



Upton Bishop PC

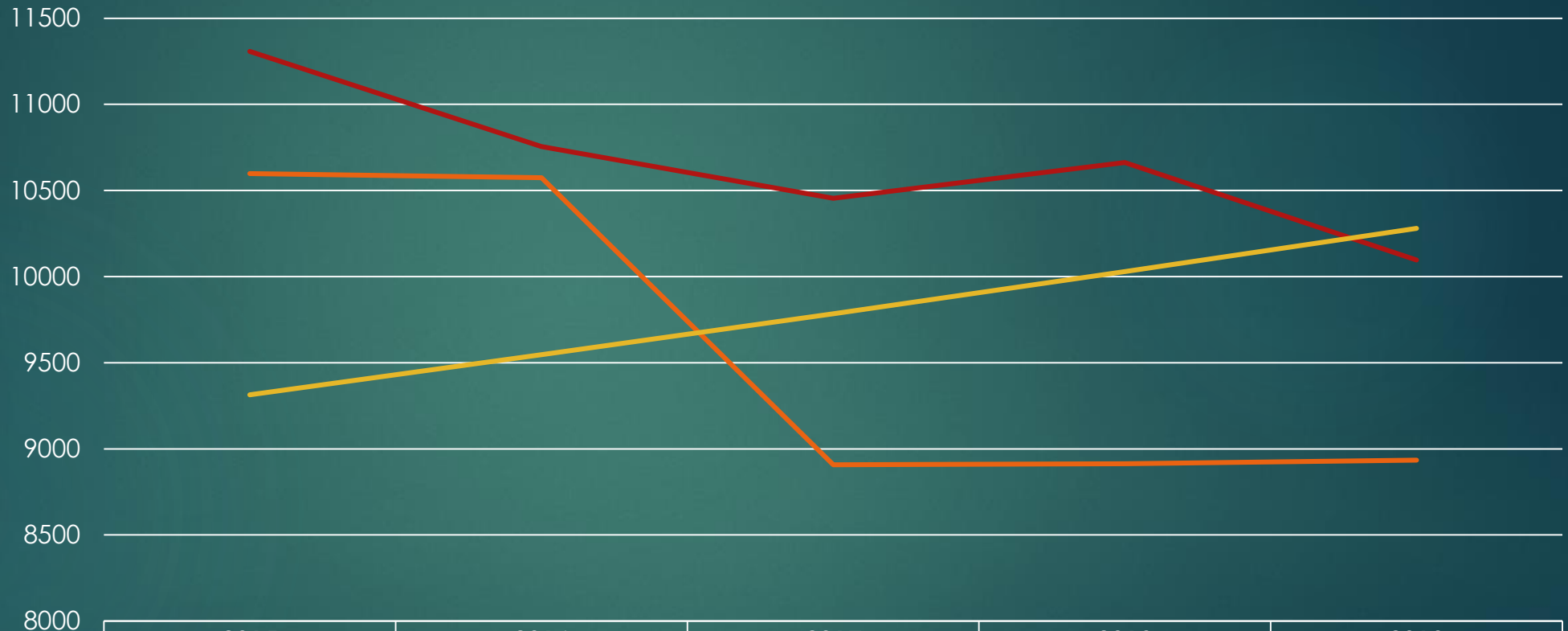
BUDGET 2020 TO 2023 AND PRECEPT OPTIONS

Precept History

Precept		2.5% Inflation	
£ 8364	2012		
£ 8864	2013		
£ 8864	2014	£ 9086	
£ 8864	2015	£ 9313	
£ 8864	2016	£ 9546	
£ 8864	2017	£ 9784	
£ 8864	2018	£10029	£2,900 should have been added to cover Lengthsman by 2018
£ 8864	2019	£10280	Represents 16% over 2013
	2020		
£4774	Precept(Reserve) Shortfall		

Precept History

Precept v Expenditure



	2015	2016	2017	2018	2019
Budget	11308	10755	10454	10662	10097
Income	10598	10574	8908	8914	8934
Inflated Precept	9313	9546	9784	10029	10280

— Budget — Income — Inflated Precept

Position at May 2019

Start of Year	
£9166.18	May Balance 2019
-£5816.00	NDP Balance
- £503.02	HALC Fees
- £660.00	Lengthsman(2018)
£ 2187.16	Current Account
£ 8864.00	2019 Precept
£11051.16	2019 Balance
£ 6718.23	Reserve Account
£ 17769.39	Total Start of Year Balance

