**Precept Planning Report**

I have prepared the following report to give context to the PC spending in the current financial year (2020/21) in comparison to the financial year 2019/20.

**2019/ 20**

Precept awarded – £4500

Final expenditure (excluding VAT as the PC claim this back) - £5894.33

Overspend - £1394.33

Irregular payments - £633.98

• Finger posts for village green £4.95

• Clerks retrospective holiday entitlement £441.47

• Memorial plaque £30

• Good Councillor guide £4.70

• Laminating pouches £5.49

• Picnic bench £144.05

* Stickers for defibrillator £3.32

**2020/21**

Precept awarded – £4500

Estimated expenditure (including future payments up until the end of the financial year) - £ 5284.87

Overspend - £784.87

**Reserves**

The current bank account totals are £13,090.73. Of this we have an estimated £2283.83 to come out before the end of the year. Full calculations are listed in the spreadsheet attached in the accompanying email. This will leave an estimated balance at the end of the financial year of £10,806.90.

**Conclusion**

The PC have overspent for another year, highlighting that the precept awarded is not sufficient to cover the costs of running the PC. The precept report last year flagged this up as an area of concern.

**Proposal**

Option 1

The PC keep the precept the same at £4500 and use reserves for any expenditure outside of the general running costs.

According to the final tax base, this would see the council tax increase on a band D property by 2.73 % equating to £37.59.

Option 2

The PC increase the precept to a more realistic figure of £6000 (this will cover future Festive Fridaythorpe costs not spent this year).

According to the final tax base, this would see the council tax increase on a band D property by 37 % equating to £50.13.

**Budgets for 2021/22**

£2860 salary and expenses - this has remained the same.

£1850 grass cutting - I have set this based on 10 cuts a year which is an increase of £740. The PC are already over budget this year by £370 and there may be another cut in March yet.

The PC need to agree and set a maximum amount of grass cuts per year. 2018/19 saw 4 cuts, 2019/20 saw 6 and this year there have been 8 cuts.

£1050 running costs - this has increased by £50 as there was a slight overspend in this area.

£600 PC events – this has remained the same.

£0 one-off items/ contingency - I have removed this budget area as the PC should use their reserves for such expenditure to try and keep the precept down. I will keep a track of what the PC are spending but it will have no budgetary amount assigned to it.

£100 defibrillator - I have lowered this to £100 as we are yet to see any real expenditure in this area. We can reassess this next year.

This brings the total budgeted amount to £6460 which is £1960 over the precept that the PC have previously asked for. The PC are unable to scale back on the running costs or the salary and expenses, so the PC should consider the grass cutting budget. As the PC have a large amount of reserves, the PC can afford to keep cutting the grass at the current rate but there will be a point where this is no longer feasible, and the precept will need to be raised to cover the maintenance.