

**HANNINGTON PARISH COUNCIL**  
**Minutes for Tuesday 13<sup>th</sup> December 2016 at 7.00 pm**  
**Hannington Village Hall**

**1. Apologies for absence & declarations of interest**

Apologies were received from Borough Cllr Donald Sherlock.

All Parish Councillors were present.

No members of the public attended the meeting.

**2. Minutes of Council Meeting held on 20<sup>th</sup> September 2016**

The Minutes, previously circulated to the Council and to the residents, were approved and signed by the Chairman.

**3. Matters arising (not covered elsewhere on the agenda).**

This item was deferred to the end of the meeting in order to identify what actions, if any had not been addressed or satisfactorily been resolved. The meeting agreed the 'status' of the items on the Action List, including those shown as being 'Completed' that could therefore be removed by the Clerk.

**3.i. Hannington Parish Website**

a. Cllr Hertz informed the meeting that he had spoken with Ben Smither, the new development interface for Hugo Fox, re various functional enhancements that are desirable i.e. those that he had previously identified. In particular, he had requested a change to the Hannington Planning Tracker to include the '*Standard Consultation Expiry Date*' which would avoid the Parish Clerk having to manually circulate this data. The outcome of his discussions is that "*We have a beta version of a membership system & will be releasing the next version of planning tracker hopefully in the first week of January which will have the updates you requested & more.*" Source: 4th December email from Michael Thompson, Director, Hugo Fox.

**ACTION: Hugo Fox**

b. Cllr Hertz concluded that whilst the framework and base format of the HPC website exists, to-date, he and the Clerk had not had the opportunity to discuss and develop the website in detail nor to identify the most recent documents that should be uploaded to comply with the Transparency Code requirements. The expectation remains that the website will go live before the end of the current financial year 2016/17

**ACTION: Cllr Hertz and Clerk**

c. Financial Situation: The Parish Council was reminded that the Parish Council has already accessed the Transparency Fund in 2016/17 for the installation of the HPC website. The grant funding received of £1,123 covers:-

**\*£323.40 staffing costs.** This was a one-off estimate for the cost for the ADDITIONAL work to upload the initial data by the Clerk to the website. This is a one-off cost and is NOT an ongoing cost. This work is yet to be undertaken but is still planned to be completed by 31<sup>st</sup> March 2017.

**\*£300.00 hosting and £500.00 purchase of website.** Originally these costs would have been incurred using Parishcouncil.net. However, the Parish Council gone with an alternate web supplier Hugo Fox where these intended one-off costs are to be used to support website development to comply with the Transparency Code functionality. Cllr Hertz's understanding is that these costs may be incurred possibly in this financial year but there may be delays. His recent Hugo Fox update email to the Clerk refers to the development status.

**ACTION: Clerk to retain these original estimates in the current year, pro tem.**

**\*purchasing a computer/scanner etc.** The Clerk informed the Parish Council that the lack of an HPC laptop etc meant he has had to bring paper copies of all agenda items and background documents that might be of use at PC meetings. He suggested that there is a strong business case for the Parish Council to purchase

- a standard laptop,
- a simple document printer/scanner (essential for third party documents),
- offline disc storage unit for file and email backups, and
- a CD/DVD device for large file transfers.

In addition to streamlining systems, and thereby reducing the workload of the Parish Clerk. the above equipment would further ensure compliance with Transparency Code requirements for access to historical data and compliance with the Freedom of Information Act.

The cost of the above is estimated to be in the region of £1,200 plus VAT. Purchasing of a computer, scanner and software is expressly identified as being appropriate for financial support from the Transparency Code For Smaller Authorities, and so the costs may be partially offset.

**ACTION: Clerk to include a financial provision of £1,200 (plus VAT) in the Budget 2017/18 (Agenda item 12 below), provide a more detailed statement of the likely costs of the package of IT equipment, and investigate potential funding from the Transparency Code For Smaller Authorities towards this expenditure.**

### 3.ii. Review of Governance Documents... compliance with Standing Order 2.

The Clerk confirmed that all the actions identified at the September meeting, listed below, had been actioned:-

a. The Risk Register was AGREED at the September 2016 meeting without further amendment, noting updates may subsequently be necessary with respect to H&S concerns regarding the Village Green, once it had been legally registered to Hannington Parish Council [see Minute ref 6 below] having noted that Cllr Hertz had previously drafted a 'risk assessment for the village green' identifying the following potential areas;

- i) Trips, slips and falls (low),
- ii) Health hazard – disease; dog excrement (high),
- iii) Collision hazard (low),
- iv) Utilities (low), and,
- v) Events (medium).

Even though responsibility for the village green had not, at that time, yet been transferred, the Council in September had agreed to personally assess the potential severity of the broken concrete posts, flint stones and uneven grass etc.

**DECISION: Cllrs reported back to the December meeting they had not identified any 'risks' that were of a nature that warranted remedial action.**

As requested at the September meeting, the Clerk had circulated a reminder to dog owners in the parish of their legal responsibilities with regards their dogs fouling public spaces.

**DECISION: Cllrs reported back to the December meeting they had seen a notable improvement... by 'not seeing much in the way of 'material evidence', and therefore no further ACTION was necessary at this time.**

The Parish Council agreed to require the production of an Event Management Safety Plan for the Village Fair 2017, and, once satisfied, would issue of a Licence for the village green's use.

