

NOTES TO SUPPORT THE BUDGET CALCULATIONS

ADMINISTRATION/SUPPORT COSTS £169,586 Increase £47,440

Some KHPC services such as statutory planning consultation responsibilities, advice, and close liaison with other authorities on the delivery of local services including roads and transport issues, waste, housing, open spaces and the environment do not incur specific costs as they are absorbed within the administration budget. Also absorbed is the cost of proper governance arrangements and the enhancement of the Parish Councils role. The administration budget reflects the cost of the Office to support the Parish Councils activities and services. Office expenses continue to be stable.

1. **AUDIT FEES:** The Parish Council is required by statute to have an external audit (EA) and an Independent Internal Audit (IIA). The provision for 2022-2023 was £4,400. 2023-2024 recommendation £4,620. **Increase of £220.**

2. **CHAIRMAN'S ALLOWANCE:** S15 of LGA 1972 provides for a Chairman's Allowance which allows the Chairman to defray expenses of office. In calculating the allowance, the KHPC should consider the duties arising from the Parish Councils ordinary business and the Chairman's enhanced role in discharging these, i.e., costs arising from regular communication with other councils, working relationship with the Clerk, attendance at conferences and ceremonies, public relations, and travel costs. The provision for 2022/2023 was £60. 2023/2024 recommendation **£1,200. Increase of £1,140.**

3. **MEMBERS EXPENSES:** A recommended provision of **£1,500** to provide for:
 - Travel Expenses: Members mileage allowance for travel outside the parish whilst on council business.
 - Tablets: Whilst not specifically included within the budgetary provisions, funds could be made available for those who opt to be issued with them in 2023-2024. This initiative could be helpful to the council in pursuing its Climate Change agenda.
 - Members Allowances: Elected members are entitled to claim allowances but historically choose not to. By deciding not to claim allowances, members are collectively saving KHPC more than **£10,000.****Increase of £750**

4. **MEMBERS TRAINING:** A recommended provision of **£2,500** to provide for:
 - Provision of funds for members to attend conferences & Seminars such as those offered by KALC and SLCC.
 - 2023 is an election year, an increased budgetary provision has been made for 2023/2024 to cover the cost for newly elected or re-elected members to take relevant training.**Increase of £160.**

5. **OFFICE EQUIPMENT & REPLACEMENTS:** A recommended provision of **£2,450** for servicing and repairs to council owned office and IT equipment. During 2020-2021 equipment will need to be maintained, serviced, repaired, or replaced. **Increase of £50.**

6. **OFFICE COSTS:** Recommended provision of **£12,500** to cover the cost of advertising, marketing, office cleaning, postage, printing, reference books and stationery. It is important that KHPC is equipped with up-to-date reference books. KHPC is seeking new and effective ways to improve the effectiveness of community engagement. Increase of **£2,500.**

7. **NEWSLETTERS, ANNUAL REPORT & SURVEYS:** A recommended provision of **£6,120** to provide for the following:

- The council's newsletter "A View from the Hill" has recently been reintroduced. This funding provision will cover the cost of a quarterly printing and distribution costs. The newsletter will contain a summary of Parish Council activities and useful information.
- TMBC's draft Local Plan is currently navigating its way through the legislative requirements, it is expected that KHPC will engage with residents on the Regulation 19 consultation. This funding provision will cover the printing and survey costs.
- Local Councils are expected to produce an Annual Report. The funding provision will cover the annual printing and distribution costs. The KHPC Annual Report will be published in the Spring and will summarise the Council year and contain reports and useful information.

