

**KIDDERMINSTER FOREIGN PARISH COUNCIL - Worcestershire**

Full explanations, including numerical values, for the following:

- variances of more than 15% between totals for individual boxes (except variances of less than £200);
- a breakdown of approved reserves if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

Section 2	2019/20 £	2020/21 £	Variance £	Variance %	Detailed explanation of variance (with amounts £)
<b>Box 2</b> <i>Precept</i>	9787	9492	(-295)	(-3%)	There has been no increase in the precept amount for 4 years and a reduction has been factored in this year in an attempt to reduce reserves, and lessen parish rate demand on parishioners.
<b>Box 3</b> <i>Total other receipts</i>	11245	6532	(-4713)	(-42%)	£5000 Safer Roads Fund Grant received in 2019/20, but not in 2020/21 accounts. - Grant aid cannot be predicted or budgeted for, as it is always incidental.
<b>Box 4</b> <i>Staff costs</i>	4188	4398	210	5%	Incremental points increase to bring Clerk’s salary scale more into line with that paid locally, + NALC negotiated national increase.
<b>Box 6</b> <i>All other payments</i>	14702	9079	(-5623)	(-38%)	Trying to reduce reserves a little – in 2019/20 £7000 paid for two VA Signs In 2020/21 – only £2000 paid out on a Bus Shelter – but further projects planned, see below.
<b>Box 7</b> <b>Reserves</b>	39937	42484	2547	6%	See explanation below for High Reserves.***
<b>Box 9</b> <i>Assets</i>	17650	19650	2000	11%	Assets increased by £2000 due to purchase of Bus Shelter.

**Explanation for ‘high’ reserves and funds Earmarked \*\*\***

**Box 7 (£42484) is more than twice Box 2 (Precept) (£9492), but has increased by just 6%.**

- **£5000** Expenditure expected during 2021/22 of £5000 on two further bus shelters. Permission to erect these on the roadside is still being negotiated with the County Council.
- **£4000** Expenditure expected during 2021/22 to provide village gateway structures - 5 Village Entrance signs at approx. £600-£700 per entrance + erection costs.
- **£2000** Possibly required to provide planters at village entrances (£400 x5) (still under discussion)
- **£2000** Expenditure planned for renovation of wetland area – Black Pools – on Trimpley Green Common.
- **£1000** Possible expenditure required for bollards to prevent parking on verge at Low Habberley, and possible extra litter and dog bins in the parish (still under discussion).
- **£500** Expected expenditure required to “prop up” Lengthsman and ROW funding since there has been no increase in the contract grant given by Worcs. County Council for 10 years+, whilst the cost to the parish / contractors rates are continually increasing – even though we have managed to keep this below inflation. . Dependent upon weather, Lengthsman work on highways may need additional funding above the amount of the grant received – and hence with such a small precept we need to keep healthy reserves to maintain acceptable basic local services to cover such eventualities. Indeed in the last two years, the County Council grant towards upkeep of RsOW in the parish has in fact decreased, and has had to be bolstered by funding from the parish.

**£42484 Minus** potential reserves reduction of **£14500** for expenditure highlighted above (if projects come to fruition) = potential reserves/carry forward of **£27984** - .....

- Any extra expenditure incurred (e.g. professional reports) in connection with a large planning application expected in the parish concerning a proposed adventure trail – and/or the large housing development planned for Low Habberley.
- Any possible legal costs for the Parish in the event of illegal traveller encampments, which, although happened in the past, cannot be predicted.
- Any possible costs related to the prevention or removal of illegal fly-tipping, prevalent in the parish at the current time.

We are a small parish with only a modest precept. Any, or a combination of these eventualities, could result in most of our precept being totally spent in a one-off unexpected cost. We cannot give a monetary value to the majority of these unexpected eventualities, and need to hold a realistic reserve for modern-day costs, in a parish of small means – and there may be further costs in respect of increased charges due to the Covid 19 pandemic

Also, we pride ourselves in searching and applying for grant aid wherever available. This we believe makes sound business sense, and is in the interests of our small electorate, but can never be predicted or relied upon. As can be seen in **Box 6\*\*** above, efforts are consciously being made to make large purchases to improve the quality of life in our parish, to help with safety and security of our electorate, and indeed, we plan to continue to make similar purchases in the future, as can be seen as planned above, tracking down any available grant funding for such projects, to assist our parishioners so that large precept increases to cover these are not necessary. Also, to counteract the high reserves held, we have not increased our precept now for 5 years and indeed have decreased the amount during the past year. So you can see we are taking steps to reduce our reserves, whilst also working towards a better life for our parishioners but keeping their Parish Rate (i.e.the Precept) at the same level, or reducing it.