

## **HASSOCKS PARISH COUNCIL**

**To: All Members of the Policy, Resources and Communications Committee (Kate Bailey, Frances Gaudencio, Peter Gibbons, Sue Hatton, Ian Weir and Frank Rylance ) with copies to all other Councillors for information**

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**A virtual meeting of the POLICY, RESOURCES and COMMUNICATIONS COMMITTEE will be held on Tuesday 17 November 2020 at 10.30 am in the Parish Centre, Adastra Park, and Hassocks.**

Members of the public are encouraged to come to the meetings and there is an opportunity for them to address the Committee relating to the non-confidential items on the published agenda.

If you wish to attend, this virtual meeting please email the [info@hassocks-pc.gov.uk](mailto:info@hassocks-pc.gov.uk) before 6pm on 16th November to be sent an electronic invitation before 9.30am on the 17th November.

**Ian Cumberworth  
Parish Clerk  
11 November 2020**

### **AGENDA**

#### **1. APOLOGIES**

#### **2. DISCLOSURE OF INTERESTS**

To deal with any disclosure by Members of any disclosable pecuniary interests and interests other than pecuniary interests, as defined under Hassocks Parish Council's Code of Conduct and the Localism Act 2011, in relation to matters on the agenda.

#### **3. MINUTES**

- 3.1** To accept Minutes of the Meeting held 15<sup>th</sup> September 2020 (previously Circulated).

#### **4. PUBLIC PARTICIPATION**

#### **5. CLERK'S REPORTS**

##### **5.1 Draft Budget 2021/22**

The attached paper set out as (Appendix 1) details of the draft budget proposal for 2021/22. Members are requested to consider the contents of the report and determine whether the draft budget proposal should be forwarded to Council for consideration and make any recommendations regarding the level of proposed precept for 2021/22

##### **5.2 COMMUNICATIONS – Verbal update**

##### **5.3 BUSINESS PLAN – verbal update.**

6. **Urgent Matters** at the discretion of the Chairman for noting and/or inclusion on a future agenda.
7. **DATE OF NEXT MEETING** 19 January 2021

**EXCLUSION OF PUBLIC AND PRESS** In view of the confidential nature of the business about to be transacted Councillors will be referred to the Confidential agenda. If any members of the public or press are present they will be requested to withdraw from the meeting.

Confidential matters

#### 8. **STAFFING MATTERS.**

- 8.1 Pension Pooling Agreement (Appendix 2)
- 8.2 Staff Update (verbal update)
- 8.3 Christmas opening hours

#### **FILMING, RECORDING OF COUNCIL MEETINGS AND USE OF SOCIAL MEDIA**

During this meeting members of the public may film or record the Committee and officers from the public area only providing it does not disrupt the meeting. The Confidential section of the meeting may not be filmed or recorded. If a member of the public objects to being recorded, the person(s) filming must stop doing so until that member of the public has finished speaking. The use of social media is permitted but members of the public are requested to switch their mobile devices to silent for the duration of the meeting.

#### **Please Note**

All members of the public are welcome to attend meetings of the Parish Council and its Committees.

**Item 4** – a period of 15 minutes will be set aside for the public statements and questions relating to the published non-confidential business of the Meeting.

It may be necessary to consider particular items in confidential session and where this arises, these items will be considered at the end of the agenda.



## HASOCKS PARISH COUNCIL

# Hassocks Parish Council Draft Budget Proposal 2021/22

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## 1. Introduction

The following paper sets out the projected budget out turn for 2020/21 and a draft budget for consideration for 2021/22.

The aim of this document is to create a budget that takes into account both revenue and capital expenditure. As part of the budget setting process a number of factors are required to be considered which include:

- The current impact on the budget as a result of Covid 19 and anticipating potential future impacts of the pandemic.
- Allowing for general (e.g. inflationary) changes to expenditure where necessary.
- Allowing for future staffing costs.
- Allowing for changes to the Councils operational priorities identified as part of the Business Planning process.
- Taking into consideration the potential possibility that Parish Council precepts may be capped in future years.
- Setting aside an amount to be transferred to reserves to contribute to the cost of longer term projects to support the Councils priorities.
- Being prudent in the Councils assessment of future income streams.
- The level of unallocated reserves should be set at a prudent level to allow for unforeseen but possibly costly expenditure.

