

Clapham Parish Council 2022/23 Budget Setting and Precept

Background

Parish Councils, irrespective of their size, have a statutory duty to prepare an annual budget.

The budget process:

- results in the council setting the precept for the following year*
- enables progress monitoring during the year by comparing actual spending against planned spending.

*It is not lawful to set a precept unless a budget has been prepared and approved.

What the Council Needs to Know

The precept requirement must be advised to Arun District Council as soon as possible but no later than 28th January 2022 and the tax base for the parish (which is required for the precept calculation) is due from ADC by the date of the Parish Council's next meeting 25 November 2021.

A draft budget is provided enclosed for consideration/amendment by the council which includes recommendations on the usual running costs, but also requires members to consider what services it intends to deliver in 2022/23.

The budget has 5 columns which cover

1. Actual expenditure for 2020/21
2. Budget projections for 2021/22
3. Projected annual out-turn for 2021/22
4. Variance of budget to projected annual out-turn 2021/22
5. Planned expenditure for 2022/23 (based on continuation of existing services)

Expenditure

Rationale/commentary for the planned expenditure in 2022/23 is provided alongside the lines within the budget document.

The projected annual expenditure 2021/22 is forecast to be £400 under budget.

Reserves

The council must review its level of reserves as, whilst there are no statutory levels only guidance, significant levels may give rise to comment by the auditor.

The external auditor for the year to 31.3.21 was satisfied with the allocated reserves.

Clapham Parish Council holds its reserves in line with that set out in the Joint Panel of Accountability and Governance March 2021 (p38 5.31-5.33) [file \(nalc.gov.uk\)](https://www.nalc.gov.uk)

RESERVES: projected at 31.3.22			Commentary/Explanation
	Brought forward 1.4.21	Projected at 31.3.22	
RESERVES:	23,232.36	£ 20,016.09	
(1)TOTAL GENERAL RESERVES	9,381.61	£ 9,693.34	
(2)TOTAL EARMARKED RESERVES			
Recreation Refurbishment (CIL)	4,664.91	£ -	Part of spend on path, manhole cover and remove old play surface, total £5028 (residue from CIL VAT - see line 16)
Pocket Parks		£ -	
Playground Donation		£ -	
Election costs	750.00	£ 2,250.00	Transfers 2020/21 (5.5.21 minute 12 (iii)) 2021/22 (29.7.21 minute 33 (iv))
VAT (on Pocket Park, CIL & Donation spend)			
CIL VAT	3,251.35	£ 2,888.26	Line 16 -part of spend on path, manhole cover and remove old play surface, total £5028
CPR Donation VAT	1,017.45	£ 1,017.45	
Pocket Parks VAT	4,167.04	£ 4,167.04	£840 refunded April 2020 & £3327.04 Nov 2020
TOTAL RESERVES (1) + (2):	23,232.36	£ 20,016.09	

What the Council Needs to Do

- Consider what services it wishes to provide and how these will be funded through the budget
- Review/resolve to approve the council's reserves and how these are allocated
- Approve the budget for the next financial year 2022/23 at a full council meeting
- Set the precept and notify ADC before its deadline of 28 January 2022.