

## Item 7b

**Stanway Parish Council**  
**Summary of Receipts and Payments**  
All Cost Centres and Codes

9 March 2021 (2020-2021)

**A - General Income**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
1	Precept	270,000.00	270,000.00					(0%)
2	Wayleaves	1.00	1.00					(0%)
3	CBC Grants - General	500.00	1,000.00	500				500 (100%)
4	CBC Grants - CIL, s106, etc..		1,390.00	1,390				1,390 (N/A)
5	Other Grants		1,000.00	1,000				1,000 (N/A)
6	Interest Income	25.00	29.06	4				4 (16%)
7	LCTS Grant	4,759.00	5,026.00	267				267 (5%)
77	Miscellaneous							(N/A)
85	VAT Refund							(N/A)
<b>SUB TOTAL</b>		<b>275,285.00</b>	<b>278,446.06</b>	<b>3,161</b>				<b>3,161 (1%)</b>

**B - Admin - Personnel**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
8	Salaries				50,500.00	53,910.39	-3,410	-3,410 (-6%)
9	PAYE & NI (all)				15,000.00	12,484.51	2,515	2,515 (16%)
10	Home working allowance				450.00	504.00	-54	-54 (-12%)
11	Pension contributions (total)				18,800.00	19,524.80	-725	-725 (-3%)
12	Payroll Services				500.00	299.30	201	201 (40%)
13	Training - All				1,500.00	820.00	680	680 (45%)
14	Travel expenses				500.00	385.83	114	114 (22%)
15	Stationery - Councillors				300.00	4.00	296	296 (98%)
75	Chairman's Allowance				200.00		200	200 (100%)
82	Temporary staff				7,500.00		7,500	7,500 (100%)
<b>SUB TOTAL</b>					<b>95,250.00</b>	<b>87,932.83</b>	<b>7,317</b>	<b>7,317 (7%)</b>

**C - Admin - Office/IT**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
16	Postage				200.00	129.24	71	71 (35%)
17	Office supplies				750.00	949.31	-199	-199 (-26%)
18	Printer maintenance				1,200.00	1,180.38	20	20 (1%)
19	PC Maintenance				1,500.00	1,487.53	12	12 (0%)
20	Phone/Broadband charges				1,200.00	1,147.14	53	53 (4%)
21	Website Maintenance				775.00	775.00		(0%)
22	Office IT Reserve				2,600.00	2,593.15	7	7 (0%)
23	PA System Reserve				1,000.00		1,000	1,000 (100%)
78	Room Hire				250.00	24.00	226	226 (90%)
<b>SUB TOTAL</b>					<b>9,475.00</b>	<b>8,285.75</b>	<b>1,189</b>	<b>1,189 (12%)</b>

**Stanway Parish Council**  
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**D - Admin - Audit & Accountin**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
24	Internal Audit Fees				1,500.00	1,300.00	200	200 (13%)
25	External Audit Fees				600.00	600.00		(0%)
26	Accounting software fees				800.00	577.50	223	223 (27%)
<b>SUB TOTAL</b>					<b>2,900.00</b>	<b>2,477.50</b>	<b>423</b>	<b>423 (14%)</b>

**E - Admin - Other**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
36	Insurance				2,200.00	1,879.63	320	320 (14%)
37	Annual Subscriptions				1,750.00	657.50	1,093	1,093 (62%)
38	Bank charges				100.00	149.30	-49	-49 (-49%)
39	Election Reserve				1,500.00		1,500	1,500 (100%)
40	Legal Fees Reserve				3,300.00	1,003.00	2,297	2,297 (69%)
41	Other specialist fees				500.00	146.00	354	354 (70%)
74	Sundry items				50.00	64.48	-14	-14 (-28%)
92	Risk Management				1,000.00	549.84	450	450 (45%)
<b>SUB TOTAL</b>					<b>10,400.00</b>	<b>4,449.75</b>	<b>5,950</b>	<b>5,950 (57%)</b>

**F - Planning**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
76	Planning fees reserve				1,500.00		1,500	1,500 (100%)
<b>SUB TOTAL</b>					<b>1,500.00</b>		<b>1,500</b>	<b>1,500 (100%)</b>

