

**MINUTES OF THE BUDGET / STRATEGY & PRECEPT MEETING**  
**OF BIRCHWOOD TOWN COUNCIL,**  
**HELD AT PARKERS FARM, DELENTY DRIVE, BIRCHWOOD, WA3 6AN**  
**ON TUESDAY 23<sup>RD</sup> NOVEMBER 2021**

**Present:** Councillor Ellis in the Chair  
Councillors Atkin, Ball, Brereton, Dempsey, Evans, Reeves, Scott and Simcock  
Clerk – Mrs. F. McDonald  
RFO / Deputy Clerk – Mrs C. Caddock

**Apologies:** Councillor Allen (away) Councillor Bowden (away)

**Code of Conduct – Declaration of Interests**

The Chair reminded members of their responsibility to declare any personal interest or prejudicial interest which they have in any item of business on the agenda, no later than when the item is reached.

*Councillors Atkin, Reeves and Simcock – Birchwood Carnival Committee*

*Councillor D. Ellis – Birchwood Youth & Community Centre Committee*

431-21/22 **INTRODUCTION**

The RFO informed the meeting that the business to be transacted was to formally discuss the Town Council's current budgetary position, foreseen future expenditure and any potential contributory factors which may affect the Town Council, and to propose a Council precept for 2022/2023.

The RFO reminded Members that several pre-budget and precept related discussions and decisions had taken place during the October Part I Finance, Audit & Personnel meeting; having been previously discussed at the Policy, Strategy and Engagement working party on 19<sup>th</sup> October 2021, including: see Minutes:

- 367/21-22 BTC Vehicle Replacement Policy
- 368/21-22 Locking Stumps Proposed Play Area Refurbishment
- 369/21-22 Wildflowers
- 372/21-22 Birchwood Carnival
- 373/21-22 Proposed new contingency fund
- 374/21-22 Strategic Plan
- 377/21-22 Budget and Precept

The RFO said that the Council's policy in previous years had been to set out the proposed income and expenditure for the forthcoming financial year and to set out indicative income/expenditure for a further two years, to establish a three-year budget plan. However, in the current economic climate, it is difficult to make projections for more than two financial years ahead. Therefore, due to the economic uncertainty she is currently presenting a two-year budget plan.

Correspondence and papers relevant to tonight's budget and strategy discussions, including Schedule A, were copied to Members in their papers (see pages 221 to 224 below).

The RFO gave Members a brief reminder and explanation of the precept procedures and how tonight's budget and strategy discussions and recommendations were necessary prior to the formal setting of the precept at next month's meeting.

Members had been issued with papers setting out the Town Council's actual budget for 2021/2022; the year-end projected outturn for 2021/2022 and provisional financial projections 2023/2024 (see Schedule A).

The RFO stated that the Year End 2021 - 2022 projection, including revised earmarked reserves and cash flow, is as follows:

<b>Birchwood Town Council</b>			
<b>Projection - Year End March 2022 Balances (rounded)</b>			
<b>Income</b>			
Balances B/F March 2021		£ 322,107.00	(Audited)
Precept 21-22		£ 357,726.00	
General Income (including £1,000 grant from YHG)		£ 2,100.00	
	Total:	£ 681,933.00	
<b>Expenditure</b>			
See Budget Schedule			
Projected Expenditure		£ 329,900.00	
Balances C/F		£ 352,033.00	
6 months Cash flow		£ 185,000.00	
<b>Reserves /Earmarked:</b>			
Elections		£ 16,000.00	
Vehicles/Equipment		£ 80,000.00	
Community Development		£ 40,000.00	
Contingency fund (new)		£ 31,033.00	
		£ 167,033.00	
<i>Total cash flow plus earmarked reserves:</i>		£ 352,033.00	

The RFO reminded Members to note that the general income has almost disappeared for 2021/2022. Due to the Covid-19 pandemic, we closed the meeting room and are therefore not receiving any lettings income.

During the Part II October Finance meeting, it was resolved that no further evening/weekend bookings for the Council's meeting room are to be taken (Minute 387/21-22). The meeting room will only be used in the evening for Town Council meetings.