**ACTION: to be progressed.**

### **3.b Skills Audit**

**AGREED: This would require a review on the appointment of a new Clerk.**

### **3.c Standing Orders**

The Clerk informed the meeting that he had made the necessary alterations to reflect the decisions taken with regards the role and duties of the Clerk on Complaints Procedure(e) and Health and Safety.

**ACTION: none required**

### **3.d Financial Regulations**

The Clerk informed the meeting that he had made the necessary alterations to reflect the decisions taken in September with regards to

Para1.6 was amended to provide for the possibility of disciplinary action in the breach of regulations, rather than a definitive statement as to gross conduct, and,

Para 6.3 was re-written to apply more generally than in respect of 'disclosable interests', and also requiring that the Clerk counter-signs cheques (certifying their accuracy etc) as well as the two Councillors (authorising their payment).

**ACTION: none required.**

**DECISION: The meeting concluded there were NO further matters arising that were not addressed elsewhere during the meeting, other than those of an 'ongoing' nature.**

**ACTION: Clerk to update 'Actions Outstanding List'.**

#### **4. Broadband (Update from Cllr Hertz):**

- a. As at 7<sup>th</sup> December, the update from the HCC Superfast Broadband Programme in October had confirmed that new structures are to be installed associated with Kingsclere Exchange. However, no granularity as to whether these are related to Hannington could be confirmed. Online timescales of the Wave 2 programme do not provide any clarity as to when the Hannington postcodes will be rolled out.
- b. Cllr Hertz had reported prior to the meeting that the national (HCC) 'Better Basic Broadband Scheme' offered for those with less than 2Mbps the opportunity to apply for a subsidy towards the installation and setup of a satellite or fixed wireless broadband solution  
<http://www.hampshiresuperfastbroadband.com/residents/usc/>.

Companies taking part in the scheme now included the local fixed wireless supplier Tim Robinson of HiWiFi <http://www.hiwifi.co.uk/index.html>. This information had been communicated by the Clerk, via the Parish email network, in advance of the Council meeting. Subsequent email correspondence on 13<sup>th</sup> December from a Hannington resident had confirmed the Tim Robinson HiWiFi Option had been taken up by the resident, grant funding obtained and the HiWiFi service installed successfully within a matter of days. This HiFiWi Option is working in Ibworth, Kingsclere Farm, North Oakley and Hannington village. The potential for this scheme to be expanded to include White Lane is being investigated by the provider.

#### **5. Correspondence (including)**

##### **5.a HALC e-updates**

The Clerk confirmed that all relevant correspondence had been circulated to Cllrs in advance of the meeting, with the exception of the HALC circulation of the afternoon of 13<sup>th</sup> December that included two items of past and current interest:-

- i. Bramley PC reporting that their Community Speedwatch Scheme had been unsuccessful due to lack of volunteers, and,
- ii. Ellingham Harbridge & Ibsley PC advising that they are looking to adopt a red 'phone box and install a defibrillator... This issue is on the HPC Agenda at 5.d.

#### 5.b Future of Local Government in Hampshire

The Clerk had circulated in advance of the meeting a simple summary and explanation of the issue including 'devolution', together with a copy of a Letter from the Leader of BDBC outlining some of their concerns with the process and the creation of a unitary authority by merging BDBC with Hart and Rushmoor. The Parish Council concluded that the creation of unitary authorities was complex and complicated with regards not only the services to be provided and by whom, but also the relationship the unitary authority would have with Parish Councils and financial implications of such a reorganisation, and that as there were not any concrete proposals with the arguments for and against, the PC would keep a 'watching brief' until such information was available.

**ACTION:** None at this time

#### 5.c Consultation: BDBC's Budget Plans (deadline 16<sup>th</sup> December)

Cllr Hertz had attended a seminar and had provided the Parish Council with a copy of the slides. These slides did NOT present the complete financial picture facing BDBC ie there is no comprehensive financial statement, but only snippets of key data culminating in Funding Gap 2017/18 stated as £2.29m. Proposals for meeting this gap included operational savings £0.556m, strategic savings £0.164m, and increased income £0.237m. Cllr Hertz reported that though there was a 'gap', BDBC had still identified priorities for growth.

**ACTION:** Noted

#### 5.d Siting a defibrillator in 'phone box' at The Vine

Cllr Hertz reported that he had spoken to George Rutherford of *The Community Heartbeat Trust* to ascertain if the postcode RG26 5TX [Vine] qualifies for a SSE award of a 'free' defibrillator. This 'free' option is being limited to eight post codes in Hampshire, and we will NOT have the opportunity to access the 'free' option unless one of those post codes becomes free.

**ACTION: George Rutherford to check with SSE.**

In the event that Hannington postcode does not qualify for a 'free' Fully Automatic External Defibrillator (AED), the cost ranges from £1,600 - £2,000 to include a stainless steel cabinet and local training. Replacement pads £30/set. There has to be a power connection for a heater as the temperature of the equipment must not fall below 5C. The cost of electricity is estimated at around £30 a year. Further information is required on the legal implications, not least relating to risk and third party insurance cover.

