

**BUDGET WORKING PARTY MEETING****Wednesday 2<sup>nd</sup> December 2020 – 2.00pm via Zoom**

Present: Cllrs Mr P Williams (chair), Mr R Flemming, Mr M Hall, Mr K Lynch, Mrs M Sherwin

In attendance: J Perry (Responsible Financial Officer & Deputy Principal Officer)  
H Thomasson (Principal Officer)

**23. APOLOGIES FOR ABSENCE**

Apologies had been received from Cllr Mr Mayne and were noted.

**24. MINUTES OF THE LAST MEETING**

Minutes of the last meeting 18<sup>th</sup> November 2020 had been circulated and were noted.

**25. DRAFT INCOME AND EXPENDITURE BUDGET 2021/22**

The Responsible Financial Officer (RFO) presented a draft income and expenditure budget for 2021/22 (circulated) showing income excluding precept of £81,007.00 and expenditure excluding projects and reserves of £483,685.00. Various cost centres were discussed in detail and those highlighted in red with increased expenditure on the current year were given explanation. Members agreed, after confirmation from the officers present, that the suggested, more conservative income and expenditure budgets in light of the continuing financial impact of coronavirus were both realistic and attainable and would not result in loss of any services or standards.

**26. FUNDS AVAILABLE FOR 2021/22 PROJECTS**

The RFO presented an illustration to members (circulated) of what funds would be available if the suggested budget were adopted using the 2020/21 precept of £429,113.30 and carrying forward the confirmed 2019/20 surplus of £35,489.00. Using these figures, a sum of £61,924.30 would be available to fund the proposed projects for 2021/22. It was confirmed that this sum would be sufficient to proceed with all proposed projects and that the final sum available would increase once the final taxbase figures for calculating the precept are notified later in December.

**27. REVIEW CURRENT RESERVES**

The current reserves document had been circulated to members showing the movements between reserves that had been agreed at the previous meeting. General reserves stood at £230,519.32 and Earmarked Reserves at £244,717.75. Each earmarked reserve was discussed in detail. Cllr Mrs Sherwin had reservations that all S106 monies received were being held in a single reserve, the RFO reassured members that a spreadsheet separate to the accounting software was being kept to identify and track individual S106 maintenance receipts and the expenditure from them.

The level of general reserves held for risk mitigation currently stands at 44% of the expenditure budget (net of projects) which exceeds the adopted risk mitigation level of 25-35%. It was agreed that in light of the pressures being experienced from the pandemic that the increased level was desirable. The RFO pointed out to members that with the reduced revenue budget proposed, the risk mitigation level with the current general reserves held would increase to nearer 50%. Members felt that when the budget recommendations are made to Council in January, they consider a further recommendation to hold between 50-

60% general reserve levels for risk mitigation to place the Council in a robust position to face the ongoing coronavirus impacts on the nation.

28. DATE OF NEXT MEETING

Tuesday 22<sup>nd</sup> December 2020 at 10.00 am via Zoom

The meeting closed at 3.14 pm