**G - Comm Assets - Grounds**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
27	General repairs				1,500.00	335.26	1,165	1,165 (77%)
28	Car Park repairs				5,000.00	2,620.00	2,380	2,380 (47%)
29	Play equipment Reserve				5,000.00	180.00	4,820	4,820 (96%)
30	Play area signs				250.00		250	250 (100%)
31	Grounds maintenance				10,000.00	11,021.09	-1,021	-1,021 (-10%)
32	Play area bark				2,000.00	1,455.82	544	544 (27%)
33	Tree maintenance				5,000.00	3,640.00	1,360	1,360 (27%)
34	Youth Pod / Outdoor Gym				20,000.00	3,595.00	16,405	16,405 (82%)
35	Play area benches/bins				1,000.00	617.50	383	383 (38%)
42	Pest control				500.00		500	500 (100%)
52	MW Consumables				450.00	493.96	-44	-44 (-9%)
90	Safety Inspections				500.00	235.00	265	265 (53%)
94	Vehicle lease				2,500.00		2,500	2,500 (100%)
95	Workshop/store				25,000.00	23,540.29	1,460	1,460 (5%)

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<b>SUB TOTAL</b>		<b>78,700.00</b>	<b>47,733.92</b>	<b>30,966</b>	<b>30,966 (39%)</b>
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**H - Comm Assets - Streets**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
46	Bus Shelter Reserve				1,500.00	1,760.00	-260	-260 (-17%)
49	Notice Board Reserve				4,200.00	4,170.00	30	30 (0%)
50	Street Light Costs				5,000.00	5,686.35	-686	-686 (-13%)
51	Street Light Reserve				40,000.00	3,183.03	36,817	36,817 (92%)
81	Street signs etc				2,000.00	1,860.00	140	140 (7%)
84	Street lighting electricity				4,000.00	4,997.00	-997	-997 (-24%)
<b>SUB TOTAL</b>					<b>56,700.00</b>	<b>21,656.38</b>	<b>35,044</b>	<b>35,044 (61%)</b>

**I - Comm Assets - Halls**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
87	Architectural and other fees					90.00	-90	-90 (N/A)
88	Contingency Reserve				14,260.00	6,331.25	7,929	7,929 (55%)
<b>SUB TOTAL</b>					<b>14,260.00</b>	<b>6,421.25</b>	<b>7,839</b>	<b>7,839 (54%)</b>

**J - Comm Assets - Burial Gds**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
55	Burial Ground Income	2,000.00	1,210.00	-790				-790 (-39%)
56	Tree sponsorship		5.00	5				5 (N/A)
57	BG Maintenance				2,000.00	215.70	1,784	1,784 (89%)
58	BG Reserve				5,500.00		5,500	5,500 (100%)
<b>SUB TOTAL</b>		<b>2,000.00</b>	<b>1,215.00</b>	<b>-785</b>	<b>7,500.00</b>	<b>215.70</b>	<b>7,284</b>	<b>6,499 (68%)</b>

**K - Comm Assets - MPGA**

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
60	MPGA Income	4,000.00	480.00	-3,520				-3,520 (-88%)
61	Maintenance				5,000.00		5,000	5,000 (100%)
62	Stationery				100.00		100	100 (100%)
63	Lease				100.00	50.00	50	50 (50%)
64	Specialist fees				500.00	520.16	-20	-20 (-4%)
65	Electricity				300.00	174.73	125	125 (41%)
67	Repairs							(N/A)
68	Replacement Reserve							(N/A)
<b>SUB TOTAL</b>		<b>4,000.00</b>	<b>480.00</b>	<b>-3,520</b>	<b>6,000.00</b>	<b>744.89</b>	<b>5,255</b>	<b>1,735 (17%)</b>

**Stanway Parish Council**  
**Summary of Receipts and Payments**  
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**L - Comm Services - Grants**

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
70 s137/1972				15,000.00	5,094.65	9,905	9,905 (66%)
71 s106 expenditure							(N/A)
72 Other grants							(N/A)
73 CIL Grant expenditure							(N/A)
93 s19 (3) MPA 1976							(N/A)
<b>SUB TOTAL</b>				<b>15,000.00</b>	<b>5,094.65</b>	<b>9,905</b>	<b>9,905 (66%)</b>

**M - Loans**

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
79 Capital repayments				16,000.00	16,000.00		(0%)
80 Interest payments				7,400.00	7,298.00	102	102 (1%)
<b>SUB TOTAL</b>				<b>23,400.00</b>	<b>23,298.00</b>	<b>102</b>	<b>102 (0%)</b>