Mandy, the landlady at The Vine, has given her approval in principle to the phone box outside her PH to be used to site the defibrillator.

The Parish Council supported this proposal, in principal; noting that 'siting a defibrillator in the telephone box' had been one of the suggestions for the use of Margaret Nicholl legacy.

**ACTION: Cllr Hertz to liaise with George Rutherford to obtain a full information pack, and liaise further with GR etc.**

#### 5.e Transport Consultation BDBC

The cover guidance on the consultation was that it was 'Borough-wide' and that any responses should not be Parish centric. There is no reference in the draft of Hannington. Therefore, whilst

the Council noted that the lack of buses/public transport in Hannington was a significant factor taken into account by BDBC Planners when deciding to not allow planning applications in the Parish, the terms of reference for the consultation precluded this specific issue being raised.

**AGREED: no action or response.**

## **6. Village Green... registered to Hannington Parish Council**

On 9<sup>th</sup> September the Clerk received email confirmation from HCC Legal Services that the Parish Council's application for registration of the village green by the Land Registry had been finalized, and Hannington Parish Council is now the registered proprietor of the Village Green. HCC Legal Services attached evidence of title for information.

HCC Legal Services also stated in their email of 9<sup>th</sup> September that the overall time spent and the costs incurred in dealing with this matter far exceeded the agreed sum of £1,000 for the combined costs of Hannington Parish Council and Kingsclere Parish Council and currently support charges in excess of £1,600. In the circumstances I propose to limit the combined costs to £1,200 plus VAT and the disbursement of £40 (being the Land Registry fee).

The Clerk informed the Councillors that the Budget 2016/17 made provision of £1,500 for legal costs. Accordingly, Parish Councillors gave approval, by way of email correspondence 11<sup>th</sup> November, for the Clerk to pay an amount of £1,480 being £1,200 plus £240 VAT for legal fees, and £40 Land Registry fee (cheque number 354 drawn 15<sup>th</sup> November).

For the time being, the legal documents are held securely by the Chairman.

**ACTION: Chairman to scan a copy of the documents received from Land Registry and send them to the Clerk, who will then load them onto the Hannington Parish Council's website.**

7. **Public Observations:** None

8. **County Cllrs Report:** None

9. **Borough Councillors Report:** None

10. **Planning Applications:**

i. Flint Cottage: erection of replacement building.

The Clerk informed the meeting he had received no comments from residents on this planning application.

**DECISION: the parish Council had no objections to the proposal.**

## **11. Roads, Footpaths & Bridleways Officer's report**

### **11.a Update Stiles to Gates**

Cllr Hertz informed the meeting that the '**last kissing gate**' had been installed in Hannington Parish. The Countryside Services team had sourced the kissing gate for installation at the junction of FP96/FP97 on Cottington's Hill. The gate was installed on the 17th November by the Rambler volunteers and Countryside Services team. This final part of the development had been delivered at *no charge* to Hannington Parish Council. The new gate provides alternative access for those with mobility problems to the existing '**last stile**' in Hannington parish. Cllr Hertz asked for the Parish Council's thanks be sent to Robert and Tim May who had not only allowed the parish council to install the new gate on their land, but had also provided a huge amount of material to surface the immediate area that gets extremely boggy in winter.

**ACTION: Chairman.**

### **11.b Update on Lengthman's Scheme.. contract**

Cllr Hertz advised that they are still awaiting legal documents for third party insurance.

### **11.c Update on matters discussed with HCC Highways Dept**

Cllr Hertz reported back on his meeting with Steve Goodall on Thursday, 29th September that had centred on the high priority problem areas. The summary outcome was reported as follows:-

1. **Rubble on road:** map ref SU5465756562 adjacent to the crossing of the bridleway and Summer Down Lane.  
**Action:** Rubble cleared *Closed*
2. **Road Verge washed away:** map ref SU5476756633 on Summer Down Lane. The washed away road verge is on the left hand side at the edge when looking in the direction of the A339. It should be noted that the gap may appear again due to heavy rain.  
**Action:** Verge filled in *Closed*
3. **Road Surface abysmal and unsafe:** map ref SU5465756562 adjacent to the crossing of the bridleway and Summer Down Lane some 30 metres of road surface is grooved and pitted to the extent that it is abysmal and unsafe for traffic. Contractor '*jet patching*' of the major potholes as at 6th October was completed.  
**Action:** Major potholes filled in. *Closed*
4. **HGV Sign to be moved:** from the Hannington mast road junction to the T-junction of the Kingsclere-Overton road. Note that this is a low priority task in the context of the HCC Highways activities.  
**Action: Steve Goodall to raise an order to erect the HGV sign at the end of Meadham Lane at the Kingsclere-Overton road.**
5. **Flood area Hannington Road:** During the period 7th-11th November BT Openreach installed the infrastructure to reroute the BT telephone cables away from the drainage ditch. As at Wednesday, 7th December BT and I inspected the cable traps and confirmed that the telephony cables had in fact been physically relocated. The Farm Manager at North Oakley Farms can dig out the drainage ditch once he returns from holiday.  
**Action: Jan Hertz to liaise with North Oakley Farms.**
6. **Salt bin review:** Salt bins reviewed on the 14th November all had sufficient salt in them apart from two salt bins that are broken that have been reported. One at the junction of the A339 with the main road out of the village – no salt. The other at Hook Lane, Ibworth with now solid salt due to a broken lid which is not useable. Follow-up call to highways made on 30th Nov.  
**Action:** Highways
7. **Additional Salt bin to be located at 1-4 Oakley Road:** The parish council have been told that HCC Highways salt bins can be sited on private land. The residents on Oakley road have cleared away the overgrowth to enable the siting of a new salt bin. A level surface has been created with the aid of Pat Sarsfield-Hall.  
**Action:** Salt Bin Ordered 7th December – Track It ID is 21261488.