Increase of £120

8. **SUSCRIPTIONS:** KHPC subscribes to Kent Association of Local Councils, National Association of Local Councils, Kent Men of the Trees, The Kent Tree and Pond Warden Scheme, Society of Local Council Clerks and Action with Communities in Rural Kent. The 2022-2023 budget provision was £4,500, 2023/2024 recommendation **£4,600. Increase of £100.**

9. **IT:** A recommended provision of **£12,000** to cover the cost of IT and website for the Parish Office and Community Centre. It is necessary to include provisions for on-going maintenance, updates, accessibility hosting, training, and backups. The funding provision will also cover the cost of an upgrade to the website and / or new website. The 2022-2023 provision was £12,000, 2023-2024 recommendation is **£12,000. No Change.**

10. **TELEPHONE, OFFICE 365 AND INTERNET:** A recommended provision of **£4,200** should be sufficient to cover the cost of telephone and internet for both the Parish Office and Community Centre. Decrease of £1.400.

11. **TRAINING:** A recommend provision of **£4,500.** The Parish Council has a learning and development policy. In accordance with the policy, funds should be available allowing council officers to attend conferences and seminars relevant to their role within the organisation. This is particularly important considering the affect legislative changes are likely to have on the Parish Council. The Clerk is CILCA qualified whilst council officers are currently completing ILCA or FILCA qualifications. It is expected that training will be continuous and ongoing. The 2022-2023 combined provision was £4,500 (no 24 refers). Recommendation **£4,500. No change**

12. **INSURANCE (PC):** Costs are affected by abnormal increases in premiums, KHPC is however protected somewhat as in 2022/2023 it opted into a 3-year long term arrangement which expires in 2025. Premiums are competitive and claims experience excellent. The 2022-2023 insurance costs were £3,079.28, which included the cost of insuring the outdoor equipment, street furniture, office contents, asset protection, revenue protection, legal liabilities, and employee benefits. Whilst KHPC has entered a 3 year long term arrangement with the insurer the Parish Council also needs to be able to meet insurance costs of any new assets and insurance obligations. I anticipate that a budgetary provision of £3,150 will be required to meet the Parish Councils insurance obligations in 2023-2024. **£150 Increase**

- 13. ELECTION EXPENSES:** 2023 is an election year, the anticipated costs for a contested election would be £14,500. Should an additional bye election occur, those costs can be met from reserves. **Increase of £14,500.**
- 14. ACCOUNTANT FEE:** No provisions. During the period of transition, the council has employed the services of a professional accountant. During 2023/2024 it is intended to bring some or all of this work back in house, i.e., payroll and VAT in which case this funding provision will no longer be required, and ad hoc work carried out by the retained accountant can be met from the budgetary provisions for legal and professional consultants. It is worthy of note that the council currently uses the Xero Accounting Package and that the Clerk is familiar with bespoke local council accounting packages such as Scribe and Rialtas.
- 15. BANK FEES:** It is expected that the bank fees and charges for 2023/2024 will cost no more than £600. **Decrease of £1,400**
- 16. PARISH MEETING COSTS:** KHPC must hold an Annual Parish Meeting between March and June each year. The 2023 Annual Parish Council Meeting will be held prior to the election and the parish council entering a period of purdah. The provision for the 2023 Annual Parish Meeting is £2,400, the recommended provision for 2024 is £2,450. **Increase of £50.**
- 17. LOAN REPAYMENTS:** The loan repayments are fixed and cannot be changed. On 08 November 2022, KHPC owed £285,578.91 to PWLB comprising of two loans (£36,144.63 and £249,434.28). The council could consider the following actions:
- Paying off the smaller loan, the settlement figure on 08 November 2022 was £38,479.56
 - Entering into negotiations / new agreement with PWLB and the Department of Levelling Up, Housing and Communities to reduce the term of the loan and by being more fiscally responsible increasing the annual repayments thus repaying the loan over a shorter timespan.
 - No change to 2022/2023 provision of £42,696.
- 18. LOCUM COSTS:** No provisions. During the period of transition, the parish council employed the services of locums. KHPC has since stabilised and has permanent staff in place, it is not expected that any locum costs will be incurred during 2023/2024.
- 19. LICENCE:** No provisions, costs can be met from events funding provisions.
- 20. JUBILEE:** No provisions. 2022 saw the Kings Hill community come together to celebrate the late Queens Platinum Jubilee, whilst some grant funding was received there were also costs associated with street party grants and the end of summer Jubilee event. The council might want to hold an event to celebrate the Coronation of King Charles III. Funding provisions for this can be covered by the event budget and similar grant monies.
- 21. LEGAL / PROFESSIONAL CONSULTANTS:** From time to time the council will seek legal and professional advice from solicitors, accountants, and consultants. The funding provision for 2022.2023 was £20,000, the recommendation for 2023/2024 is £20,000. **No change.**

