

## Budget Notes – 2021/22 budget setting & Precept

1. Projected increase of 2%
2. Deficit due to increase in working from home allowance as agreed
3. Additions to the 2019 policy - playground fencing and bins showing on this year's account.
4. No reply from democratic services as to estimate if wards are contested but enough in the reserves. Legal representation for PINS – Rectory Lane, and Hall takeover take out of reserves
5. Change of phone contract mid-year showing deficit on this year's budget
6. Gates at Burial Ground in bad state of repair have shown a \*£500 forecast to see if can be repaired but might need to look to purchase new in the foreseeable future out of reserves.
7. Deficit on 2020/21 shows burial ground resurfacing including VAT
8. All general maintenance deficit adds up to contract rate, but expenses are an unknown
9. Beach Cleaning being analysed with a review of waste arrangements
10. 2021/22 Budget shows new cleaning contract. If current contractor retained the price holds for a second year.
11. Reference 9 and dependent upon business support.
12. Denzell Downs Grant approved but awaiting contract drawdown when builders have been appointed.
13. Will make VAT claim on burial ground resurfacing and first half year
14. +/- = CIL and Covid Grant
15. RIV development S106 monies available for the Parish to spend
16. Covid-19 business grant split over 2 years.
17. An opening balance of 6 months expenses is the ideal. However, take 6 months expenses  $\text{£}52540 / 2 = \text{£}26270$  and add together  $\text{£}19000$  and  $\text{£}15151$  (general fund) =  $\text{£}34151$  you can see that there is  $\text{£}7881$  balance in hand. Additionally, funds for some of the earlier pricy payments are sitting in reserves. Three months general fund in this case is acceptable.

### Precept

Whether to increase the precept from  $\text{£}38\text{k}$  to  $\text{£}40\text{k}$  or not has been a bit of a dilemma, particularly in this Covid-19 year, and I have considered this against the increases in toilet contract price and the potential legal and professional fees of defending Rectory Lane, but I am also mindful of **Council Tax Referendums**, see below \*, but on balance, I think it can stay at  $\text{£}38\text{k}$  for 2021/22, particularly considering the other available funds for the toilet project.

**The Council Tax Support Grant** has gone down for **2021/22 to  $\text{£}493.42$**  and is calculated on the profile and number of recipients of Council Tax Support and the Band D Council charge that relates to the PC.

It is currently proposed that the overall level of CTS grant will be reduced by 50% in 2022/23 and phased out completely in 2023/24. This is subject to formal approval of Cornwall Council's Budget and Medium-Term Financial Plan in February 2021.

**Other information:**

**Business Rates on Public Conveniences** On 18 March, the Government introduced the Non-Domestic Rating (Public Lavatories) Bill, the intention of which is to provide 100% Business Rates relief to all properties consisting wholly or mainly of public lavatories. The Bill has now completed its passage through the Commons and on 7 September was introduced in the Lords, where it is currently awaiting Second Reading. The relief will apply retrospectively from 1 April 2020, subject to the final passing of the bill through the legislative process. This means that might be able to swap the burial ground rates back to toilets and get 100% Business Rates relief and would need to factor this change into my 2020/21 budget monitoring and 2021/22 budget planning.... But we are not there yet!

**\*Council Tax Referendums**

For several years, major authorities such as Cornwall Council have been subject to Council Tax referendum principles and have been limited to core Council Tax increases that are determined by the Government. Any increase at, or above, the limit set by the Government would be subject to a referendum. If a referendum is lost, an alternative budget must be ready to be put in place, within the referendum limit and would necessarily require re-billing. The cost of the referendum and re-billing would have to be met by the relevant authority. To date, referendum principles have not been applied to Town & Parish Councils. The Government stated last year that it will keep this matter under active review for future years. It is anticipated that the Local Government Finance Settlement which is expected in December 2020 will confirm whether the Government intends to apply such principles to Town & Parish Councils for the 2021/22 financial year.