#### 11.d Snow Plan 2016-17

The Clerk reported the updated Snow Plan 2016-17 had been circulated to residents using the village email system.

#### 11.e Safety concerns regarding Footpath FP7106a behind Michaels Field

A report was circulated by the Clerk, in advance of the meeting, regarding safety concerns relating to the footpath behind Michaels Field pavilion; with the aim of reaching agreement on what action, if any, the Parish Council should take.

The H&S issue was first raised by Cllr Hertz, by way of email correspondence with BDBC and HCC Countryside Service. A copy of the most relevant email was attached at Appendix A to the cover report. Work to remove the most potentially dangerous overhanging branch was undertaken by HCC Countryside Team, at no cost to the Parish Council.

Notwithstanding the above, there remains concern that the 'left hand' hedgerow opposite the pavilion along this footpath is totally **unmaintained**. So, the bushes have overgrown into very substantial and mature trees (protected by AONB) which over time will/are a potential danger to the public, as a recent example has shown i.e. the overhanging branch over the Michaels Field storage shed (issue resolved referred to above). Given the constant wet and inclement windy weather, it is quite possible that a mature tree might fall damaging a cottage and the power lines.

It is the landowner's responsibility to maintain the hedgerow, not the Countryside Services Team [HCC - Highways]. Enquiries by HCC Countryside Team of Land Registry have been unable to identify the landowner. The Rural Payment Agency has confirmed that it has not received any request from a 'landowner' for grant funding. BDBC has also confirmed it is not their property.

**CONCLUSION: At this time, there is no identified owner of the pathway and hedgerow, and therefore nobody can be identified as having responsibility for its maintenance nor having liability for any potential damage to health and property.**

#### LEGAL POSITION OF THE PARISH COUNCIL

The Clerk has sought guidance from HALC on the role and responsibilities of a parish council with regards footpaths and bridleways within its parish. He was referred to relevant paragraphs of the Highways Act 1980. <http://www.legislation.gov.uk/ukpga/1980/66/section/41>. These were reproduced in full at Appendix B to the cover report. The relevant extracts considered by the Parish Council were:-

43 Power of parish and community councils to maintain footpaths and bridleways.

*(1)The council of a parish ... may undertake the maintenance of any footpath or bridleway within the parish ... which is, in either case, a highway maintainable at the public expense;*

...

50 Maintenance of privately maintainable footpaths and bridleways.

*(2)The council of a... parish ... may undertake by virtue of this subsection the maintenance of any footpath or bridleway within the ... parish... whether or not any other person is under a duty to maintain the footpath or bridleway; but nothing in this subsection affects the duty of any other person to maintain any such footpath or bridleway.*

The Parish Councillor's Guide 19th Edition includes on page 92 under 'footpaths' the following guidance that seeks to explain in layman's terms the position of a Parish Council,

*"the parish council may undertake the repair and maintenance of all or any of the public footpaths and bridleways in its parish. The exercise of this power will not relieve any other authority or person from any liability with respect to repair and maintenance of a public footpath..... The County Council may in such cases meet the whole or part of the expenditure the parish council incurs (defraying)."*

**CONCLUSION: The Parish Council has the power to maintain the footpath should it choose to do so...** but, in the absence of an identified landowner and with neither the HCC nor BC accepting any responsibility, does the Parish Council have a Duty of Care to mitigate as far as reasonably possible risks to the public and premises within its parish? It would be prudent to make some financial provision in the 2017/18 Budget for any costs that would be incurred should the Parish Council subsequently decide to accept it has a 'duty of care' and that repair and maintenance is essential.

**ACTION: Clerk to include a financial provision in the Budget 2017/18 (see agenda item 12.c below)**

#### FUNDING OPTIONS?

The question then arises, 'if the Parish Council chooses to undertake repairs, can it obtain funding from any other source?'

The response from HCC Countryside Team is that the Parish Council cannot obtain Countryside Services funds from the Small Grants Scheme say for 'matched funding' as **a prerequisite of the fund is to have the landowner's permission...** which we do not have as the landowner is unknown.

**ACTION: Cllr Finlayson**

**The Parish Council will obtain copies of the registered plans for the properties abutting the footpath, at a cost of £8 per application, in order to seek to confirm that those properties were not 'owners' of the hedgerow/trees in question.**

### **POTENTIAL UPDATE NOW SGS FUNDING MAY BE AN OPTION**

#### 11.f Claim for Bridleway Use FP106a

In response to a request by Cllr Hertz, HCC has provided the Application and Evidence forms for upgrading this footpath to a bridleway. Horse and cycle riders already use this 'safe' route 'illegally' to join the bridleway beyond. Cllr Hertz reported to the meeting that '*a straw poll of the horsing community has overwhelming support for the upgrade*'.