The RFO asked Members what their current position is on hiring out the Community Room for daytime bookings.

Following discussion, Members **unanimously resolved** that, until the Covid pandemic is officially over, that for the health and safety of staff, the room should not be hired out.

Over the last couple of years, previous regular daytime income has only been £5 per week from a local walking group. The Clerk commented that we still support them at present by enabling them to meet and park their vehicles in our car park.

We receive peppercorn rent of £2 per year from Birchwood Youth and Community Centre.

The shopping centre chose to have a limited number of hanging baskets this year, and BTC will not know until next year whether they wish to have any baskets, fewer, or more; so this potential income stream cannot be relied on.

In addition, bank interest is almost zero on our Co-operative Bank accounts and 0.05% (down from 0.6% in 2019/2020) on our Nationwide account.

(a) **Band D Figures 2022/2023**

The RFO asked Members to note that a letter and worked example had been received from Warrington Borough Council giving us details of the precept calculations for 2022/2023 and the number of properties on which they set the Council Tax Band (see pages 222 and 223).

The Town Council is required to send a breakdown of our budget and expenditure to the Borough Council, with its precept requirement, by Friday, 14th January 2022.

The letter also indicates the payment timetable made by the Borough Council for us receiving the precept. The payment will, for 2022/2023, be a single payment made by 30<sup>th</sup> April 2022.

The tax base for our Council for 2022/2023 has been calculated as 3,137; this compares to 3,129 for 2020/2021, an increase of 8.

The impact of this, although almost negligible, will be considered when setting the proposed precept. The tax base represents the number of Band D equivalent properties in our Parish after allowing for various adjustments e.g. single person discounts, etc.

The RFO stated that the increase in the number of Band D properties and the way the Band D formula works means that Band D would produce around £915.00 more income for 2022/2023, if the 2021/2022 precept level was applied (£358,641).

The RFO stated she has made budget projections for 2022 /2023 on most items where considered necessary and following detailed prior declarations and discussions.

For the formal Precept Meeting, in December 2021, the RFO said she will make projections on the precept and earmarked balances for next year 2022/2023 through to 2023/2024, following guidance and resolutions by Members after discussions at tonight's meeting and allowing for reasonable continuance of working balances to be retained.

The RFO added that as costs of all items continue to increase, and with indications from the Bank of England that inflation is likely to rise to 5% next year, she has proposed increasing the 6-month cash flow figure from £160,000 to £185,000.

In recent years, the auditor has suggested that the Council could hold a 12-month cash flow, but the Council has previously agreed that a 6-month figure is sufficient.

Members **unanimously resolved** that they agree with the increase in the 6-month cash flow amount to £185,000.

(b) **Earmarked Reserves**

The RFO stated that she has proposed changes to earmarked reserves for Members to consider:

<b>Reserves /Earmarked:</b>		
Elections		£ 16,000.00
Vehicles/Equipment		£ 80,000.00
Community Development		£ 40,000.00
Contingency fund (new)		£ 31,033.00
		£ 167,033.00

There is a proposed reduction in the Elections earmarked reserves of £2,000, and in the Vehicles/Equipment fund of £20,000.

The proposed increase in the Community Development earmarked reserves by £5,000 is to take into account the Council's expression of interest in possibly putting on additional community events, such as a Farmer's Market or Craft Fair (see Minute 374/21-22 from the October Part I Finance Minutes).

The proposed new Contingency fund, £31,033, to cover various unknown costs, was also discussed at the same meeting (see Minute 373/21-22).

The proposed total of earmarked reserves for 2022/2023 is £4,926 more than the audited 2021/2022 figure of £162,107.

Although the purchase of two new electric vans has reduced the previous Vehicles/Equipment earmarked reserve from £100,000 to around £55,000 – it is possible to allocate some additional funding and keep a reserve of around £80,000.

This is mainly due to an underspend of approximately £35,000 on employment costs, following the retirement of the BAFO in July 2021, one staff member left in June 2021 and was only replaced at the start of September 2021, and there is one Maintenance Operative position that the Council has continued to leave open, as the Senior Maintenance Operative believes that the team can currently continue to offer the same level of service with the existing team.

