



**Budget Setting  
and  
Precept Request  
2021/22**

## **1 – Introduction**

This report is intended to introduce the budget for 2021/22 and to briefly explain residents' Council Tax bills and how this relates to the Parish Council's precept request.

## **2 –Budget**

The Parish Council budget is made up of Payments and Receipts. Within these two headings, the funds to be spent or received are broken down into “cost centres” and then “budget lines”. This is to make sure that the Council knows that it has made provision for all of its responsibilities and for any unforeseen costs or income that may be incurred throughout the year.

While some payments and receipts are known in advance, for example salaries and allotment rents, it is impossible to make a completely accurate prediction of exactly how much will be spent or received. The Council's Financial Regulations allow for funds to be transferred from one budget line to another during the year, with agreement at a Full Council meeting, in case of unexpected costs.

In addition to the budget, the Parish Council also carries earmarked reserves. We are advised by the Somerset Association of Local Councils to retain between 6 and 18 months of running costs. Earmarked reserves are also used to save up for expensive items or projects over several years to mitigate the impact on the Council Tax bill of these larger items. Earmarked reserves are reviewed by the Council in April each year and at the time of budget setting. This year, we have also been advised to make allowances for the Covid-19 pandemic and to be mindful of the changes in local government structure in Somerset.

The following pages show the budget for the 2021/22 financial year. Where the increase or decrease is significant, these figures are highlighted in yellow and an explanation is given below.

|                                                              |                   |                    |
|--------------------------------------------------------------|-------------------|--------------------|
| <b><u>PAYMENTS</u></b>                                       |                   |                    |
|                                                              | <b>BUDGET</b>     | <b>BUDGET</b>      |
| <b>Wages</b>                                                 | <b>2020/21</b>    | <b>2021/22</b>     |
| Clerk's wages (incl HMRC)                                    | £15,600.00        | £ 15,805.00        |
| ER NICs                                                      | £ 800.00          | £ 900.00           |
| Clerk's travelling expenses                                  | £ 600.00          | £ 400.00           |
| Clerk's other expenses                                       | £ 200.00          | £ 250.00           |
| Clerk's training                                             | £ 200.00          | £ 200.00           |
| Pension costs                                                | £ 306.00          | £ 306.00           |
| Grounds staff wages (incl HMRC)                              | £ 2,010.00        | £ 2,257.00         |
|                                                              | <b>£19,716.00</b> | <b>£ 20,118.00</b> |
| <b>Administration</b>                                        |                   |                    |
| Phone/broadband                                              | £ 400.00          | £ 300.00           |
| Stationery                                                   | £ 250.00          | £ 150.00           |
| Photocopier/Printer                                          | £ 150.00          | £ 150.00           |
| Postage                                                      | £ 100.00          | £ 100.00           |
| Insurance                                                    | £ 1,500.00        | £ 1,600.00         |
| Internal Audit                                               | £ 515.00          | £ 515.00           |
| External Audit                                               | £ 300.00          | £ 300.00           |
| Hire of premises                                             | £ 300.00          | £ 200.00           |
| Bank charges                                                 | £ 20.00           | £ 144.00           |
| Office equipment                                             | £ 50.00           | £ 50.00            |
| Website                                                      | £ 150.00          | £ 200.00           |
| Software                                                     | £ 60.00           | £ 60.00            |
| Subscriptions                                                | £ 780.00          | £ 960.00           |
| Data protection                                              | £ 40.00           | £ 35.00            |
| Accounting Software                                          | £ 150.00          | £ 468.00           |
| Cemetery Management System                                   | £ -               | £ 588.00           |
|                                                              | <b>£ 4,765.00</b> | <b>£ 5,820.00</b>  |
| <b>Election/Councillor Expenses</b>                          |                   |                    |
| Councillor's expenses                                        | £ 250.00          | £ 50.00            |
| Councillor's training                                        | £ 200.00          | £ 250.00           |
|                                                              | <b>£ 450.00</b>   | <b>£ 300.00</b>    |
| <b>Community Services/Coronavirus Support</b>                |                   |                    |
| Grants                                                       | £ 2,000.00        | £ 2,000.00         |
| Coronavirus Support                                          | £ -               | £ 1,000.00         |
| Play Days                                                    | £ 400.00          | £ 500.00           |
| Henstridge Summer Festival                                   | £ 500.00          | £ 500.00           |
| Youth Club Grant                                             | £ 1,000.00        | £ 8,500.00         |
|                                                              | <b>£ 3,900.00</b> | <b>£ 12,500.00</b> |
| <b>Open Spaces/Burial - Maintenance</b>                      |                   |                    |
| Machinery                                                    | £ 500.00          | £ 200.00           |
| Fuel                                                         | £ 210.00          | £ 100.00           |
| Grass cutting - Recreation Ground                            | £ 2,000.00        | £ 2,000.00         |
| Annual Inspections - Play area, skate park, pump track & gym | £ 130.00          | £ 100.00           |
| Playground maintenance                                       | £ 1,500.00        | £ 500.00           |
| Skate Park maintenance                                       | £ 500.00          | £ 500.00           |
| Green Gym maintenance                                        | £ 100.00          | £ 100.00           |
| Recreation Ground hedging & trees                            | £ 2,000.00        | £ 1,000.00         |
| Woodland Maintenance                                         | £ 500.00          | £ 500.00           |

