

## Contingency Budget Report Kingsthorpe Parish Council

### 1. Kingsthorpe Parish Council

- 1.1. The staffing costs for Kingsthorpe Parish Council have been reviewed by NCALC and the Parish Clerk position was the subject of a paper at the last CPWG. It is anticipated that there will be an interim clerk at the Council, with the permanent clerk joining around August. The suggested salary of the permanent clerk is based partly on the size of the parish, and this can be measured by the size of the precept. The following table shows the recommended salary levels for different precept levels:

Band D level	Precept	Salary Scale	Annual Salary
			(37 hours/week)
£75	£465,375	LC3 SCP 37-41	£40,876-£44,863
£50	£310,250	LC3 SCP 33-36	£36,922-£39,880
£35	£217,175	LC2 SCP 29-32	£32,910-£35,745

- 1.2. NCALC have advised that they think the permanent Clerk salary should be set at £36,922, and this is included in the current draft budget.
- 1.3. NCALC have also now advised that it is likely that a council as large as Kingsthorpe will require a part time member of staff in addition to the clerk.
- 1.4. The table below shows the staffing costs based on the NCALC recommendations. These costs are higher than the staffing costs that had previously been put forward.

Kingsthorpe Parish staffing	Interim	Salary	NI	Pens	Total
Interim Clerk	14,216				<b>14,216</b>
Permanent Clerk (starting August; 37 hrs per week)		23,830	3,289	7,149	<b>34,268</b>
Part time member of staff (starting August; 15 hrs per week)		6,238	861	1,871	<b>8,970</b>
<b>Total</b>	<b>14,216</b>	<b>30,068</b>	<b>4,149</b>	<b>9,020</b>	<b>57,454</b>

Other staffing costs (training/development)	3,300
<b>Total</b>	<b>60,754</b>

The staffing costs set out above were accepted by the CPWG.

- 1.5. Accommodation costs of £10,000 have been included in the draft precept. It is anticipated by NBC that this would be sufficient to cover accommodation costs whether that be rent, lease, or maintenance of property owned by the Council.
- 1.6. A contingency amount for unforeseen running costs had previously been included in the Kingsthorpe budget at £4,000. NCALC have recently reviewed this figure and are now recommending that this be increased to £45,000 on the basis that a contingency must be a

realistic figure so the Council does not run into operational and financial difficulties in the first year.

It was agreed by the CPWG that the contingency would be increased to £45,000.

- 1.7. An amount of £15,000 had previously been put forward for “developing future services/transferring to reserves”. NCALC have recently reviewed this figure and are now recommending that this be increased to £80,000 on the basis that as the parish council is in its first year of operation, it has no reserves, and that the reserve level should be set at between 6-9 months of the baseline budget.

It was agreed by the CPWG that the budget for “developing future services/transferring to reserves” would be increased to £80,000.

The updated table and precept are shown below:

<b>Kingsthorpe Parish budget item</b>	<b>2021/22 £</b>
Staffing costs (Town Clerk), including training, etc	£61,000.00
Professional services/subscriptions (audit, insurance)	£6,000.00
Running costs (including payroll/finance system costs, postage, office supplies, telephones, etc)	£2,000.00
Election costs	£15,000.00
Accommodation costs	£10,000.00
Other miscellaneous running costs	£3,000.00
Contingency	£45,000.00
Amounts to develop future services in 2021/22 and/or transfer to reserves	£80,000.00
<b>Total</b>	<b>£222,000.00</b>
Estimated tax base	6,913
Band D charge	32.11

The contingency includes estimated amounts for potential legal fees to complete any lease agreements, a small grants fund to help the community groups in Kingsthorpe and any project work the elected councillors may wish to undertake in their first year in office.

## **2. Summary**

The budget is a contingency budget, the councillors elected in May will be able to use the budget as a starting point for the council. Some items are known (staffing costs, professional services, election costs, website), some are the best estimates available to officers in the current climate (running costs, accommodation costs) whilst the contingency

and amounts to develop future services and transfer to reserves are the best estimates available to allow the elected councillors the freedom to achieve the goals they set in year one.

### **3. Recommendation**

To note the budget and review again in light of decisions being made at Northampton Borough Council on the 18 January 2021.