Members discussed the proposed levels of earmarked reserves and **unanimously resolved** that they are happy with these figures.

The RFO reminded Members that these projections assume no significant increases or unexpected elements in expenditure on our main budget headings.

The RFO reminded Members that 2021/2022 was the fourth year of the previously agreed budget cycle, when the precept was increased by 4.5% which had enabled BTC to address a deficit and equalise precepts and expenditure since the reduction in the Council Tax Support Allowance (CTSA) in 2019/2020 (a loss of over £52,000).

This has, so far, enabled the Town Council to continue providing current services, with reserves in hand for some community development. There is still not much room for growth or taking on additional services.

In addition to earmarked reserves, some items also have a figure proposed for the 2022/2023 budget line, for more immediate / smaller expenditure in the next financial year.

The RFO reminded Members that the Town Council's accounts for the financial year 2020/2021 had been submitted to the external auditor on 28<sup>th</sup> June 2021 and these were given approval on 19<sup>th</sup> September 2021. We had a clean report.

The current year's interim accounts for 2021/2022 have not yet been considered by the internal auditor. Members have continued to receive complete monthly income, expenditure and bank reconciliation detail as part of each monthly Council meeting.

The next interim internal audit has been arranged for 25<sup>th</sup> January 2022.

All relevant issues raised by the internal auditor for 2020/2021 and over the past 18 months have been reviewed by Members as they have been reported.

The RFO drew the attention of Members to Schedule B (see page 224 below) which showed proposed precept options ranging between a 1% and a 4% precept increase (taking into account the additional +8 Band D properties) indicating how this might affect future budget considerations.

If the Council were to choose not to increase the precept, there would be a £915 increase in BTC's portion of the precept received (£358,641). The amount per Band D property would remain at £114.33 for 2022/2023.

The figures presented to Members in Schedule A reflect the most up-to-date auditable figures upon which to consider the decisions for the 2022/2023 budget (and subsequent formal precept decision) at the December meeting.

The RFO asked Members to consider and discuss the key income / expenditure issues prior to making a formal precept recommendation.

#### 432/21-22 **GENERAL DISCUSSION OF KEY INCOME / EXPENDITURE ISSUES**

- (a) The RFO said that there were several main areas for discussion which would impact on the Town Council's budget and precept considerations. She asked Members to note that the Police Community Support Officer line has now been removed from Schedule A, as the PCSO is no longer funded by the Town Council.

(i) **Maintenance Team Resources/Service Strategy 2022/2023**

The RFO stated that the figures given on the budget sheet (Schedule A) are calculated on the basis that the maintenance workforce will reduce to 5 fte operatives from April 2022.

The Senior Maintenance Operative believes that the team will be able to continue with the responsibilities undertaken in 2021/2022, such as extra grass cutting in Birchwood (although they will not be doing continuous grass cutting, but rather the intermittent cuts initially agreed with WBC – with WBC doing their share of the cuts next year). They should be able to continue with the same level of environmental work.

The RFO added that if it becomes necessary, there is enough in the proposed 2022/2023 budget for an additional maintenance operative to be employed.

(ii) **Employee Wages 2022/2023**

The RFO asked Members to note the increase announced on 15<sup>th</sup> November 2021 from £9.50 to £9.90 per hour (4.2%) in the National Living Wage – as set by the Living Wage Foundation. For those organisations reflecting this rate, it has to be applied by May the following year.

Since 1<sup>st</sup> August 2015, the Town Council has resolved to mirror the rate, as set by the Living Wage Foundation, for the Maintenance Team Operatives and the Caretaker.

The Senior Maintenance Team Operative's salary is usually increased by the same percentage rate as the Living Wage Foundation's annual rate rise.

It has also previously been resolved that rises from November 2016 onwards would be awarded from the 1<sup>st</sup> April the following year.

The RFO stated that if Members are still minded to reflect this rate it, and any other potential wage increase decisions, will need to be formally ratified at the March 2022 meeting in order for increases to be implemented in the April 2022 wage cycle, for the start of the new financial year.