Forecast Spend	
-£ 600.00	HC Election Charge
-£3927.20	Clerks Salary
-£ 75.20	Payroll Costs
-£ 296.62	Clerks Expenses
-£ 240.00	Internal Audit
-£ 361.00	Hall Hire
-£ 358.34	Zurich Insurance
-£ 2554.00	Lengthsman
-£ 3438.26	Loan(Hall)
-£ 35.00	ICO
-£ 75.06	Website
-£ 1510.10	Temporary Clerk
-£ 240.00	Clerk Search
-£ 537.50	New Website
-£ 180.00	Training (HALC)
-£ 1200.00	Provisional Sum
-£ 1200.00	Ditch Clearing
-£ 48.00	AGAR Fine
-£ 500.00	HALC
-£ 17376.28	Total Outgoings

Position at May 2020 - Forecast

2019 - 2020	
£ 17769.39	Total Start of Year Balance
-£ 17376.28	Total Outgoings
£ 393.11	Balance – May 2020
£ 0	Reserve
£ 650	VAT refund in 2020
£1,043	Total Reserve

Caused by several things but primarily;

- £2900 pa Lengthsman allowance not included for 2018 or 2019
- £2600 pa additional clerk's salary – properly qualified and additional hours

Savings We Can Make

Start of Year	
£9166.18	May Balance 2019
-£5816.00	NDP Balance
- £503.02	HALC Fees
- £660.00	Lengthsman(2018)
£ 2187.16	Current Account
£ 8864.00	2019 Precept
£11051.16	2019 Balance
£ 6718.23	Reserve Account
£ 17769.39	Total Start of Year Balance

Forecast Spend	
£ 600.00	HC Election Charge
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-£ 2554.00	Lengthsman
-£ 3438.26	Loan(Hall)
-£ 35.00	ICO
-£ 75.06	Website
-£ 1510.10	Temporary Clerk
-£ 240.00	Clerk Search
£ 537.50	New Website
£ 180.00	Training (HALC)
£ 1200.00	Provisional Sum
£ 1200.00	Ditch Clearing
-£ 48.00	AGAR Fine
-£ 500.00	HALC
-£ 13418.78	Total Outgoings

Position at May 2020 - Forecast

2019 – 2020 Original Forecast

£ 17769.39	Total Start of Year Balance
-£ 17376.28	Total Outgoings
£ 393.11	Balance – May 2020
£ 0	Reserve
£ 640	VAT refund in 2020
£1,033	Total Reserve – both accounts

2019 – 2020 Current Forecast

£ 17769.39	Total Start of Year Balance
-£ 13418.78	Total Outgoings
£ 2651	Balance – May 2020
£ 1700	Reserve
£ 640.68	VAT refund in 2020
£ 5,000	Reduction in reserve account

Lengthsman and Clerk

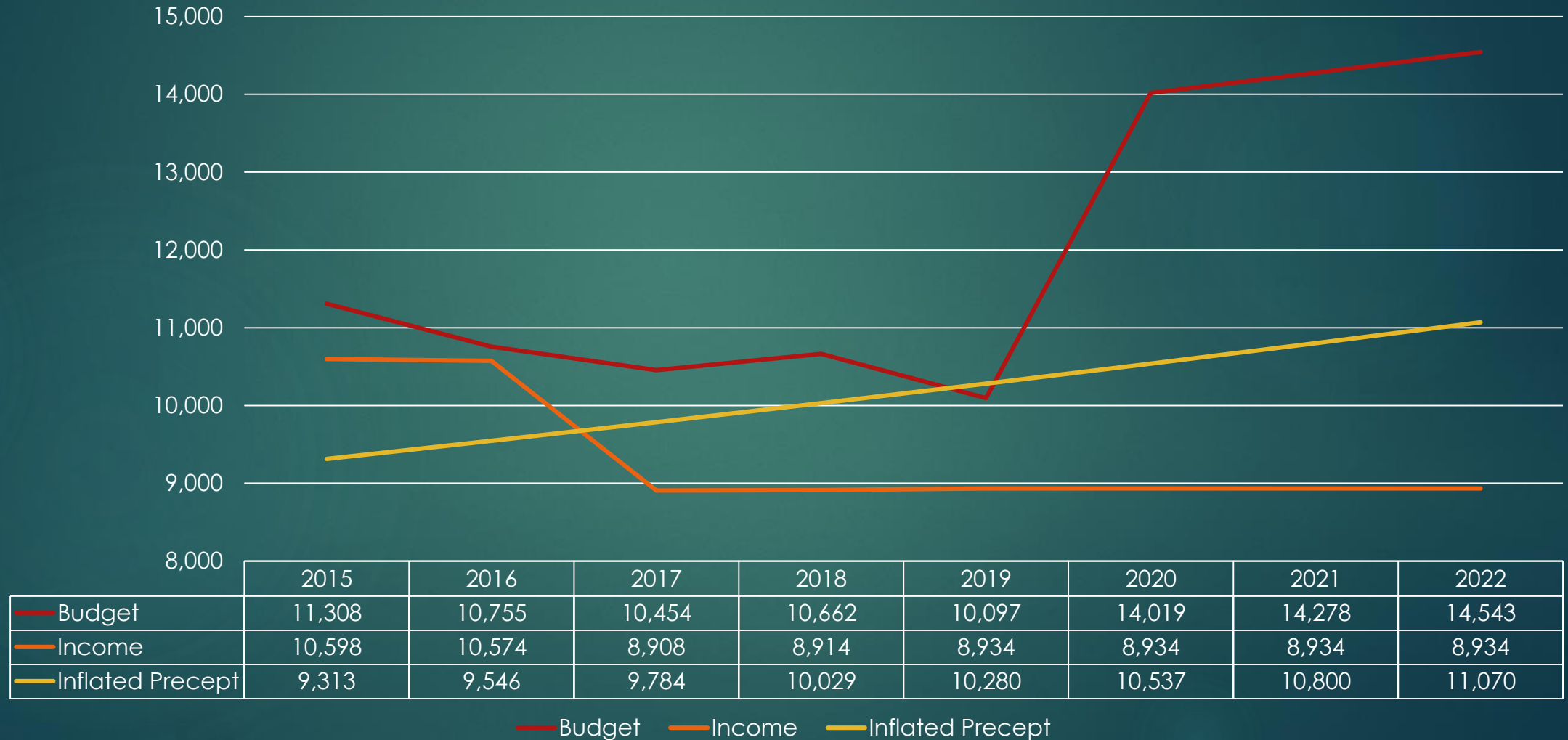
- ▶ Lengthsman
 - ▶ In 2016 the Lengthsman grant ended
 - ▶ PC's were instructed to begin increasing the Precept each year to cover this cost – Upton Bishop did not
 - ▶ Lengthsman now costs £2902 pa and there is no provision in the budget
- ▶ Clerk
 - ▶ The cost of employing a qualified clerk for the correct number of hours has increased this cost by approximately £2,600 pa