- 22. PROFESSIONAL PLANNING FEES:** In November 2022, members approved a funding allocation of £30,000 for KHPC to respond fully and professionally to TMBC's Local Plan Consultations. The funding provision will cover costs such as community engagement costs and the employment of professional consultants.

STAFF COSTS: A recommended provision of £176,000. An increase of **£25,000**

23. The councils staffing team consists as follows:

- Parish Clerk / RFO (Part time 30 hours per week)
- Office Manager (Full Time, 37 hours per week)
- Caretaker (Full time, 37 hours per week)
- Booking Officer (Part time 25 hours per week)
- Administrative Assistant (Part time 30 hours per week)
- Communications, Marketing and Media Officer (ad hoc 5 hours per week)
- Cleaner 1 (Part time 12 ½ per week)
- Cleaner 2 (Part time 6 per week)

With the exception of the employment of a part time caretaker, no provisions have been made for any changes to the number of employees; members must be mindful of the fact that as more is expected of KHPC and if the current trend in increased community centre bookings continues that the workload will similarly increase to the extent that it might become necessary to increase the number of hours which the part time staff work or to employ additional staff members. The recommended budgetary provision of £176,000 is considered adequate to meet the costs of the existing staffing structure and reflects the agreed staffing level, it also allows funds to pay for a part time caretaker and to bring more accounting work in house. Removal of this resource will mean KHPC being unable to support the level of service it sets itself and will impact upon proper governance arrangements. Sums have been included based on known service policies and the staffing resources required. Salaries are in accordance with the recommended salary scales of NALC and SLCC. Some savings were made during 2022/2023. The funding provision also includes resources to meet employers NI and pension contributions, salary increases and outsourcing of payroll. 2023-2024 will see an increase in payroll costs which can be absorbed within the budgetary provision. **£31,000 Increase.**

24. Training. No provisions as costs have been absorbed within administrative support (Note 11 refers)

25. Office Costs: No provision as costs have been absorbed within administrative support (Note 6 refers)

BUILDING COSTS and THE COMMUNITY CENTRE £88,000 decrease of £19,619

BUILDING COSTS

26. NNDR: The NNDR costs for 2022-2023 were £5,676 (Paid March 2022). A recommendation is being made for a budgetary provision of £6,000. **A decrease of £4,000.**

27. Water & Sewage: No provision as costs have been absorbed within Utilities (Note 27 refers). **A decrease of £9,000.**

28. Utilities: a recommended provision of £35,000 should be sufficient to meet utility costs, whilst still allowing for any exceptional increases in energy charges.

Costs for energy i.e. gas and electric in December 2022 were just under £2,000 per month. **An increase of £1,261**

29. **Cleaning Supplies:** No provision as costs have been absorbed within Maintenance / general repairs (Note 29 refers). **A decrease of £6,000**
30. **Maintenance Contracts / Cleaning / General Repairs:** A provision of £31,500 should be sufficient to meet the costs of cleaning supplies, maintenance repairs and cleaning. **An increase of £1,500.**
31. **Equipment & Replacements:** A provision of £6,150 should be sufficient to meet the costs of equipment and replacements. **An increase of £150.**