The RFO informed Members that Officers have not yet received a 2021/2022 wage rise, which usually mirrors the Local Government Pay award (although the Council is not obliged to do so). The RFO said the offer of 1.75% has been put forward as a 'full and final offer' – although the unions have previously and continue to reject this.

The RFO respectfully informed Members that she has budgeted for Officer's wages on the assumption that they will receive a 1.75% award this year, and maybe similar for 2022/2023.

The figure also accounts for the new post of Administrative Assistant, which will be paid on the same hourly rate as the National Living Wage – as set by the Living Wage Foundation.

Councillor Evans **proposed** that the increase to £9.90 be awarded, to those Members of staff on this wage rate, to be applied from 1<sup>st</sup> April 2022. This was **seconded** by Councillor Atkin and **unanimously resolved** by Members.

Following discussion regarding the Senior Maintenance Operative's role, and how this had expanded to include more responsibilities over the last year, Councillor Evans **proposed** that the same percentage increase as the National Living Wage rate of 4.2% be applied to his salary, to come into effect from 1<sup>st</sup> April 2022. This was **seconded** by Councillor Scott and **unanimously resolved** by Members.

(iii) **Cleaner Vacancy**

Members had, at the October Part II Finance meeting (Minute 387/21-22) said that, ideally, they would prefer the job to be kept in-house, for a local person.

The RFO stated that we have had no applications for the advertised position of Cleaner/Caretaker.

The RFO explained that we had, therefore, invited two cleaning companies to view our premises and to quote for two hours a day cleaning – three (or four) days per week (probably Monday, Wednesday and Friday).

One other company offered a quotation via email:

Company A – a franchise - their quote for three days per week would cost approximately £4,614.48 (+VAT) per year.

For four days a week this would equate to approximately £6,140.40 (+VAT) per year. They employ their staff, who have holiday pay, pensions, etc. and try to allocate jobs to people who live in the locality (if they have them on their team).

Company B – run their own company, sixteen years in business – their quote for three days per week would cost approximately £5,363.80 (+VAT) per year. For four days a week this would equate to approximately £6,739.20 (+VAT) per year.

They employ their 32 staff, who also have holiday pay, pensions, etc. and try to allocate jobs to people who live in the locality (if they have them on their team). They pay the Living Wage as set by the Living Wage Foundation.

Company B has insurance that covers a scenario if keys were lost by their company (for getting a lock changed and additional keys re-cut) which Company A said would be the responsibility of BTC.

Company C was asked to quote via email – they are also a franchise and quoted a similar cost to Company A.

The expected cost of the cleaner position was £5,148.00 per annum plus pension contributions. If we had a cleaner in-house we would also continue to purchase / replace when necessary required cleaning equipment and products.

A cleaning service will provide cover for sick days and holidays and all cleaning equipment and products (except consumables, such as toilet rolls, paper hand towels and bin liners). This assists with business continuity and means that other BTC staff do not have to cover for the cleaner if they are off sick or on holiday.

The RFO said that Members are respectfully asked to reconsider the option of employing a specialist cleaning company.

Members discussed the options. They noted that Company B is a family run company, rather than a franchise, and they pay their staff the Living Wage as set by the Living Wage Foundation.

Members also felt that the insurance cover Company B has in place appears to be more comprehensive than Company A.

Following detailed considerations, it was **proposed** by Councillor Reeves, **seconded** by Councillor Evans and **unanimously resolved** that BTC invites Company B to provide cleaning services to the Town Council, on an initial three-days per week contract.

The RFO said that she would adjust Schedule A to reduce the wages budget line accordingly as there will be no cleaner's wages to be included. A separate cleaning services budget line will be added to Schedule A.

On the Monthly Expenditure Schedule, the cleaning services will be included within the Parkers Farm Estate column.

**Action** RFO to take the above into consideration when finalising the 2022/2023 precept.

(iv) **Income Sources**

The RFO stated that expected income sources for 2022/2023 will be very limited.