|                                      |                   |                    |
|--------------------------------------|-------------------|--------------------|
| Allotments maintenance               | £ 2,000.00        | £ 1,000.00         |
| War memorial maintenance             | £ 400.00          | £ 100.00           |
| Car park maintenance                 | £ 500.00          | £ 2,000.00         |
| Litter pick                          | £ 100.00          | £ 100.00           |
| BMX Pump Track maintenance           | £ 100.00          | £ 100.00           |
|                                      | <b>£10,540.00</b> | <b>£ 8,300.00</b>  |
| <b>Open Spaces/Burial - Projects</b> |                   |                    |
| Ranger                               | £ 3,000.00        | £ 4,000.00         |
| CCTV System                          | £ -               | £ 2,000.00         |
| Noticeboard Refurbishment            | £ -               | £ 100.00           |
| Burial Ground Gate                   | £ -               | £ 1,000.00         |
|                                      | <b>£ 3,000.00</b> | <b>£ 7,100.00</b>  |
| <b>General Power of Competence</b>   |                   |                    |
| Charitable donations                 | £ 200.00          | £ 200.00           |
| Other local organisations            | £ 450.00          | £ 450.00           |
| Social Care/Village Agent            | £ 7,000.00        | £ 6,500.00         |
|                                      | <b>£ 7,650.00</b> | <b>£ 7,150.00</b>  |
|                                      |                   |                    |
| <b>Total Payments</b>                | <b>£52,421.00</b> | <b>£ 61,288.00</b> |

| <b><u>RECEIPTS</u></b>              | <b>BUDGET</b>     | <b>BUDGET</b>     |
|-------------------------------------|-------------------|-------------------|
| <b>Administration</b>               | <b>2020/21</b>    | <b>2021/22</b>    |
| Precept                             | £53,140.00        | £61,111.00        |
| Interest on deposit and project a/c | £ 35.00           | £ 35.00           |
| Other                               | £ -               | £ -               |
| <b>TOTAL ADMIN RECEIPTS</b>         | <b>£53,175.00</b> | <b>£61,146.00</b> |
| <b>BG-OS</b>                        |                   |                   |
| Burial Ground fees                  | £ 1,000.00        | £ 1,100.00        |
| Allotment Rents                     | £ 500.00          | £ 630.00          |
| Land Rents                          | £ 185.00          | £ -               |
| <b>TOTAL BG-OS RECEIPTS</b>         | <b>£ 2,535.00</b> | <b>£ 1,730.00</b> |
| <b>TOTAL RECEIPTS</b>               | <b>£55,895.00</b> | <b>£62,876.00</b> |

### 3 – Explanation of significant variances

| <b><u>PAYMENTS</u></b>      | <b>Budget<br/>2020/21</b> | <b>Budget<br/>2021/22</b> | <b>2021/22 +/-</b> | <b>Percentage<br/>increase/decrease</b> |
|-----------------------------|---------------------------|---------------------------|--------------------|-----------------------------------------|
| Clerk's Travelling Expenses | £600.00                   | £400.00                   | -£200.00           | -33%                                    |