**N - Comm Services - Events**

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
53 CE Income							(N/A)
54 CE Expenditure				1,000.00	755.87	244	244 (24%)
<b>SUB TOTAL</b>				<b>1,000.00</b>	<b>755.87</b>	<b>244</b>	<b>244 (24%)</b>

**O. Comm Services- Services**

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
91 Community Safety Reserve				6,000.00	90.00	5,910	5,910 (98%)
<b>SUB TOTAL</b>				<b>6,000.00</b>	<b>90.00</b>	<b>5,910</b>	<b>5,910 (98%)</b>

**Summary**

<b>NET TOTAL</b>	<b>281,285.00</b>	<b>280,141.06</b>	<b>-1,144</b>	<b>328,085.00</b>	<b>209,156.49</b>	<b>118,929</b>	<b>117,785 (19%)</b>
<b>V.A.T.</b>		<b>6,834.89</b>			<b>15,941.16</b>		
<b>GROSS TOTAL</b>		<b>286,975.95</b>			<b>225,097.65</b>		

## Item 7c—Draft Reserves Policy (next two pages



# Stanway Parish Council

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## RESERVES POLICY – 2021/2022

### Introduction

In the last few years, the Parish Council has moved to a rolling three-year Budget process, albeit with continued emphasis on the upcoming financial year. It is also looking to revamp its overall strategy and governance which, in turn, will have a significant impact on current and new policies, including this one.

In fact, it is important that the Council's long-term Corporate Strategy is supported by what is known as a Medium-Term Financial Strategy, of which the Reserves Policy will play an important part. For example, without earmarking money for future projects, it will be very difficult to get them done in a timely and efficient manner – if at all.

### The Legal Position

The Council is required, under statute, to maintain adequate financial reserves in order to meet the needs of the organisation. Section 50 of the Local Government Finance Act 1992 requires that precepting authorities in England and Wales have regard to the level of reserves needed to meet estimated future expenditure when calculating the budget requirement.

There is no specified minimum level of reserves that an authority should hold and it is the responsibility of the Responsible Financial Officer (RFO) to advise the Council about the level of reserves and to ensure that there are procedures for their establishment and use.

However, the Practitioners' Guide to Proper Practices (March 2019) advises that each authority adopts a Reserves Policy and goes on to give guidance that the minimum level of the General Reserve should be maintained between 3 to 12 months **Net Revenue Expenditure (NRE)**, which is the precept less loan repayments and transfers to earmarked reserves. The larger the organisation, the lower the ratio should be.

### Types of Reserve

#### General Fund Reserve

This represents the non-ring-fenced balance of Council funds. The main purpose of the General Fund is to help manage the impact of uneven cash flows and to provide a contingency to cushion the impact of emerging or unforeseen events.

In general, a robust level of reserve should be maintained and take account of operational and financial issues facing the Council. The level of general funds is always a matter of judgment, but this policy prescribes a **target level of 25% of NRE**, with a tolerated range of 20 - 30%. However, the Council must maintain sufficient working balances to cover the key risks it faces, as expressed in its financial risk assessment, and these may change from year to year.

## Stanway Parish Council

### Specific or Earmarked Reserves

As the name suggests, these represent amounts which are “earmarked” for specific items of expenditure to meet known or predicted liabilities or projects. Earmarked Reserves are often used to “smooth” the effects of certain expenditure commitments over time, thereby reducing the impact of significant expenditure in any one year.

Earmarked reserves are typically held for five main reasons:

- Projects – to plan and finance a project in the future.
- Renewals – to plan and finance an effective programme of equipment replacement and planned property repair. These reserves are a mechanism to smooth expenditure so that a sensible replacement programme can be achieved without the need to vary the budget from year to year.
- Carry forward of underspend - some expenditure budgeted for projects in a given financial year may not be spent fully (or at all) in that year. Reserves are used as a mechanism to carry forward these resources.
- Trading accounts – In some instances, surpluses may be retained for future investment.
- Insurance reserve – to meet the estimate of future claims to enable the Council to meet the excesses not covered by insurance.

Other earmarked reserves may be set up from time to time to meet known or predicted liabilities.