There will be a small amount in bank interest, possibly around £200.

If the shopping centre decides to have hanging baskets again in 2022/2023 there will be some income from that scheme. The amount will depend on how many they wish to have. This year we received £860 pounds for the supply and maintenance of the baskets.

The RFO reminded Members that, as the Council formally resolved at the October Part II Finance Meeting (Minute 387/21-22) the Community Room will no longer be used for evening or weekend hire (with the exception of Town Council meetings) there will be no evening lettings income.

The RFO asked Members what their current opinions are regarding the community room potentially being available for hire during the daytime, depending on the hours required, reason for hire, and numbers of attendees.

The Clerk commented that Officers remain concerned in regard to health and safety, whilst the Covid pandemic is still ongoing as facilities (kitchen and toilet) are shared.

Members discussed the potential use of the community room by outside groups during the daytime. The income to the Council is only currently £5 per hour. Previous lettings income during the daytime was only £5 per week.

Members **unanimously resolved** that the community room should not be available to hire until the pandemic is completely over.

A suggestion was made that the room hire fee should be raised to at least £10 per hour. This will be discussed at a future meeting.

(v) **Community Projects**

The RFO stated that Members have previously resolved to put £20,000 towards updating/refurbishing with the potential for an additional piece of equipment on this small play area, behind the Turf & Feather pub in Locking Stumps. Any improvements will have to be undertaken in partnership with Warrington Borough Council as they own the land (Minute 368/21-22).

The Clerk has asked for specific costs from WBC, but we are still waiting for that information.

The Council has also made it clear to WBC, that they will not pay for work that needs to be undertaken relating to anything that WBC is formally responsible for, such as maintenance of the trees surrounding the play area, and the current safety surface.

The RFO reminded Members that it had been suggested that the Council might wish to work with local organisations, to put on some additional community projects, such as a Farmer's Market or Craft Fair (see Minute 374/21-22 from the October Part I Finance Minutes).



She has proposed that (as also mentioned in Minute 431/21-22 (b)) above that the earmarked reserves for Community Development at the end of this financial year be £40,000 and that an additional £5,000 be added to the budget line for the next two financial years – 2022/2023 and 2023/2024. This would also potentially allow for some smaller community items to be funded if they arose.

Members **unanimously resolved** that they were happy with the proposed earmarked reserves and budget line amounts for Community Developments for 2022/2023 and 2023/2024.

**Action** RFO to allocate additional funding to earmarked reserves for Community Development and £5,000 to the budget funding in line 7 of Schedule A for 2022/2023 and 2023/2024.

(vi) **Election Fees**

The RFO stated that she has proposed a reduced reserve of £16,000 in the election fund. This will be sufficient to cover potential election fees.

An amount of £2,000 has been proposed in the Schedule A Item 8 budget line for 2022/2023 and 2023/2024 to cover the payments for the May 2021 elections, which the Council resolved to pay over a three-year period, and start to build the reserve back up for the next ‘all-out’ elections in May 2024.

The cost of elections depends on how many seats are actually contested, so it is difficult to predict how much funding will be required.

However, the Borough Council usually offers the opportunity to spread elections costs over four years.

Members **unanimously resolved** that they were happy with the proposed earmarked reserves and budget line amounts for Elections for 2022/2023 and 2023/2024.

(vii) **BTC New Electric Vehicles/Future Fleet**

(1) **Tracking Option**

The RFO reminded Members that an order has been put in for two new vans – the Maxus eDeliver 3 as resolved at the Extraordinary Meeting of the Council that took place on 3<sup>rd</sup> November 2021 (see Minute 391/21-22 (d)).

To note that we have checked the VAT number is legitimate and checked Companies House details in relation to the company we are purchasing the two new vans from.

The RFO stated that there is an option to have tracking activated on one or both vehicles, at a cost of £15 per month per vehicle (£360 per year for both).

As our vehicle insurance is a ‘fleet’ insurance, our insurance company has said that this would not specifically affect the cost either way. It would, however, make it more likely that the vehicle(s) could be recovered if they were ever stolen.