Cllr Hertz suggested that action would need to be taken as soon as possible as '*the opportunity to claim the footpath to be redesignated a bridleway use could be lost altogether as 2026 is the deadline for changes*'. Whilst this deadline seems a long way off, Cllr Hertz had been informed by the Map Review Officer that his office is currently working on submissions made in 2007 i.e. submissions made nine years ago!

**Decision: HPC agreed in principal to seeking change of designation, but would ask residents if they had any objection and, if so, why?**

**ACTION: Clerk**

## **12. Finance & Audit**

### 12.a Final Accounts 2015/16: External Audit Report

The Clerk reported that he had received a reply from the external auditors 11<sup>th</sup> October (referred to in the Sept Minutes) confirming that they had imposed a fee because the expenditure in the year 2015/16 had exceeded the £10,000 trigger point due to the Margaret Nicholl legacy having been paid in a single amount in the year. If this had been paid over two years, the fee amount would not have been triggered.

### 12.b Revised Budget 2016/17 Financial Update and invoices for approval

1. The Clerk had circulated in advance of the meeting a cover report explaining the construction of the projected outturn 2016/17, based on information as at 6<sup>th</sup> December, as detailed in the spreadsheet attached to the report as Appendix A. The outcome was a projected cash balance at 31 March 2017 £6,618. This was £490 higher than the £6,128 predicted in September.

2. The column headed "*ACTUAL VARIANCE TO REVISED BUDGET*" shows in detail the changes against each subjective heading. The largest variations are:-

- a. Expenses lower by £59;
- b. Audit fees; higher by £130: This increase in fees was because of the inclusion of the £5,000 release of the Margaret Nicholl legacy in the 2015/16 Accounts that took the aggregate expenditure in that year above £10,000, and therefore triggered a fee charge from the 'external auditors'... for the first time;
- c. Neighbourhood Plan (Local Development Plan) lower by £1,000: This reflects the decision by Council at the September meeting NOT to proceed in the current year with the creation of the Neighbourhood Plan (LDP);
- d. Legal Fees for registration of village green higher by £200: The final invoice from HCC Legal Services was for £1,200 (plus VAT) and £40 Land Registry Charge. This final account was lower than the provision of £1,500 made originally in the Budget, but was higher by £200 to the figure reported in September;  
and



- e. VAT on expenditure higher by £246: This was entirely due to the legal costs for ownership of village green not being initially shown as incurring VAT (20% on £1,200 fees). The net effect of this omission is zero over the two years 2016/17 and 2017/18 as all VAT paid is recoverable from HMRC.

3. For purposes of audit, ALL payments must be recorded in the Minutes. In addition to those recorded in the previous Minutes, the following payments have been made in the quarter September to December:-

- a. HALC training course attended by Cllr Hertz 'Local Council Finance for Cllrs' £35 plus VAT [cheque number 346 dated 11<sup>th</sup> October £42.00.]
- b. 'External' audit fees £135 plus VAT, [cheque number 347 dated 11<sup>th</sup> October £162.00]
- c. Cllr Hertz car allowance of £25.20 (based on NJC national rates for casual user) for attendance at above course, [cheque number 348 dated 11<sup>th</sup> October £25.20]
- d. Data Protection Registration £35 [cheque number 349 dated 17<sup>th</sup> October]
- e. CPRE subscription £36 [cheque number 350 dated 17<sup>th</sup> October]
- f. Clerk's salary for the second quarter totalling £758 inclusive of HMRC tax [cheques numbered 351 and 352 dated 19<sup>th</sup> October] ,
- g. Maintenance of Village Green £650 plus VAT [cheque number 353 dated 28<sup>th</sup> October £780]
- h. HCC for legal services in registration of village green £1,240 plus VAT on fees element [cheque number 354 dated 15<sup>th</sup> November £1,480]
- i. Statutory Insurance from AON UK Ltd £235.28 [cheque number 355 dated 18<sup>th</sup> November]
- j. Clerk's expenses printer ink, paper and stamps £42.08 plus VAT [cheque number 356 dated 20<sup>th</sup> November £49.08].

4. A further payment of £758 for the third quarter of the Clerk's salary up to the end of December was due to be paid by 31<sup>st</sup> December. This cost had been included in the column in the Financial Statement (Jan – March) as the cheques had not yet been drawn.

#### COMMENT ON THE LEVEL OF CASH BALANCES

5. Auditors in previous years have questioned the 'high' level of the Parish Council's cash balances. The Clerk advised that one measure commonly used to assess a suitable level was based on a quarter of a Council's running expenses ie £1,250; being ¼ of £5,000 (Base Budget 2015/16). Applying that criteria, Hannington PC's cash balances at around £6,600 (31<sup>st</sup> March 2017) would be £5,350 in excess of the perceived level).

6. However, with a low level of balances at say £1,250, Hannington Parish Council would NOT have been able to have funded the essential one-off costs that have occurred in recent years eg the essential repairs to the Wellhead (£1,700), legal costs for transfer of the village green (£1,480), nor had the funding for the construction of the Neighbourhood Plan (budgeted at £1,000). The level of balances and its impact on the level of Precept in 2016/17, a 64% increase from £3,279 (2015/16) to £5,397 (2016/17) was subject to open discussion at the Budget setting Council meeting in December 2015.