The Council has moved over towards adopting a 'balanced budget' approach rather than relying on reserves to fund any shortfall in operating costs which was not sustainable and at the same time allocating funds to support the longer term priorities of the Council. This has enabled the Council to establish itself on a sound financial footing and protect its existing reserves to be utilised to fund the Councils priorities. Based on the current budget projections if the Council chose not to increase its precept for 2021/22 the budget would run at a projected **surplus** of **£9,070**. Members may therefore wish to consider a modest inflationary increase in precept alongside potential increase to allow further sums to be allocated to Earmarked Reserves to support the Council priorities once normal business activities resume in the next financial year. Based on the projected outturn for 2020/21 income and expenditure is likely to be significantly down in a number of areas as a direct result of the pandemic where services and facilities have been required to cease to be delivered at various times of the year due to imposed restrictions resulting in an underspend on a number of revenue budgets. Members would need to determine whether any of these underspent funds should be considered to be allocated to Earmarked Reserves to support the longer term priorities of the Council prior to the financial year end.

**Appendix A** in this report sets out the impact on the Council Tax Bands if the Council were to choose not to apply an inflationary increase and retain the current precept level.

### Timescale for setting the budget

Legally Hassocks Parish Council must set its precept no later than 1<sup>st</sup> March for the financial year that commences 1<sup>st</sup> April 2021. In practice the Council normally determines the precept requirement in December. We have not yet received confirmation of our tax base figures from Mid Sussex District Council which are normally provided in December. Therefore for the purposes of calculating the precept the Council Tax Base figure has been estimated to enable the draft precept to be calculated. In the event of this estimated number being adjusted this would either increase or decrease the equivalent band D property.

### 2. Summary of Budget Information

HPC Precept Year	Property Tax Base (Band D equivalent)	Total Precept	Precept per Band D equivalent Property
2013/14			£55.69 **
2015/16	3296	£166,276	£50.44
2016/17	3329	£181,500	£54.42
2017/18	3348	£188,760	£56.38
2018/19	3365	£275,009	£81.73
2019/20	3382	£280,545	£82.95
2020/21	3468	£295,545	£85.22
2021/22	3528 (Est)	£295,545 (for illustrative purposes)	£83.77

\*\* if the Council were to retain the (2020/21) precept level due to the increase in property base of Band D equivalent properties the Band D precept would reduce to £83.77 per annum.

**3. Summary of projected Income & Expenditure 2020/21 and proposed budgeted 2021/22**

Receipts	2020/21 Yr. end predicted	Receipts	2021/22 Draft Budget
Precept	295,545	Precept (illustrative purposes only)	295,545
Bank Interest	361	Bank Interest	250
Miscellaneous Income(note 1)	42,999	Miscellaneous Income	0
Allotment Income	1,442	Allotment Income	1,450
Burial Fees	5,500	Burial Fees	5,000
Adastra Park Pavilion (note 2 *)	0	Adastra Park Pavilion	2,000
Adastra Park Grounds*	2,154	Adastra Park Grounds	3,500
Adastra Park Tennis	2,000	Adastra Park Tennis	2,000
Adastra Park Bowling Green	2,448	Adastra Park Bowling Green	2,500
Parking Disc Income	450	Parking Disc Income	500
<b>Total Receipts</b>	<b>352,899</b>	<b>Total Receipts</b>	<b>312,745</b>
<u>Payments</u>		<u>Payments</u>	
Staff (see note 3)	125,657	Staff	156,150
Administration (note 4)	24,518	Administration	32,150
Civic (see note 5)	600	Civic	5,350
Grants	2,800	Grants	4,000
Allotments	1,080	Allotments	1575
Burial Grounds	3,025	Burial Grounds (see note 6)	8,900
Parish Centre/Garage	8,418	Parish Centre/Garage (See note 7)	12,750
Adastra Pavilion	6,170	Adastra Pavilion (see note 8)	13,450
Adastra Park Grounds(note 9)	14,550	Adastra Park Grounds (note 9)	16,250
Play Equipment	750	Play Equipment (note 10)	3,250
Adastra Skate park	0	Adastra skate park	250
Adastra Tennis Courts	200	Adastra Tennis Courts	1250
Bowling Green	1,500	Bowling Green	2,500
Parklands Copse	250	Parklands Copse	1,250
Talbot Field (note 11)	2,950	Talbot Field	1,750
Street Scene (note 12)	10,000	Street Scene	11,100
Street Lighting	17,000	Street Lighting	17,750
Environmental Improvements	7,950	Environmental Improvements	8,850
Neighbourhood Plan	0	Neighbourhood Plan	0
Parking Discs	650	Parking Discs	900
Christmas Lights	4,000	Christmas Lights	3,750
Economic Development	0	Economic Development	500
<b>Total Payments</b>	<b>232,068</b>	<b>Total Payments</b>	<b>303,675</b>