Current 2020 Budget

Forecast Spend	
-£ 5412.00	Clerks Salary
-£ 154.16	Payroll Costs
-£ 600.00	Clerks Expenses
-£ 240.00	Internal Audit
-£ 240.00	Hall Hire
-£ 365.00	Zurich Insurance
-£ 2902.80	Lengthsman
-£ 3438.26	Loan(Hall)
-£ 35.00	ICO
-£ 108.00	Website
-£ 525.00	HALC
-£ 14019.96	Total Outgoings

Precept History

Precept v Expenditure



To Reinstate Our Finances

We have several options we can consider;

1. Do Nothing – we will be bankrupt by early 2021
2. Increase the Precept by £5200 pa to reinstate the status quo but accept we have virtually no reserve – inflate by RPI in future years
3. Agree a percentage rise to get us to 2023. The next PC will get a £3,500 pa boost as the Hall loan is paid off in 2025

2023 Forecast

	2019 – 2020		2020 - 2021		2021 - 2022		2022 - 2023	
	Precept	Budget	Precept	Budget	Precept	Budget	Precept	Budget
£5,200 (59%)+ RPI	8864	12918	14064	14019	14416	14278	14775	14543
£6,150(69%) frozen	8864	12918	15014	14019	15014	14278	15014	14543

Effect of Precept Increase

Current Precept - £8,864 / 270 properties = £32.83 per annum

<u>PRECEPT</u>	£8,864.00	£11,080.00	£13,296.00	£17,728.00
Precept increase		25%	50%	100%
<u>TAXBASE</u>	269.33	269.33	269.33	270.33
BAND	CHARGE	Increase pa	Increase pa	Increase pa
A	£21.94	£5.49	£10.97	£21.94
B	£25.60	£6.40	£12.80	£25.60
C	£29.25	£7.31	£14.63	£29.25
D	£32.91	£8.23	£16.46	£32.91
E	£40.22	£10.06	£20.11	£40.22
F	£47.54	£11.89	£23.77	£47.54
G	£54.85	£13.71	£27.43	£54.85
H	£65.82	£16.46	£32.91	£65.82

Effect of Option 1

Do Nothing

- ▶ No increase in rates
- ▶ Risk to PC that any unaccounted for future expense could eliminate our reserve (already reduced from £6,700 to £1,700)
- ▶ No funds to carry out any work in Parish – e.g. speed reduction measures
- ▶ PC is simply a cash in cash out existence to pay bills
- ▶ **PC will be out of funds by early 2021 – PC WILL NOT BE ABLE TO VOTE FOR THIS**

Effect of Option 2

Increase Precept by £5200 (59%) + RPI in future years

- ▶ Increase in rates of about £19.31 per annum for band D (£1.61 per month)
- ▶ Risk to PC that any unaccounted for future expense could eliminate our reserve (already reduced from £6,700 to £1,700)
- ▶ No funds to carry out any work in Parish – e.g. speed reduction measures
- ▶ PC is simply a cash in cash out existence to pay bills
- ▶ Should get us to 2025 when we get a £3,500 pa boost when Hall loan is repaid

