

CROSBY RAVENSWORTH PARISH COUNCIL – WORKING FOR THE COMMUNITY

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Budget Briefing Notes for Discussion, to be read in conjunction with the Draft Budget Paper 2022 2023 (Spreadsheet) dated 25/11/2021.

The following elements of the budget have been estimated as follows:

Income

Cell	Item	Amount	Basis
F1	Holly Cottage	£0	9 months construction period, 3 months letting/snagging.
G1	Police House	£7,788	A 5% uplift on the previous year (Estimated)
H1	Annual Charges	£128	A 5% uplift on the previous year (Estimated)

Expenditure

Cell	Item	Amount	Notes
C3	Employment Costs	£6,395	A 5% uplift on the previous year (Estimated)
D3	PWLB Replacement	£5,850	Based on monthly repayments of £488.02 x 12
G3	Police House	£525	A 5% uplift on the previous year (Estimated)
H3	Admin	£1,838	A 5% uplift on the previous year (Estimated) Note additional Audit Cost @ £600/£800.
I3	Grants/Donations	£2,000	Play Area £1,000/General Grants £1,000. subject to analysis as a section 137.
J3	Green Spaces	£2,000	Anticipated Tree Works. Could transfer to MMVGT? subject to analysis as a section 137.
K3	Archive	£1,700	Concern about Utilities Price inflation.
L3	Insurances	£1,300	Increase due to Holly Cottage.
M3	Misc	£500	Nominal Figure.
M3	Legal	£500	Nominal Figure.

Balances

Cell	Item	Amount	Notes
E8	Estimated Unallocated Cash Balances at 31 March 2022	£8,258	Requires allocation at the January meeting.
E11	Estimated Unallocated Cash Balances at 31 March 2023	£3,930	Subject to any alteration of precept, requires allocation at the January meeting when the final budget will be presented for the council's approval.

Based on this draft budget discussion paper the issue the council will need to anticipate how to deal with its projected unallocated balance at the year-end 31 March 2022. The council normally carries forward a larger balance in its current account. However, as the unallocated surplus at the year-end will be drawn in to the repayment/reduction of the PWLB advance required for the finance of Holly

Cottage. This value will be absorbed into the Holly Cottage project if it is not transferred to a restricted fund or spent.

Options could include:

1. Purchasing a new computer/scanner to replace its current laptop which is now over 5 years old and on its last legs.
2. Significantly increasing the funds available to the refurbishment of the playpark which should be held in an account dedicated to the purpose.
3. Transferring funds to the Maulds Meaburn Recreation Ground Trust.
4. Transferring funds to the Police House Reserve against the replacement of the roof light and slating identified as being required in the next 5 years.
5. Re roofing the Police House outside store which is on the point of collapse.

Resolutions Required:

1. The recommendation to create a single Assets Reserve Account be delayed until the Holly Cottage Project is completed (in order that funds accumulated to the betterment of the Police House/Play Park cannot be dissipated on the Holly Cottage Project or be repayable to the PWLB on the completion of the refurbishment along with any surplus retained from the contingency).
2. The Clerk be authorised to open a Play Park Reserve Account at the Penrith Building Society using the council's existing signatories with an opening balance of £1,000 from the 2021 2022 year grants budget.
3. In 2022 2023 the council will need to authorise the RFO to make more frequent VAT reclaims as required to better manage cashflow as required.
4. To authorise the clerk to prepare a draft budget for the January meeting to reflect the council's response to this discussion paper with the precept requirement identified and options for the use of unallocated cash balances. Ensuring that the Section 137 cap is not exceeded.

JCSB/RFO 27.11.2021.