COMMUNITY CENTRE

32. **Booking system:** The council currently uses the booking system provided by Bookteq. At 2022/2023 year end the costs are expected to £600. The 2023-2024 recommended budgetary provision is £650. **£5,350 Decrease**
33. **Service Charges:** No budgetary provision. It is not expected that expenditure will be allocated to this budget code. **£9,500 decrease.**
34. **Credit Card Charges:** No budgetary provision. Expenditure incurred using the credit card will be charged to the relevant budget head. **£1,200 decrease.**
35. **Performance Rights License:** A provision of £1,500 should be sufficient to meet expenditure costs. **Increase of £500.**
36. **Insurance Prologis:** The council is recharged insurance costs relating to the Community Centre by Prologis. The 2022/2023 insurance premium was £6,498. Recommended provision for 2023/2024 of £10,000 allows for abnormal increases in insurance costs and for the costs of any additional insurance that might be required during 2023/2024. **No change.**
37. **Licensing:** £200 should be sufficient to meet the costs of the licence KHPC obtains from TMBC. Recommended provision for 2023/2024 £200. **Increase of £20**

BAR AND CATERING COSTS £2,400 No change

38. **Bar Costs:** £1,200 should be sufficient to meet any bar costs incurred during 2023/2024. No Change.
39. **Catering Costs:** £1,200 should be sufficient to meet any catering costs incurred during 2023/2024.

ALLOTMENTS £8,600 Increase of £1,770

40. **Running Costs:** Allotment expenditure is offset by income from allotment rents and any upgrade work from allotment earmarked reserves. A budgetary provision of £3,500 should be sufficient to meet any expenditure and also allow for a small contingency. **An increase of £170.**
41. **Landscaping:** A provision of £3,600 should be sufficient to meet landscaping costs. **An increase of £100.**
42. **New Allotments:** The new allotments are expected to be handed over to the Parish Council in early January 2023. It is expected that there will be set up

and landscaping costs. A recommended budgetary provision of £1,500. **An increase of £1,500.**

PLAYGROUNDS AND OPEN SPACES £18,450 Increase of £350

43. Grounds Maintenance / Landscape Costs: A provision of £14,300 should be sufficient to meet landscaping costs. **An increase of £300.**

44. Play area Inspections and maintenance: £2,550 should be sufficient to meet the costs of ROSPA play inspections and maintenance / renewal costs during 2023/2024. **An increase of £50.**

45. Bus Shelter Cleaning & Maintenance: £600 should be sufficient to meet the costs of bus shelter cleaning and maintenance during 2023/2024. **No change.**

46. Salt Bin Refills: £1,000 should be sufficient to meet the costs of salt bin refills during 2023/2024. **No change.**

EVENTS £6,000 Increase of £4,950

47. Easter Egg Hunt: No funding provision. **A decrease of £50.**

48. Entertainment: No funding provision. **No change**

49. Events: A recommended provision of £5,000 for KHPC organised events. Following on from the success of the End of Summer Jubilee Event, KHPC might want to organise a similar event to celebrate the coronation of King Charles III. **An increase of £5,000.**

50. Remembrance Day: £1,000 should be sufficient to cover the costs of the council's donation to the annual poppy appeal and for the cost of the council's remembrance wreaths, signs, and road closure licence fees. **No change.**

PROJECTS £0 decrease of £65,000

51. Allotment Rocky Road Path: No provision. Works due to be carried out during 2022/2023. **A decrease of £2,000.**

52. Allotment Drainage: No provision. Works due to be carried out during 2022/2023. **A decrease of £2,000**

53. KHCC Bar Extension & Equipment: No provision. Funding allocated in 2022/2023 can be earmarked specifically for this purpose. **A decrease of £54,000.**

54. Air Conditioning: No provision required. Whilst the council has approved the air conditioning expenditure, the council would have to pay KHEM £2,000 to alter the lease. Portable solutions are being investigated as these could then be offered to users of the Community Centre as an additional hire option. **Decrease of £3,000.**

55. Hearing Loop: No provision required. The acquisition will be progressed during 2022/2023. Portable and permanent options will be considered. **Decrease of £3,000.**