This decrease reflects the Clerk travelling less to physical meetings due to the Coronavirus Pandemic. Meetings are expected to be held virtually until at least May 2021.

| <b><u>PAYMENTS</u></b> | <b>Budget<br/>2020/21</b> | <b>Budget<br/>2021/22</b> | <b>2021/22 +/-</b> | <b>Percentage<br/>increase/decrease</b> |
|------------------------|---------------------------|---------------------------|--------------------|-----------------------------------------|
| Clerks Other Expenses  | £200.00                   | £250.00                   | £50.00             | 50%                                     |

This increase reflects the Clerk claiming for Zoom Conference Facilities and an increase in working from home allowance as advised by HMRC.

| <b><u>PAYMENTS</u></b> | <b>Budget<br/>2020/21</b> | <b>Budget<br/>2021/22</b> | <b>2021/22 +/-</b> | <b>Percentage<br/>increase/decrease</b> |
|------------------------|---------------------------|---------------------------|--------------------|-----------------------------------------|
| Phone/Broadband        | £400.00                   | £300.00                   | -£100.00           | -25%                                    |

This decrease reflects the Clerk has a private all-inclusive broadband and phone package and the Council and Village Hall Management Committee are seeking a cheaper broadband package for the Village Hall.

| <b><u>PAYMENTS</u></b> | <b>Budget<br/>2020/21</b> | <b>Budget<br/>2021/22</b> | <b>2021/22 +/-</b> | <b>Percentage<br/>increase/decrease</b> |
|------------------------|---------------------------|---------------------------|--------------------|-----------------------------------------|
| Stationery             | £250.00                   | £150.00                   | -£100.00           | -40%                                    |

This decrease is expected due to anticipated less stationery supplies being required in the coming year

| <b><u>PAYMENTS</u></b> | <b>Budget<br/>2020/21</b> | <b>Budget<br/>2021/22</b> | <b>2021/22 +/-</b> | <b>Percentage<br/>increase/decrease</b> |
|------------------------|---------------------------|---------------------------|--------------------|-----------------------------------------|
| Hire of Premises       | £300.00                   | £200.00                   | -£100.00           | -33%                                    |

This decrease reflects that it is anticipated that meetings will continue to be held virtually until at least May 2021 therefore reducing Village Hall hire costs.

| <b><u>PAYMENTS</u></b> | <b>Budget<br/>2020/21</b> | <b>Budget<br/>2021/22</b> | <b>2021/22 +/-</b> | <b>Percentage<br/>increase/decrease</b> |
|------------------------|---------------------------|---------------------------|--------------------|-----------------------------------------|
| Bank Charges           | £20.00                    | £144.00                   | £124.00            | 620%                                    |

The Parish Council have recently transferred their bank accounts to Unity Trust Bank which charges a monthly £12 fee resulting in an increase in bank charges.

| <b><u>PAYMENTS</u></b> | <b>Budget<br/>2020/21</b> | <b>Budget<br/>2021/22</b> | <b>2021/22 +/-</b> | <b>Percentage<br/>increase/decrease</b> |
|------------------------|---------------------------|---------------------------|--------------------|-----------------------------------------|
| Website                | £150.00                   | £200.00                   | £50.00             | 33%                                     |

This increase reflects website maintenance costs and hosting.

| <b><u>PAYMENTS</u></b> | <b>Budget<br/>2020/21</b> | <b>Budget<br/>2021/22</b> | <b>2021/22 +/-</b> | <b>Percentage<br/>increase/decrease</b> |
|------------------------|---------------------------|---------------------------|--------------------|-----------------------------------------|
| Subscriptions          | £780.00                   | £960.00                   | £180.00            | 23%                                     |

This increase is due to the Council subscribing to Parish Online and the National Allotments Society.

| <b><u>PAYMENTS</u></b> | <b>Budget<br/>2020/21</b> | <b>Budget<br/>2021/22</b> | <b>2021/22 +/-</b> | <b>Percentage<br/>increase/decrease</b> |
|------------------------|---------------------------|---------------------------|--------------------|-----------------------------------------|
| Accounting Software    | £150.00                   | £468.00                   | £318.00            | 212%                                    |