7. Notwithstanding the above, it was noted at the meeting that annual funding from BDBC through Precept and Grants is currently £6,600 (excluding the £227 special Parish Grant that is then earmarked by HPC towards the donation for maintenance of the churchyard). The funding at £6,600 exceeds routine annual running expenses of £5,000 (excluding the website costs) by £1,600 per annum. This 'excess' of £1,600 is therefore currently available to meet or make provision to meet 'one-off' or capital costs, including the potential liability for maintaining the unadopted roads on two sides of the village green. The Council at its September meeting (Minute

17.b) made the "**DECISION:** *Without prejudicing any subsequent decision, the Council agreed in principle to create a 'Sinking Fund' for the 'Provision for Repair and Maintenance of Unadopted Roads'. This Fund could be 'kick started' by the allocation of the £1,000 that was no longer planned to be incurred on the development of a Neighbourhood Plan.*"

8.BDBC notified Parish Councils on 3<sup>rd</sup> November that it will be phasing out two of its grants (Council Tax Support Grant and Limited General Admin Grant) over the next three years. For Hannington PC this will reduce funding by £1,203, almost wiping out the 'excess' that is used to fund one-off items of expenditure. This change in funding is the subject of the more detailed report **Three Year Medium Term Financial Strategy 2017/8 to 2019/20**, that covers both the Draft Budget 2017/18 and the Hannington PC's request for Precept and Grants.

#### **The Parish Council:-**

- i. RECEIVED AND APPROVED the latest budget monitoring statement, and noted the level of the projected cash balance of £6,618 as at 31 March 2017, subject to the 'known unknowns' outlined in paragraph 14, and**
- ii. AGREED the payment to the Clerk of £756 salary for the third quarter ending 31<sup>st</sup> December, subject to the necessary tax deduction being made.**

12.c Budget 2017/18 to incl HPC requests for Precept and Grants; within the context of a Three Year Medium Term Financial Strategy 2017/8 to 2019/20.

1. The Clerk had circulated in advance of the meeting a cover report explaining the construction of the Budget 2017/18, based on information as at 6<sup>th</sup> December
2. The Draft Budget 2017/18 and Three Year Medium Term Financial Strategy 2017/18 to 2019/20 (detailed at Appendix A to the cover report) was constructed based on:-
  - i. the Precept remaining at the same cash level as in 2016/17,
  - ii. BDBC Grants reducing as announced in their letter to Parishes dated 3 November,
  - iii. routine 'fixed' operating costs remaining at the same level as in current year,
  - iv. no allowance for inflation, except where it is known ie the 1% national increase in salary of the parish clerk in 2017/18,
  - v. maintain the financial provision for maintaining the village green,
  - vi. continue with the donation to the Churchyard,
  - vii. VAT payments and recovery based on the above.
  - viii. the Council decision in Sept 2016 to apply an initial £1,000, and then the view it would be necessary to further contribute by £700 each year, towards the "Provision for repairs and maintenance to the Unadopted Roads".
3. As with any financial model, the Clerk advised that any projection has room for different interpretations. As a starting point the above, as detailed in Appendix A, represented the 'status quo'; with one exception. The model did NOT include any items of one-off or capital expenditure. The 'financial model' was therefore one in which the Parish Council was 'treading water'.
4. With all the figures remaining very much as they are in the current year's Budget, the financial model that was attached highlighted the adverse effect of the decision by BDBC to phase out the two grants for 'General Admin' £1,100 and the 'Council Tax Support Grant' £103 over the next three years. Over that three year period Hannington PC will have 'lost' access to £2,406

(£401 17/18 plus £802 18/19 plus £1,203 19/20). By 2019/20 BDBC grant funding will have reduced by £1,203 from £1,430 to £229; a reduction of 84%. There is also some doubt as to the guarantee of the continuation of the final parish grant which is to support 'grass cutting and closed churchyards'.

5. In the attached financial model, the year-end cash balance would continue to rise and would be around £10,082 by 31<sup>st</sup> March 2020, of which £3,100 would be held for the "Provision of repairs and maintenance of the Unadopted Roads", leaving the balance of £6,982 held in the General Fund. However, as previously stated this scenario presumed no one-off or capital spend over the next three years.
6. The Clerk reminded the Parish Council that in recent years they had incurred one-off items of expenditure including essential repairs to the Wellhead (£1,700), legal costs for the transfer of the village green (£1,480), and minor works such as provision of 'hounds teeth' on the village green, repair of the noticeboards, and purchasing a seat at White Lane crossroads.
7. The Parish Council had also been very successful in bringing in financial and non-financial support from external agencies to undertake many tasks, such as the conversion of 'stiles to gates', improvements to the standard of various bridleways, and most recently the works to remedy the flooding on the road near North Oakley. Whilst the costs of these have generally been met from 'third parties', the Clerk advised the Parish Council they could not have entered into these 'partnerships' if it had not had the potential to access cash reserves.
8. The summary table below showed a more realistic scenario of the financial effect of anticipating an average one-off/capital expenditure in each year of just £1,000. This presented a substantially different picture with:-
  - a. The Council having a 'surplus' in year of only £73 by 2018/19 and a 'deficit' of £328 by 2019/20.
  - b. After allowing for the annual contribution to the "Provision for the repairs and maintenance of the unadopted roads", the current General Fund balance would have fallen from the estimated £6,618 at 31<sup>st</sup> March 2017 to £3,982 by 31<sup>st</sup> March 2020... and would continue to fall!