### Current Status

As at January 28<sup>th</sup> 2021, the *forecast* reserves (General and Earmarked) stood thus:

RESERVES	31st March 2020		FORECAST 31/03/2021
General (unallocated)	46,328		69,200
Office (Furniture/IT/PA System)	2,750		1450
Specialist fees (Legal, etc)	0		0
Car Park	5,000		10000
Workshop / store	10,000		0
Planning	1,500		1500
MPGA	10,000		0
Village Hall contingency	10,000		15000
Footpath Reserve	0		0
Trees & Open Spaces	1,500		4000
Notice Boards	1,000		0
Street Lights	15,000		40000
Staffing Reserve	2,500		7500
Community Safety	4,000		6000
Elections	500		2000
Burial Grounds	3,500		7500
Outdoor Gym	3,500		0
Bus Shelters	1,500		3000
New Community Centre	0		0
Play Equipment Contingency	5,000		1000
<b>TOTAL</b>	<b>118,529</b>	(re Scribe/Ann.Report)	<b>223,471</b>
<b>BANK</b>	<b>123,578</b>	(per creditors and debtors)	<b>98,950</b>
		<b>Bank balance</b>	<b>S/T</b>
<b>GENERAL RESERVES</b>	<b>RECOMMENDED AT 25%</b>		<b>168,150</b>
	<b>ACTUAL</b>		<b>0.26</b>
	<b>0.27</b>		

### Recommendation

These estimates will be affected by any last-minute or unexpected payments, delayed expenditure, etc. Also, as a result of this review, a rebasing of the level of General Reserves may affect the funds available for Earmarked Reserves in the coming financial year.

It is **RECOMMENDED** that the Parish Council approves this Reserves Policy, noting that it is a ‘living’ document, the financial components of which will change over time as the Parish Council’s financial situation, its policy objectives and/or other future demands dictate.





# Stanway Parish Council

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## CORPORATE GOVERNANCE REVIEW MAY 2021 Working Document – (Stage 1)

### Introduction

Two years ago, the Council undertook a structural reorganisation, leading to a greater autonomy through delegation of authority to committees, sub-committees and officers. At the same time, a greater transparency and frequency to financial reporting was introduced. The goal was to make decision-making and the implementation of projects timely and efficient. It seems an appropriate time to assess the impact of that reorganisation, to see if further additions and improvements can be made in light of the experience of the last two years.

Recent preliminary discussions have highlighted the desirability for the Parish Council to define its over-arching strategy which will be defined by a number of themes or objectives, with closely correlated business plans and policies. The purpose is to provide a template by which all decision-making relating to the Council's expenditure can be measured, to ensure a consistent approach. This paper is the first stage in the review.

### The Parish Council's Vision and Strategic Objectives

Typically, an over-arching strategy will have two components, a 'softer' vision, supported by a small range of 'harder' objectives or themes. Its time frame should, ideally, span five years before a formal review and there should be what is known as a Medium-Term Financial Strategy closely aligned to it, informed and supported by the Budget and the management of reserves.

### Vision

A simple, often-used example of a vision for a council is **"To (help) make Stanway a great place to live, work and visit"**. The word 'help' has been inserted because SPC is one of many service and facility providers in the Parish, all of whom should be contributors to that vision.

That could be developed to read **"To help, in cooperation and coordination with others, make Stanway a great place to live, work and visit"**.

Another example is **"To provide high quality amenities and services to the residents of Stanway"**.

Some organisations are tempted to use hyperbole to quantify their aspirations, such as use of the phrase "world-class". That seems too intangible, in all probability totally impossible to prove and risks ridicule. By the same token, use of words like "Good" may attract criticism as lacking in ambition, even if that description is more in line with a realistic assessment of the Council's capabilities.

# Stanway Parish Council

## Strategic Objectives

This component is probably easier to define because the Parish Council, as stated above, is a provider of facilities and services, knows the extent of its budget and has a good awareness of its limitations. Using one of the vision statements, these are some suggestions.

**The Parish Council's Vision is to help, in cooperation and coordination with others, make Stanway a great place to live, work and visit.**

**To that end, it will....**

- **Provide high quality services and amenities**, independently or in partnership, which provide a tangible benefit to our community in enhancing their physical and mental wellbeing.
- **Continue to be financially responsible**, ensuring prudence in spending public funds whilst maintaining sufficient reserves to fulfil future obligations and to meet unexpected costs.
- **Develop and pursue an environmental-friendly policy** which will minimise the Council's environmental impact, for example, by reducing waste and using green energy.
- **Stay Local**, using local contractors and suppliers as much as possible whilst ensuring good value for public money.
- **Maintain full compliance** with all regulatory and statutory obligations which apply to local councils.

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