This increase is due to the Council's accounting software provider increase their charges due to a number of improvements in the financial management system providing better financial management for Council accounts.

| <b><u>PAYMENTS</u></b> | <b>Budget<br/>2020/21</b> | <b>Budget<br/>2021/22</b> | <b>2020/21 +/-</b> | <b>Percentage<br/>increase/decrease</b> |
|------------------------|---------------------------|---------------------------|--------------------|-----------------------------------------|
| Councillor Expenses    | £250.00                   | £50.00                    | £-150.00           | -80%                                    |

It is anticipated that it is unlikely Councillors will claim any costly expenses in the coming year.

| <b><u>PAYMENTS</u></b> | <b>Budget<br/>2020/21</b> | <b>Budget<br/>2021/22</b> | <b>2021/22 +/-</b> | <b>Percentage<br/>increase/decrease</b> |
|------------------------|---------------------------|---------------------------|--------------------|-----------------------------------------|
| Councillor Training    | £200.00                   | £250.00                   | £50.00             | 25%                                     |

This increase reflects Councillors attending more training sessions.

| <b><u>PAYMENTS</u></b> | <b>Budget<br/>2020/21</b> | <b>Budget<br/>2021/22</b> | <b>2021/22 +/-</b> | <b>Percentage<br/>increase/decrease</b> |
|------------------------|---------------------------|---------------------------|--------------------|-----------------------------------------|
| Youth Club Grant       | £1,000.00                 | £8,500.00                 | £7,500.00          | 750%                                    |

In September 2020 the Council resolved to support the Youth Club with a higher grant in order to provide provision to the youth of the parish with support from professionally trained staff from Young Somerset.

| <b><u>PAYMENTS</u></b> | <b>Budget<br/>2020/21</b> | <b>Budget<br/>2021/22</b> | <b>2021/22 +/-</b> | <b>Percentage<br/>increase/decrease</b> |
|------------------------|---------------------------|---------------------------|--------------------|-----------------------------------------|
| Machinery              | £750.00                   | £200.00                   | £-550.00           | -73%                                    |

It is anticipated that a limited amount of new machinery will be required in financial year.

| <b><u>PAYMENTS</u></b> | <b>Budget<br/>2020/21</b> | <b>Budget<br/>2021/22</b> | <b>2021/22 +/-</b> | <b>Percentage<br/>increase/decrease</b> |
|------------------------|---------------------------|---------------------------|--------------------|-----------------------------------------|
| Fuel                   | £210.00                   | £100.00                   | £-110.00           | -52%                                    |

The decrease reflects less fuel being claimed by the Council Handymen.

| <b><u>PAYMENTS</u></b> | <b>Budget<br/>2020/21</b> | <b>Budget<br/>2021/22</b> | <b>2021/22 +/-</b> | <b>Percentage<br/>increase/decrease</b> |
|------------------------|---------------------------|---------------------------|--------------------|-----------------------------------------|
| Annual Inspections     | £130.00                   | £100.00                   | £-30.00            | -23%                                    |

The decrease in budget is a result of annual inspection costs being provided by a cheaper contractor.

| <b><u>PAYMENTS</u></b> | <b>Budget<br/>2020/21</b> | <b>Budget<br/>2021/22</b> | <b>2021/22 +/-</b> | <b>Percentage<br/>increase/decrease</b> |
|------------------------|---------------------------|---------------------------|--------------------|-----------------------------------------|
| Playground Maintenance | £1,500.00                 | £500.00                   | £-1,000.00         | -66%                                    |

The decrease in budget is due to the Council hoping to provide a new play area with new equipment requiring less maintenance and any maintenance being covered under a lengthy warranty. Budget has been provided for current play equipment.

| <b><u>PAYMENTS</u></b> | <b>Budget<br/>2020/21</b> | <b>Budget<br/>2021/22</b> | <b>2021/22 +/-</b> | <b>Percentage<br/>increase/decrease</b> |
|------------------------|---------------------------|---------------------------|--------------------|-----------------------------------------|
| Allotment Maintenance  | £2,000.00                 | £1,000.00                 | £-1,000.00         | -50%                                    |