## CAPITAL EXPENDITURE 2020/21

CAPITAL EXPENDITURE			EMR Spend
Adastra Park Masterplan	153,847		
Section 106 funds received –Adastra Park Masterplan	(32,998)		
Net spend from EMR relating to masterplan			120,849
Youth Initiatives	3,000		3,000
Total Net Capital Expenditure			123,849

## EFFECT ON RESERVES

RESERVES	2020/21	RESERVES	2021/22
Opening Balance brought forward (a) ***	386,302	Total Consolidated Reserves Opening Balance b/fwd. (a)***	353,286
Less Total Earmarked Reserves	(217,520)	General reserves 259,634 EMR 93,652	
General Reserves Balance (working capital)	168,782		
<b>OPERATING COSTS</b>		<b>OPERATING COSTS</b>	
Add total Receipts (includes £32,999 s106 funding)	352,899	Add total Receipts 2020/21 Precept for illustrative purposes only added assuming no increase	312,745
Less Total Payments	(232,068)	Less Total Payments	(303,675)
Projected Budget surplus (a) ***	120,831	Budget Surplus– (based on no increase in precept) ***	9,070
EMR Expended in year	153,847	This assumes EMR expended in year (for illustrative purposes only)	(30,000)
EMR carried forward	93,652	EMR Balance carried forward	63,652
Projected Total Consolidated Reserves (a) ***	353,286	Projected Total Consolidated Reserves (for illustrative purposes only) (a) ***	362,356

## (a) \*\*\* Opening Reserves Balance - Deficit = Consolidated Reserves c/fwd.

The current Reserve picture is based on existing allocations to Earmarked Reserves (EMR) and does not take into account at present all longer term projects currently under consideration. Due to savings/underspends this year on the revenue budget which has been impacted by the pandemic there may be further opportunities to allocate additional funds to Priority projects by way of EMR late in the year.

4. Budget Notes 2020/21 – 2021/22

<u>Notes</u>	<u>Details (Significant variations/suggested options)</u>
1	<b>Income</b> 20/21 <u>Miscellaneous income</u> was up on budget due to the receipt of section 106 funds towards the play area improvements and a Covid support grant.
2*	<b>Income</b> A number of income streams have been impacted due to the pandemic which has resulted in a decline in revenue particularly across facilities within the park including areas such as the pavilion, cricket, football (park grounds)
3	<b>Staff Costs (20/21)</b> savings realised this year as currently carrying a vacancy but option to retain budget sought to enable flexibility in the event of revising establishment at some future point. Therefore proposed budget for next year will be consistent with this year's original budget set for 2020/21. Provision for 2021/22 reflects an allowance for inflationary uplift and incremental progression where appropriate.
4	<b>Administration (20/21)</b> Overall spend is down this financial year due to underspends on Communications in part due to publications ceasing to publish during lockdowns, Professional Fees are also likely to remain underspent for this year. IT costs have increased this year due to the increase in support/technology required to strengthen the IT reliance of the council in response to the impacts of the pandemic (e.g. remote working/virtual meeting software etc. and member secure email system etc. It is anticipated that IT support costs will remain higher next year.
5	<b>Civic (20/21)</b> expenditure is significantly down due the pandemic including a £4,000 unspent allocation for supporting Twinning events which were cancelled as a result of the pandemic.
6	<b>Burial Ground (21/21)</b> Repairs & Renewals to be retained at higher level to consider to repairing /resurfacing path which is currently starting to break up.
7	<b>Parish Centre Repairs &amp; Renewals Budget</b> Proposed to increase this budget to schedule in works to the outside of Parish offices painting/treating wood frames /doors etc. deferred in 2020/21 due to Covid lockdown measures.
8	<b>Pavilion</b> – The pavilion is likely to remain closed for most if not all of this financial year which has resulted in a reduction in expenditure and income.



	The building this year has suffered issues regarding the heating system and a leaking roof. It is believed the heating issues have now been resolved and we are continuing to monitor the roof issues. As a result the leak(s) various repairs will need to be undertaken (plastering/painting etc.). In addition it will be necessary to replace the existing furniture which was scheduled to be undertaken this financial year however with the lockdown this has impacted on various work streams. Therefore additional funds have been incorporated in the proposed budget to cover these works in 21/22.
9	<b>Adastra Park Grounds (20/21)</b> excludes capital expenditure for the play area refurbishments which was funded directly from the Councils Earmarked Reserves (EMR) and did not form part of the revenue budget. (21/22) Increase allocation re Grounds maintenance by £2,000 to enable garden of remembrance remedial work to lawn areas to be completed.
10	<b>Play Equipment (20/21)</b> projected underspend as a result of all equipment being replaced and the earlier suspension of playground inspections when the play areas were closed due to the scheduled replacement and the pandemic. It is anticipated that expenditure is likely to resume to normal levels (21/22) and allowance has been made for repairs due to the current high level of usage of the equipment.
11	<b>Talbot Field (20/21)</b> Costs increased as a result of additional unforeseen tree works being required.
12	<b>Street Scene (20/21)</b> Budget underspend primarily as Mobile refuse services were ceased by MSDC.