The tracking data not only shows where a vehicle is at any given time, but can also give information on the electricity usage is and how the vehicle is being driven.

The RFO asked Members to consider if they might wish the tracking to be activated on the vehicles.

The garage we are purchasing the vehicles from is happy to offer us a presentation regarding how the trackers work and the type of reports that can be produced. This would enable BTC to have data available to help validate the changeover to electric vehicles.

We have also been offered the option of a 12-month contract, rather than two or three years.

Members discussed the above. They **unanimously resolved** to delegate the decision regarding the trackers to the Clerk and RFO.

**Action** Clerk's office to arrange to find out more about the trackers and decide whether it would be beneficial to have the trackers activated on both vehicles for one year.

## (2) Trade In

The RFO added that we are still awaiting potential trade-in information on ND09 VNL and ND58 BZR.

This was discussed during the Finance Part I Meeting earlier in the evening (see also Minute 418/21-22) when:

*Members **unanimously resolved** that they are happy for ND09 VNL to be sold for parts.*

*The RFO stated that the garage will be collecting the other vehicle, ND58 BZR (which failed its MOT on emissions) this week, for the same assessment.*

*Members **unanimously resolved** that, if the issues are the same with ND58 BZR, they are happy for it to be sold for parts as well.*

## (3) Future Vehicles/Equipment Purchases

The RFO stated that the proposed £80,000 earmarked reserves for BTC vehicles/equipment (reduced from £100,000 now that two new electric vans have been purchased) reflects the fact that without the 'tools' the Maintenance Team need to do their job (as recently experienced with the two transit vans being off the road) that staff have been struggling to continue working as efficiently as usual, in the way they are used to, to do the work the community expects of them. (See also Minute 431/21-22 (b) on page 211 above).

The RFO said that the Council needs to consider how to budget for the expense of future additions to a new fleet. It could be a strain on finances, and a threat to the stability of the precept if it is not properly budgeted for.

The next vehicle(s) needed will probably be tippers. Depending on when our current vehicles become no longer financially viable, will depend on whether they have to be replaced with new (second-hand) diesel vehicles, or whether there will be suitable electric tippers on the market at that point in time. Those currently on the market are much too small for BTC's needs.

The RFO also asked Members if, when the caddy van is no longer viable, they would consider replacing it with an electric option.

The small van is very useful for doing day-to-day 'running around' jobs and is invaluable when other vehicles are in for servicing or repair work.

Following discussion, Members **unanimously resolved** that they were happy with the proposed £80,000 earmarked reserves for Vehicles/Equipment for 2022/2023 and 2023/2024.

Members also **unanimously resolved** that when the caddy van is no longer viable, it will be replaced with an electric equivalent.

(viii) **Parkers Farm**

The RFO said that she has proposed £5,000 in the next two financial years to budget for any potential cost relating to the Parkers Farm repairs or renovations. She added that the major renovations have all been completed.

Members also **unanimously resolved** that they are happy with this budget amount.

(ix) **Birchwood Carnival 2021**

The RFO asked Members to note that the cancellation of the 2021 Birchwood Carnival, due to the Covid-19 pandemic, reduced the Town Council's spending for 2021/2022 by approximately £1,510.00.

We have received a grant application from the Carnival Committee to fund the main marquee and portaloos for the 2022 carnival, for an approximate amount of £1,621.60 plus VAT. We have asked for the exact figures prior to Council being able to formally pledge that they will award a grant to support the carnival.

(x) **Website**

The RFO informed Members that at the previous Budget and Strategy Meeting in November 2020 it had been resolved that this item be taken on by the Policy, Strategy and Engagement Sub-Committee, which all Members are on.

As previously reported, the current website is quite onerous to manage, and Officers think that it does not look as user friendly or attractive as some more recent website package offerings do.

Costs are currently unknown, but it is thought that they will be less than we currently pay for our website, etc. The budget for a new website could be covered by Community Developments, or the general Revenue Expenditure or the new Contingency Fund.

Members were asked whether they wish to consider alternative website options for the future. If so, do they want this item to be taken on as a Policy, Strategy and Engagement Sub-Committee item?