### Financial model of Three Year Medium Term Financial Strategy 2017/18 to 2019/20

	2016/17	2017/18	2018/19	2019/20
Precept	5397	5397	5397	5397
<i>BDBC Grants</i>	<i>1430</i>	<i>1031</i>	<i>630</i>	<i>229</i>
NALC website grant (see spend below)	1123	0	0	0
VAT refund	402	445	200	200
<b>Total Receipts</b>	<b>8352</b>	<b>6873</b>	<b>6227</b>	<b>5826</b>
<b>Routine running costs</b>				
Clerk's salary	3032	3062	3062	3062
Other 'fixed' operating costs	1057	992	992	992
Donation to Churchyard	250	250	250	250
Village Green mowing	650	650	650	650
VAT on 'admin' costs	200	200	200	200
<b>Total 'admin' costs</b>	<b>5189</b>	<b>5154</b>	<b>5154</b>	<b>5154</b>

<b>One-off and/or capital costs</b>				
Website construction (see funding above)	1123	0	0	0
Legal fees – village green	1240	0	0	0
Allowance for one-off/capital spend in year	0	1000	1000	1000
VAT on 'one-off/cap' costs	252	0	0	0
	<b>2615</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>
<b>TOTAL Payments in year</b>	<b>7804</b>	<b>6154</b>	<b>6154</b>	<b>6154</b>
Cash Balance b/fwd 1 April	<b>6070</b>	<b>6618</b>	<b>7337</b>	<b>7410</b>
Surplus in year	<b>548</b>	<b>719</b>	<b>73</b>	<b>-328</b>
Cash Balance c/fwd 31 March	<b>6618</b>	<b>7337</b>	<b>7410</b>	<b>7082</b>
Allocated to the "Provision for repairs of Unadopted Roads"	<b>1000</b>	<b>1700</b>	<b>2400</b>	<b>3100</b>
Balance held in General Fund at year end	<b>5618</b>	<b>5637</b>	<b>5010</b>	<b>3982</b>

### **A discussion then took place on the various actions the Parish Council could take?**

9. One Option was to accept the above financial scenario and to 'do nothing'.

This Option was discounted by the Parish Council as the outcome was a financial scenario that would inevitably eat into its balances until they no longer existed and the Parish would have expenditure it could no longer fund.

10. Second Option was to Reduce Expenditure:

This Option includes reducing/ceasing payments and/ becoming more efficient. The table at paragraph 8 above shows that in addition to the cost of the Clerk £3,062 (2017/18) other operating costs only total £992. Of this £992, the following £752 (75%) are legal requirements and the Council therefore has NO OPTION:-

- i. **Insurance** £235
- ii. **Internal Audit** £200
- iii. **Data Protection Registration** £35
- iv. **Hire of public venue for Council meetings** (Village Hall) £65  
though not strictly a legal requirement
- v. **Subscriptions** are paid to three national bodies HALC, NALC and CPRE, totalling £217. It could be argued that NOT being a member of NALC and HALC would result in higher alternative costs in getting information and support, and the loss of being proactively briefed on changes and initiatives.

The remaining two items of operating costs total the balance of £240 being expenses and training. The Meeting agreed that these could be reduced; but accepted that they affected control on expenditure as any payments had to be authorized by at least two Cllrs before the expenditure could be paid.

11. The Council noted that it only made two further payments in the year:-

- i. **Payment to PCC as a contribution towards the maintenance of the churchyard** £250. The Council agreed to make the payment in the current financial year (2016/17), but would reconsider whether or not to continue the contribution in subsequent years, and,
- ii. **Cost of mowing the village green** £650 plus VAT. This 'contract' had only recently been reviewed by the Chairman, agreeing to an extension at the current price, that had not increased for over five years, on the basis of a standard 34 cuts in a year.

13, Second Option was to increase income or reduce expenditure

**i. Increase Income:** The Parish Council has only one source of income under its 'direct control', and that is the level of Precept it sets in any one year. The Clerk informed the meeting that BDBC, in their letter of 3 November and at their workshop on 21<sup>st</sup> November, appear to recognise that Parish Councils might decide to increase their Precepts to 'make up' for the planned reductions in BDBC Grants of £400 per annum. This loss of £400 per year in grants equates to approximately 7.5% of the Precept year-on-year.

14. However, in their letter of 3<sup>rd</sup> November, BDBC reminded parishes that the Government has introduced controls over '**Excessive Precept Increases**'. BDBC state, "*In previous years no excessiveness principles have been applied to parish councils. However, there has been a recent Government Consultation to consider if referendum principles will apply to parishes from 2017/18 onwards. The consultation ended on 28<sup>th</sup> October 2016 and the outcome is awaited.*" It may therefore be that the Parish Council will not have the option to increase its Precept by more than a fixed percentage (currently 2% for larger Councils), without having a referendum of its residents... which would cost more to undertake than would be gained by the increase in the precept!!