Overall the revenue budget spend for 2020/21 will be significantly down due to the pandemic which has resulted in a number of services work streams being curtailed /delayed due to its impact. However capital expenditure increased as the result of delivering a significant capital scheme(s) in the current financial year (Play area enhancements)

### Income Streams

The Council has a number of key Income Streams that it can utilise.

Precept

#### Other Income

Adastra Park – Community Pavilion – hire fees  
Grounds (pitch hire fees etc.)  
Tennis Courts (hire fees)  
Bowling green (fees)

Burial Ground

Parklands Allotments

#### Miscellaneous Income

Sale of Parking Discs

Bank Interest.

**5. EARMARKED RESERVES (PROJECTS) projected closing balance 31/03/20**

	Projected Cost	Value	How funded
1	Hassocks Trading Association	500	Reserves
2	Village sign	3,000	Reserves
3	Park Development scheme	38,887	Reserves/S 106
4	Tree Planting Initiative	526	Reserves
5	Youth Project	2,000	Reserves
8	Bus Shelter Replacement	10,000	Reserves
9	Repairs Fund	18,785	Reserves
10	Legal/land transfer	8,000	Reserves
12	Parish Acoustics	3,000	Reserves
12	PROW Improvements	6,000	Reserves
	SDNP CIL Funding	2,954	
	Total	93,652	

## HASSOCKS PARISH COUNCIL

6. Glossary of Terms

**Financial Year:** The financial year for a Parish Council runs from the 1st April to the 31st March each year, this is set in statute.

**A revenue budget:** Revenue is the running cost of the council and its services, and the income that meets those costs.

**Capital Budget/Earmarked Reserves:** A capital budget involves funding for capital projects - the acquisition or construction of long term assets e.g. the development of facilities within Adastra Park or creation of a cemetery or the purchase of a new council building.

**The precept:** The Parish Council is able to raise funds by levying a charge on residents. This is known as the precept. The precept is raised through an additional charge on resident's council tax. The billing authority pays, in this case Mid Sussex District Council, each precepting authority the amount they require and collects such sums from its residents through the council tax. Unlike other tiers of government the precept is not capped at present.

**Council Tax Bands:** The amount of Council tax that you pay varies depending on the "BAND" your property is in. Bands run from A-G, the banding is based on a valuation of a property as at 1 April 1991. Band A is the lowest valuation and Band G the highest. Council tax is usually expressed as the Band D equivalent (this being the mid-point).

**Council Tax Base:** The Council tax base is determined by expressing all domestic properties in an area as Band-D equivalents. The total amount required to be met from council tax is then divided by the tax-base to produce a Band D charge. From that amount so produced, each of the other seven band council tax charges are calculated.

**Council Tax Support (CTRS) Grant:** Council Tax Benefit was abolished from 1st April 2013 and each local billing authority was required to provide their own scheme of Council Tax Support to assist vulnerable and low paid residents in paying their council tax.

Support for low income individuals is now provided through a discount applied to their Council Tax Bill, meaning that the Council Tax Base (the number of Band D equivalent properties in a local authority's area that Council Tax is charged on) is reduced and as such, less Council Tax is collected. The net effect of this is that precepting authorities either need to increase their precepts to offset the cost of this or face a reduction in their funding.

**Reserves:** Part of budgetary control is to ensure adequate but not excessive reserves or balances are held.

It is rare for a local council to hold its reserves other than in the form of easily accessible bank deposit or other short-term savings accounts. Councils have no legal powers to hold revenue reserves other than those for reasonable working capital needs or earmarked purposes. The value of all reserves should be approved by the Council and the amount of working capital to be held should also be approved by the Council.



## Precept and Banding Calculator

<u>Current Year</u>		<u>Next Year</u>	<u>Increase</u>
£295,545	Precept	£295,545	0.00%
3,468.0	Tax Base	3,528.0	%
£85.22	Band D	£83.77	-1.70%

Band D increase per £1,000 precept rise	£0.28
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### Full Breakdown by Band

<u>Current Year</u>		<u>Next Year</u>
£56.81	Band A	£55.85
£66.28	Band B	£65.16
£75.75	Band C	£74.46
£85.22	Band D	£83.77
£104.16	Band E	£102.39
£123.10	Band F	£121.00
£142.03	Band G	£139.62
£170.44	Band H	£167.54