This was **unanimously resolved** by those Members present.

**Action** Website options to be considered at a future Policy, Strategy and Engagement Sub-Committee.

## 433/21-22 CONSIDERATION OF SCHEDULES A AND B

The RFO asked Members to consider Schedules A (Year-end Projected Outturn 2021/2022 and Financial Projection for 2022/2023 and 2023/2024) and B (2022/2023 Precept Options).

The RFO said that she has made projections on the precept and earmarked balances for next year 2022/2023 through to 2023/2024 allowing for reasonable continuance of working balances to be retained. She reiterated that these projections assume no major increases or surprise elements in expenditure on our main budget headings.

The figures presented to Members in Schedule A reflect the most up-to-date auditable figures upon which to consider the decisions for the 2022/2023 budget (and subsequent formal precept decision) at the December meeting.

The RFO explained the reasoning for the figures proposed on each item line in Schedule A.

Following discussions, it was suggested by Councillor Ellis, that, although BTC has currently taken out three-year fixed rate contracts for its gas and electricity supplies, whilst the market is so volatile, that some additional funding be added to the Item 2 line, in case one of our suppliers 'collapses' and we are transferred to a different company with higher prices.

The RFO will add an additional £1,000 in the budget line – Item 2 - for this purpose.

It was also suggested that the Town Council Revenue Expenditure be increased due to the expected increase in inflation rates (as announced by The Bank of England) to around 5% or over for the next financial year, and bearing in mind the general increase in costs that have occurred over the past few years.

The RFO will add an additional £5,000 in the budget line for Item 6.

In addition, as discussed in Minute 432/21-22 (a) (iii) above, *the RFO said that she would adjust Schedule A to reduce the wages budget line accordingly as there will be no cleaner's wages to be included. A separate cleaning services budget line will be added to Schedule A.*

Members **unanimously resolved** that Schedule A be approved, with changes made as detailed above. These changes to be brought back to the December meeting for formal ratification.

**Action** RFO to adjust Schedule A as detailed above for formal approval at the December meeting.

The RFO asked Members to consider Schedule B which showed proposed precept options ranging between a 1% and a 4% precept increase (taking into account the additional +8 Band D properties) indicating how this might affect future budget considerations. If the Council were to choose not to increase the budget, there would be a £915 increase in the precept received (£358,641). The amount per Band D property would remain at £114.33 for 2022/2023.

Members discussed in detail the various options, taking into account the deliberations that took place during tonight's meeting. Members also considered that the inflation rate is expected to rise over the next financial year to around 5%. The current inflation rate is around 4.2%.

Councillors agreed that it would be financially responsible to increase the precept by a relatively small percent for 2022/2023, so that if the inflation rate reaches 5% or above, the Council, (assuming no major increases or surprise elements in expenditure on our main budget headings) does not have to implement a much higher precept rise in future years.

BTC has earmarked reserves to cover currently expected / possible larger expenditure items.

Following these discussions, Councillor Atkin **proposed**, Councillor Reeves **seconded**, and it was **unanimously resolved** that the precept recommendation for 2022/2023 be 2.5%, which is below the current inflation rate.

This would increase the precept on Band D properties by approximately £2.86 per year, to £117.19 (which equates to around a 5½ pence per week increase).

434/20-21 **PRECEPT MEETING**

The RFO reminded Members that the formal Precept meeting for 2022/2023 will take place, as previously agreed, on 10<sup>th</sup> December 2021.

**Action** RFO to bring revised Schedule A figures, and the proposed precept option for consideration and final formal approval, to the December Precept Meeting.

