Months Running Costs							**4.7**	Forecast Total Rerserves at 01/04/21 divided by Expenditure Budget

	DESCRIPTION OF FUNDS	
325	*IT Equipment*	*Reserve for future IT upgrades*
326	*Vehicle Replacement*	*Assumed Lifecycle 5 years. Fund to be re-built.*
329	*Napier Hall Improvements*	*Reserve for future maintenance on Napier Hall*
334	*The Granary*	*Reserve for future maintenance on the Granary*
338	*Lith Roads re-surfacing*	*Reserve for future maintenance on the Lith Re-surfacing*
340	*Jubilee Hall Project*	*Reserve for unexpected costs associated with the move to Jubilee Hall.*
341	*Playgrounds*	*Reserve for maintenance/upgrades to Play areas*
342	*Grounds Equipment*	*Reserve for purchase of large pieces of equipment*
343	*Legal & Professional Costs*	*Reserve for major legal and professional expenses*
344	*Election*	*Funds for parish Elections*
346	*Fencing*	*Reserve for major fencing works*
347	*Tree Maintenance*	*Reserve for major tree works*
348	*LychGate Repairs*	*Funds to be increased year on year to prepare for any major project*
350	*Community Infrastructure Levy*	*Funds Received stored here until projects to spend monies identified*
351	*Land East of Horndean*	*Reserve for costs associated with Land East of Horndean*