

Updated Budget Report Kingsthorpe Parish Council

1. Budget

1.1. Whilst the budget was agreed at the meeting held on the 13 January 2021, this report provides councillors with the narrative to the budget in more detail for their information.

Kingsthorpe budget item	2021/22 £
Staffing costs (Town Clerk), including training for staff and councillors	£61,000.00
Professional services/subscriptions (audit, insurance)	£6,000.00
Running costs (including payroll/finance system costs, postage, office supplies, telephones, etc)	£2,000.00
Election costs	£15,000.00
Accommodation costs	£10,000.00
Website costs	£3,000.00
Contingency (to include legal, small grants fund, allotment costs, miscellaneous project work)	£45,000.00
Amounts to develop future services in 2021/22 and/or transfer to reserves	£80,000.00
Total	£222,000.00

Estimated tax base	6,913
Band A charge	£21.41
Band D charge	£32.11

It should be noted that 19% of properties in Kingsthorpe fall within the Band A category of council tax banding.

1.2. This report will provide the background to each line item as shown above.

1.2.1 Staffing costs

The Interim Clerk has been appointed to the council and will be in post until a permanent clerk is appointed (this is anticipated to be August 2021). The Council is required by law to appoint a Proper Officer (Parish Clerk) who is responsible for signing and serving official documents and receiving such documents on behalf of the Council and a Responsible Financial Officer (RFO). An experienced, trained clerk is an invaluable asset to a council, especially a fledgling council. The clerk will be able to guide the council in all aspects of the powers and duties the council has and is able to apply for grant funding on behalf of the council which would allow further funds to be accessed to allow the newly elected councillors to identify and work on projects within the Kingsthorpe area. The clerk would

also work with the principal council to identify any S106 monies that may be owed to the council.

The table below outlines the costs associated with the interim clerk, permanent clerk and part time member of staff that may be required to run the council.

Kingsthorpe Parish staffing	Interim	Salary	NI	Pens	Total
Interim Clerk	14,216				14,216
Permanent Clerk (starting August; 37 hrs per week)		23,830	3,289	7,149	34,268
Part time member of staff (starting August; 15 hrs per week)		6,238	861	1,871	8,970
Total	14,216	30,068	4,149	9,020	57,454

The training budget will allow the clerk and all 15 councillors to attend up to 5 training courses in the first year.

1.2.2 Professional services

It is recommended that the council continues with membership to Northants CALC and for the clerk to remain a member of the Society of Local Council Clerks (SLCC). Membership fees are £3,893 and £289 respectively.

As a new council, the council must undergo both an internal and external audit. Internal audit costs are £550 and external audit costs are £600.

As a minimum, the council should have insurance to cover public liability, employers liability, fidelity guarantee and assets.

1.2.3 Running Costs

The council will need to purchase a laptop and printer/scanner for the parish office, the laptop will require an antivirus package and access to Microsoft 365. The council will need a dedicated phone number to allow residents to contact the parish office. The office will also require an internet connection. A budget of £800 will be sufficient to acquire a mobile phone contract and to purchase office broadband connections.

1.2.4 Election costs

NBC recharge all town, parish and community councils election costs as standard.

1.2.5 Accommodation

Accommodation costs of £10,000 have been included as an estimated figure. It is anticipated that this would be sufficient to cover accommodation costs whether that be rent, lease, or maintenance of property owned by the Council. As the council does not have an agreed base of operation, it is impossible to give absolute costs for accommodation. It is anticipated that Kingsthorpe Community Centre or the Pastures Community Centre would be a potential base for the parish council, but negotiations for office and meeting space will need to occur between the council and West Northamptonshire Council, until those negotiations have been concluded, an estimated figure must be submitted.

1.2.6 Website

A website (with domain and one email address) has been purchased. The website will be live before the end of February and will be used to actively promote candidacy to the council as well as fulfilling the statutory responsibilities of the council.

1.2.7 Contingency

The contingency includes estimated amounts for potential legal fees to complete any lease agreements for accommodation, a small grants fund to help the community groups in Kingsthorpe, any allotment costs and any project work the elected councillors may wish to undertake in their first year in office. The actual breakdown of these items will depend on elected councillor decisions therefore cannot be provided in detail.

Kingsthorpe Parish Council will have Eastern Avenue North, Kingsthorpe Park and Studland Road allotments transferred as part of the Reorganisation Order. The cost of the above allotments is not available as they are currently managed as part of the Ide Verde contract with NBC. It should be noted that the allotments will also provide an income to the council.

1.2.8 Transfer to reserves

As the council will not have reserves, it is essential that the budget includes a sum to allow reserves to be built from year one. The recommendation is that between 3-12 months of the net revenue is held as a reserve amount. The amount presented in this budget represents 6 months of reserves.

2. Operational Fixed vs Variable Costs

It should be noted that some costs in the budget are operational costs for the council which are common across both new/community parish councils (website, office costs, IT costs and insurance), however some costs are variable costs which are dependent on either the total budget figure (internal and external audit, SLCC subscription) or the number of electors per council area (NCALC membership and election costs).

3. Summary

The budget is a contingency budget, the councillors elected in May will be able to use the budget as a starting point for the council. Some items are known (staffing costs, professional services, website), some are the best estimates available to officers in the current climate (running costs, accommodation costs, election costs) whilst the contingency and amounts to develop future services and transfer to reserves are the best estimates available to allow the elected councillors the freedom to achieve the goals they set in year one.

Parish Councils can access grant funding and it is anticipated that the council will wish to explore all avenues of funding available to them. Any unspent provision in year one, would be added to reserves and may be used to off-set costs in year two.

4. Recommendations

- 4.1 To set a precept of £222,000 for 2021/22 based on the previously agreed budget.