CONTINGENCIES £105,000 No change

There are no specific provisions within the budget for additional projects unknown now. It is expected that an increase in administration costs and the various contingencies set out

in the budget will sustain any additional projects which the Parish Council might agree to undertake during 2023-2024. Given that the Parish Council is rapidly developing its role, it will need to be capable of continuing to sustain unexpected change, it is therefore necessary to maintain working balances at around 10 - 15% of the precept in order to provide a safety cushion should unexpected commitments arise. I am suggesting that for 2023-2024 this budgetary provision can be set at £105,000 broken down as follows:

- 56. KHCC Contingency: £20,000
- 57. KHSP 3G Contingency: £50,000
- 58. General Contingency: £10,000
- 59. Playground: £25,000

SPORTS PARK £59,000 decrease of £14,000

- 60. **TMA Management Fee:** These were fixed as per the lease at £18,000 per annum. For 2023/2024 onwards however the fee is subject to negotiation under the terms of the lease agreement. Discussions between KHPC and TMAActive suggest that a minimum amount of £37,000 will be required. Members agreed in January 2023 that in order to provide more flexibility with the use of public funds that £20,000 would be included within S137 to be allocated at the council's discretion.
- 61. **Termination Reserve Fund.** 2023/2024 Recommendation is £25,000. **No change**
- 62. **Insurance Contingency:** The council is recharged insurance costs relating to the Sports Park Prologis. The 2022/2023 insurance premium was £12,151. Recommended provision for 2023/2024 of £12,500 allows for abnormal increases in insurance costs and for the costs of any additional insurance that might be required during 2023/2024. **Increase of £2,500.**
- 63. **Capital Renewals:** In November 2022, in liaison with the Clerk, TMA advised that costs should amount to no more than £6,290. Allowing an inflationary adjustment, the recommended budgetary requirement for 2023/2024 is £6,500. **A decrease of £3,500.**
- 64. **Repairs & Maintenance:** In November 2022, in liaison with the Clerk, TMA advised that costs should amount to no more than £13,200. Allowing an inflationary adjustment, the recommended budgetary requirements for 2023/2024 is £15,000. **An increase of £5,000.**

S137 FREE RESOURCE £25,000 £25,000 Increase

S137 is an allocation of money which may be spent on anything which in the opinion of KHPC is in the interests of the parish or any part of it or is in the interests of all or some of its inhabitants. The Ministry of Housing, Communities and Local Government has not confirmed the appropriate sum for the purposes of S137 (4) (a) of the Local Government Act 1972 for 2023/2024. The sum for 2022-2023 was £8.82 per registered elector. I have recommended that the budgetary provision be **£2,500** which KHPC would have available for community grants and donations. It is worthy of note that following the 2023 election KHPC may qualify to adopt the General Power of Competence and could choose to use these principles as opposed to S137.

- 65. **Community Grants & Donations:** Provision of £2,500
- 66. **Christmas Lighting.** A provision of £2,500 has been made for internal or external festive lighting at the Community Centre. **An increase of £2,500.**
- 67. **S137 Miscellaneous Provision:** £20,000, item 60 refers

MANAGEMENT FEES £22,250 increase of £14,750

68. Kings Hill Estate Management: £7,750 should be sufficient to cover the estate management fees in 2023/2024. **An increase of £250.**

69. Kings Hill Liberty Property Trust: £14,500 should be sufficient to cover the parish councils' financial obligations in 2023/2024.

CONTRIBUTION TO RESERVES £23,601

70. Contribution to Reserves: KHPC should continue to replenish its reserves to the recommended level which is 3 to 12 months of the budget. It is estimated that at 31 March 2022, the reserves should be within the range of £400K to £420K.

TOTAL EXPENDITURE BUDGET +3%
£706,847

FINANCED BY

INCOME (Notes 71 – 76) **£154,040**

71. Hall Hire £150,000

72. Grants £0

73. Insurance Receipts £0

74. Covid Grant £0

75. Misc. Receipts £0

76. Allotments £4,040

77. Precept **£552,847**

Council Tax Band D equivalent 4,493.17

Band D Precept £123.04