The decrease reflects the reduction in allotment maintenance in the forthcoming year as an amount of maintenance has been undertaken and it is hoped with the formation of an Allotments Association fundraising may be achieved by plot holders.

| <b><u>PAYMENTS</u></b> | <b>Budget<br/>2020/21</b> | <b>Budget<br/>2021/22</b> | <b>2021/22 +/-</b> | <b>Percentage<br/>increase/decrease</b> |
|------------------------|---------------------------|---------------------------|--------------------|-----------------------------------------|
| Car Park Maintenance   | £500.00                   | £2,000.00                 | £1,500.00          | 300%                                    |

It is hoped a new car park will be included in the redesign and replacement of the Village Hall in coming years however funding is required to complete patching and repairs in the current car park.

| <b><u>PAYMENTS</u></b> | <b>Budget<br/>2020/21</b> | <b>Budget<br/>2021/22</b> | <b>2021/22 +/-</b> | <b>Percentage<br/>increase/decrease</b> |
|------------------------|---------------------------|---------------------------|--------------------|-----------------------------------------|
| Parish Ranger          | £3,000.00                 | £4,000.00                 | £1,000.00          | 33%                                     |

The Council will be increasing the Parish Ranger contract with SSDC to continue with this excellent scheme within the Parish.

| <b><u>PAYMENTS</u></b>    | <b>Budget<br/>2020/21</b> | <b>Budget<br/>2021/22</b> | <b>2021/22 +/-</b> | <b>Percentage<br/>increase/decrease</b> |
|---------------------------|---------------------------|---------------------------|--------------------|-----------------------------------------|
| Social Care/Village Agent | £7,000.00                 | £6,500.00                 | -£500.00           | -7%                                     |

The Council has changed from using a Village Agent from the Community Council of Somerset to using a Wellbeing worker from The Balsam Centre at a reduced fee.

## **4 - Council Tax – Your Bill**

The Parish Council precept is just one small part of a residential Council Tax bill. According to SSDC's website, Council Tax is distributed between the following:

*“...70.5 per cent of Council Tax money goes to Somerset County Council, 10.9 per cent to Avon & Somerset Police, 4.7 per cent to Devon & Somerset Fire & Rescue Service, 3.9 per cent to parish and town councils within the district and 10 per cent goes to SSDC.”*

Full details on your Council Tax bill can be found here:

<https://www.southsomerset.gov.uk/services/council-tax/your-guide-to-council-tax/>

## 5 – Precept calculations

The information in the box below shows how the 2021/22 precept figure compares to the previous year.

|                                            |         |
|--------------------------------------------|---------|
| <b>Henstridge</b>                          |         |
| <b>Precept 2020/21</b>                     | £53,140 |
| <b>Tax Base 2020/21</b>                    | 663.89  |
| <b>Equivalent Band D Charge 2020/21</b>    | £80.04  |
|                                            |         |
| <b>Precept 2021/22</b>                     | £61,111 |
| <b>Tax Base 2021/22</b>                    | 674.52  |
| <b>Equivalent Band D Charge 2021/22</b>    | £90.60  |
|                                            |         |
| <b>Increase/decrease in Charge</b>         | £10.56  |
| <b>Increase/decrease in % to Tax Payer</b> | 13.19%  |

## 6 – Earmarked Reserves

| <b>Purpose and nature of reserve</b>     | <b>Balance at<br/>20/01/2021</b> |
|------------------------------------------|----------------------------------|
| Playground Equipment                     | £ 20,000.00                      |
| Long term tree maintenance and leilandii | £ 2,000.00                       |
| Provision of temporary office building   | £ 10,000.00                      |
| Legal costs                              | £ 5,000.00                       |
| Speed Indicator Device                   | £ 3,000.00                       |
| New Village Hall and Car Park            | £ 20,000.00                      |
| Day to day running                       | £ 30,000.00                      |
| <b>TOTAL</b>                             | <b>£ 90,000.00</b>               |

If you have any queries regarding this document please contact the Parish Clerk:

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