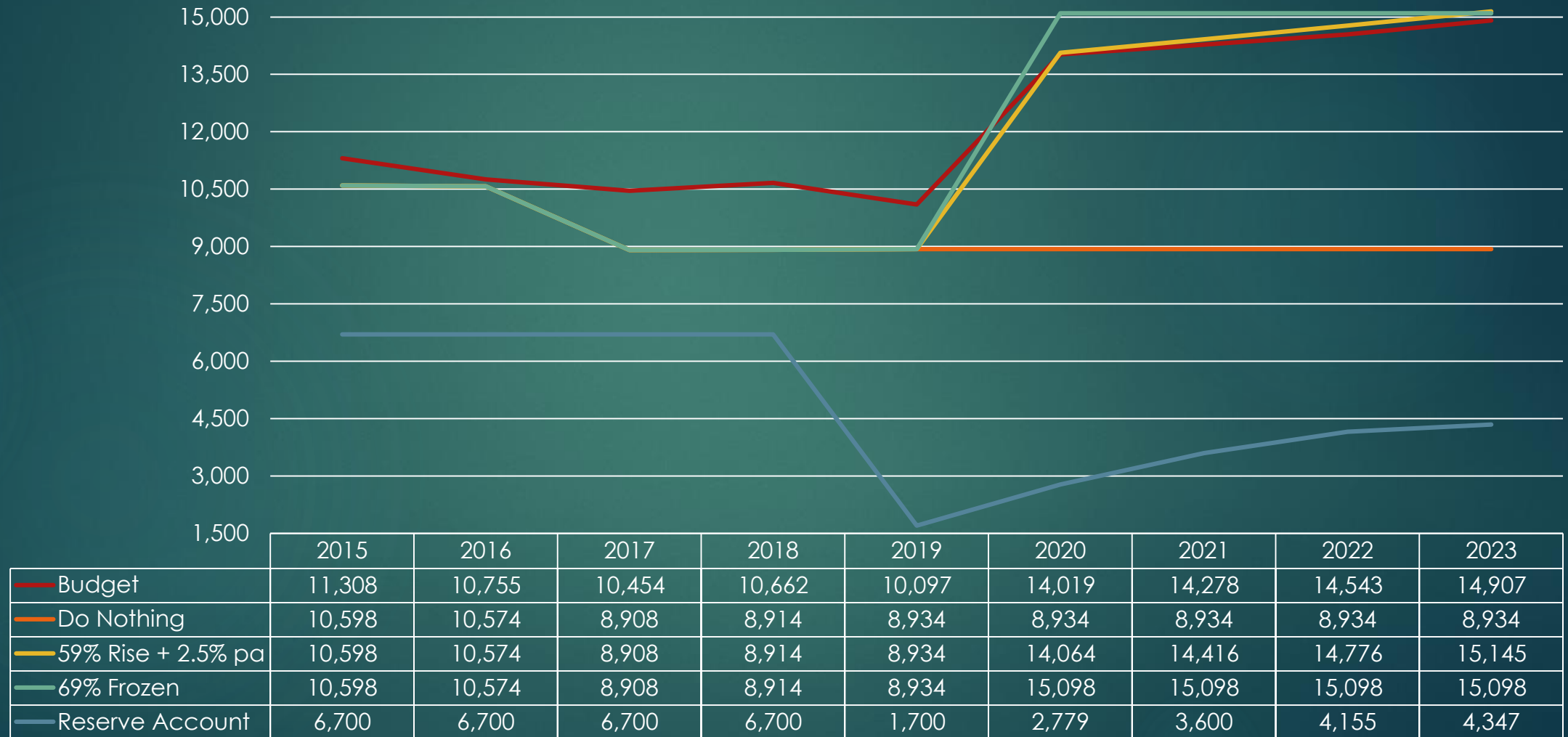
Effect of Option 3

Increase Precept to £15,000 (69% increase)

- ▶ Increase in rates of about £22.70 per annum for band D (£1.89 per month)
- ▶ Reduced risk to PC that any unaccounted for future expense could eliminate our reserve by keeping us in line with inflation and putting a little extra in next year's reserve
- ▶ No funds to carry out any work in Parish – e.g. speed reduction measures
- ▶ PC is simply a cash in cash out existence to pay bills
- ▶ Should get us to 2025 when we get a £3,500 pa boost when Hall loan is repaid
- ▶ No allowance for any further increase if extra funds needed

Precept History

Precept v Expenditure



— Budget
 — Do Nothing
 — 59% Rise + 2.5% pa
 — 69% Frozen
 — Reserve Account