

Briefing Note

How the parish council spends your money 2023/2024

1.0 Background

At their public meeting on 17 November 2022, councillors agreed to postpone their usual decision on a budget and precept because they wanted more time to consider their options for change. With a current inflation rate of 11.1% (October 2022), the highest interest rates for many years and a background of economic uncertainty, the outlook for economic growth is not optimistic. The council holds high levels of reserves which it can call on to cushion the impact of increases on the precept. So, at that public meeting, councillors asked the Clerk to review all expenses, examine what had already been committed from its reserves and calculate the impact of limiting any increase in precept to 10% for the next financial year 2023/24.

The council's precept is collected to pay for the day to day running costs in the parish and is not usually intended to pay for capital items. It is calculated by deducting expenses from non-tax income and charging the difference to each household in the parish. This note explains what the council's budget for next year is and sets out how it manages residents' tax receipts.

2.0 The budget

The table below analyses actual net income and expenditure for 2020/21, best estimates for 2022/23 and a budget for 2023/2024 for the parish council.

		Actual 2021-22	Budget 2022-23	Actual 2022-23*	Budget 2023-24
Net Expenditure		£	£		
1.00	Open spaces				
	1.1 Grasscutting	800.00	2320.00	5952.00	5952.00
	1.2 Strimming	250.00	0.00	0.00	0.00
	1.3 Weed spraying	0.00	1100.00	0.00	0.00
	1.4 Other expenses	7425.00	2945.00	3945.00	5300.00
	sub total	8475.00	6365.00	9897.00	11252.00
2.00	General Administration				
	2.1 Salaries	7279.00	8745.00	8613.00	9867.00
	2.2 Audit fees	402.00	400.00	400.00	400.00
	2.3 Other expenses	9778.00	4453.00	4453.00	4132.38
	2.4 Fees & elections	290.00	0.00	0.00	0.00
	sub total	17749.00	13598.00	13466.00	14399.38
3.00	Allotments				
	3.1 Rent	0.00	80.00	80.00	80.00
	3.2 Maintenance	300.00	100.00	100.00	100.00
	sub total Expenditure	300.00	180.00	180.00	180.00

4.00	Public toilets					
	4.1	Cleaner	2603.00	2850.00	2766.00	3150.00
	4.2	Maintenance	162.00	395.00	150.00	395.00
	4.3	Water	152.00	200.00	200.00	400.00
	sub total	Expenditure	2917.00	3445.00	3116.00	3945.00
5.00	Public lighting					
	5.1	Electricity	464.00	520.00	183.00	0.00
	5.2	Maintenance	122.00	162.00	41.00	0.00
	sub total		586.00	682.00	224.00	0.00
6.00	Donations					
	6.1	Donations	2540.00	500.00	300.00	500.00
	6.2	Grants	3033.00	0.00	2030.00	0.00
	sub total		5573.00	500.00	2330.00	500.00
6E	Neighbourhood Plan					
	6E1	Projects	60.00	0.00	60.00	0.00
	sub total		60.00	0.00		0.00
	TOTAL		35660.00	24770.00	29213.00	30276.38
* best estimate at the time of preparation						

3.0 The precept for next year

3.1 Cash holdings on 31 March 2022 were £75,977.34. In September 2018, the parish council transferred £60,000 to a high interest account that is managed by Cornwall Council. This was increased by a further £25,000 in September 2020 following receipt of a central government grant of £10,000. The reason for doing this was so that the surplus funds held by the parish council could be held in a secure and risk-free deposit facility that would earn a higher rate of interest than that currently available from the commercial sector.

3.2 In order to meet the changes in expenses and income, councillors have agreed to raise the annual precept for 2023/24 from £22,816 to £25,200 (+ £2,384 which is an increase of 10%).

This means that the annual charge for a Band D house would be £38.55 (previously £34.85) which is an increase of £3.70 or 31p per month. Additional expenses of £3,472 not met from the precept for next year will be drawn from the General Reserve.

4.0 How the council uses your money

The parish council owns and maintains three open spaces which are freely available to residents and visitors: the playing field (Menheniot village), the recreation area at Merrymeet and the community garden on Trelawney Road (maintained by local residents). In addition to its financial support for volunteering groups in the parish, the council owns and maintains the public toilets in Menheniot village, the bus shelters in Menheniot, Merrymeet and on the A38 by The Hayloft as well as carrying out other grass cutting and footpath maintenance.

Details of any proposals will be discussed and where appropriate, agreed at the public meeting. Visit www.menheniotparish.org.uk to download a calendar of meetings and updates of the forward plan.

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