**The meeting concluded at 7.55pm**

Schedule A		BIRCHWOOD TOWN COUNCIL				Nov-21
		YEAR-END PROJECTED OUTTURN 2021/2022				
		AND FINANCIAL PROJECTION FOR 2022/2023 AND 2023/2024				
ITEM NO.	EXPENDITURE ITEM	BUDGET 2021/2022	PROJECTED EXPENDITURE OUTTURN 2021/2022	BUDGET ESTIMATED EXPENDITURE 2022/2023	BUDGET ESTIMATED EXPENDITURE 2023/2024	
		Included in row (4)	Included in row (4)	Included in row (4)	Included in row (4)	
1	Cleaner / Caretaker's costs - Parkers Farm	£ 6,000	£ 4,500	£ 5,500	£ 6,000	
2	General and Water Rates/Gas/Electric	£ 17,000	£ 17,000	£ 17,500	£ 17,500	
3	Insurance/Subs/Fees/Car Tax/Bank Charges	£ 270,000	£ 235,000	£ 270,000	£ 280,000	
4	Employment costs (inc employer NI & superannuation)	£ 1,000	£ 1,000	£ 1,000	£ 1,000	
5A	Civic - Chairman's Allowance	NIL	NIL	£ 1,000	£ 1,000	
5B	Civic - Newsletter	NIL	NIL	NIL	£ 1,000	
5C	Councillors Allowances/Expenses	NIL	NIL	NIL	NIL	
6	Town Council Revenue Expenditure	£ 30,000	£ 30,000	£ 30,000	£ 35,000	
7	Community Developments	NIL	NIL	£ 5,000	£ 5,000	
8	Town Council Elections	NIL	£ 2,400	£ 2,000	£ 2,000	
9	Grants	£ 5,000	£ 3,000	£ 5,000	£ 5,000	
10	Parkers Farm Estate/Maintenance/Equipment fund	£ 12,000	£ 16,000	£ 5,000	£ 5,000	
11	Loans inc. Mortgage Fund for Parkers Farm Estate	£ 19,000	£ 21,000	£ 20,000	£ 19,500	
	<b>TOTALS</b>	£ 360,000	£ 329,900	£ 362,000	£ 377,000	

Mrs F McDonald  
Parkers Farm Community Centre  
Delenty Drive  
Birchwood  
WA3 6AN

Professor Steven Broomhead  
Chief Executive

Lynton Green  
Director of Corporate Services

1 Time Square  
Warrington  
WA1 2NT

12 November 2021

Dear Mrs McDonald,

**Birchwood (Town Council) Parish Precept 2022/23**

I am writing to you regarding arrangements for parish precepts for 2022/23.

For funding purposes, the 2022/23 tax base for your parish has been calculated as 3137. This compares to 3129 for 2021/22, and you should consider this change when setting your precept.

Would you please send me the amount you require for your 2022/23 parish precept, based on this tax base, by no later than Friday 14<sup>th</sup> January 2022. Please note for parish councils with a precept over £140,000 we are required to send a breakdown of parish expenditure with our Council Tax bills. To enable us to do this would you please provide details of your budget and expenditure for 2022/23 with your letter confirming your precept, where applicable.

The specific amount payable in respect of your parish precept will be shown separately on the bill sent to each taxpayer. Please find enclosed a worked example that illustrates the council tax for each property band if the band D precept remains the same as last year, and what precept this would equate to.

Your precept payment will be paid by 30<sup>th</sup> April 2022 but if you have any further queries regarding your parish precept please contact Mark Dennett on 01925 442274.

Yours sincerely,



**Lynton Green CPFA**  
Director of Corporate Services



**Birchwood (Town Council)**

**Worked Example**

	<b><u>2021/22</u></b>	<b><u>2022/23</u></b>
a) Your Tax Base - Band D equivalents	3,129	3,137
b) Your Band D Charge (based on current year)	£114.33	£114.33
c) Your parish precept	£357,726	£358,641

The amounts relevant to the other bands are calculated as follows:-

Band A = b) multiplied by 6/9	£76.22	£76.22
Band B = b) multiplied by 7/9	£88.92	£88.92
Band C = b) multiplied by 8/9	£101.62	£101.62
Band D = b) multiplied by 9/9	£114.33	£114.33
Band E = b) multiplied by 11/9	£139.73	£139.73
Band F = b) multiplied by 13/9	£165.14	£165.14
Band G = b) multiplied by 15/9	£190.54	£190.54
Band H = b) multiplied by 18/9	£228.65	£228.65