15. On 5<sup>th</sup> December the Clerk was sent a copy of a letter from the Leader of Hampshire County Council to the Government expressing his County Council's concerns on the damaging effect any extension of the Council Tax cap would have to parish and town councils. The Leader's email also provided the necessary link to the Government's Consultation paper. The most relevant section for Parish Councils is "*that referendum principles are introduced for town and parish councils whose Band D precept is higher than that of the lowest charging district council for 2016/17 (£75.46), and which have a total precept for 2016/17 of at least £500,000*".

**CONCLUSION:** BDBC will notify parish councils of their Council Tax base figures for 2017/18 "by 9<sup>th</sup> January 2017". This is too late for the Parish Council's December meeting. However, based on the current year's figures, Hannington Parish Council's Band D Base of £186.00 generated a total Precept of £5,397, cost an average £29.02. On this basis, the Parish Council can reasonably presume that even if the Government were to extend the 2% Precept Cap to parish councils, **Hannington would be well below both the trigger points.**

**Even so, the Parish Council should be aware of the Government's concerns regarding excessive increases when considering the level of precept it is going to submit to BDBC.**

17. As already reported, Hannington Parish Council has been very successful in recent years in 'accessing funds from third parties'. Local authority funding by way of specific grants is many, and numerous. It is possible there are grants that Hannington Parish Council might be able to apply for, but are not aware of them. A recent example would be the reference to a BDBC grant towards the cost of 'Litter Picking'!

**ACTION: the Council may want to undertake an exercise to identify any other 'specific' grants that it may be eligible for (Clerk).**

**18.** Noting the decision by BDBC to phase out over three years from 2017/18 two of the three grants paid to Parish Councils, AND the uncertainty that Parish Council's, even those the small size of Hannington, may be capped in future by the Government, the Parish Council:-

**i. AGREED the Draft Budget 2017/18 as detailed in Appendix A on the Agenda and summarised in paragraph 8 above, subject to further consideration being given to the inclusion of one-off or capital schemes to be undertaken within the next three years,**

**ii. AGREED to increase its precept by**

**(a) £1,203 to fully compensate for the loss of grant incomes that would occur over the three year period of the medium term strategy 2017/18 to 2019/20.** This would result in the Precept increasing from £5,397 to £6,600, an increase of 22%. This is a material increase. However, if in the following two years, the Precept was not increased by inflation, the ongoing effect of phasing out the two grants would result in the aggregate income from Precepts and Grants remaining stable, at current prices ie £6,600 in 2019/20, and,

**(b) a further £103, being a 2% inflationary allowance on its operating costs for the current year.**

**iii. AGREED to undertake an exercise to establish if there are any 'specific' grants, such as the Small Grants Scheme, that the Parish Council may be eligible for.**

**Calculating the effect of the agreed Budget 2017/18 on the Parish Precept**

18. As previously stated, in their letter 3<sup>rd</sup> November, BDBC advised they would provide parishes with their council tax base figures for 2017/18 by 9<sup>th</sup> January 2017; which is after the December parish council meeting.

**ADDENDUM to the Minutes re effect of Precept on Council Tax.**

19. The guidance note from BDBC Finance Department was received on 9<sup>th</sup> January. Relevant extracts are reproduced below.

Phasing out grants: *"As notified to you previously and, as discussed at the last parish liaison meeting, the council is proposing to start phasing out the Limited General Administration grant and Council Tax Support grant commencing 2017/18. **Although, this is still subject to approval by council members at the full council meeting in February**"*.

Referendum Principles: *"The Government recently consulted on whether principles should be applied to local precepting bodies (such as parish and town councils) requiring referendums to be held in certain circumstances for 'excessive' increases in council tax precepts. **The Government has announced that the principles will not apply to parishes for 2017/18 but it is expected to keep the situation under review.**"*

20. The Clerk has advised Cllrs that this latest information from BDBC does NOT give cause for the Parish Council to review its previous decisions. However, he also notes that the timing of BDBC decisions (Full Council February 2017) does not fit neatly with a deadline for Parish Council's notifying BDBC of their Precepts by 31<sup>st</sup> January 2017!

2016/17 Precept £5,397: CT Base Band D £186.00 resulted in Council Tax £29.02 (56p per week)  
2017/18 Precept £6,703: CT Base Band D £197.00 results in Council Tax £34.03 (65p per week)

**12.d Access to Public Sector/Service Grants**

See paragraph 12.c.17 for background and decision.

**13. Appointment of New Clerk**

HALC has reported recently an increasing number of Clerks resigning due to increased workloads. This raises concern that the Parish Council may have difficulty recruiting. Discussion then took place as to whether the number of hours quoted in the Contract adequately reflected the actual workload of the Clerk. If not, should it be increased prior to advertisement, with the commensurate increase in salary. Members were concerned that to do so would result in the

administrative/bureaucratic costs of the Council being even more disproportionately high compared with the resources earmarked for 'actual delivery of services'.

The Clerk advised that he does spend more than the period contracted, but suggested that a sound, basic service should be able to be provided by an experienced, 'qualified' Clerk within the stipulated average 5 hours per week. A beneficial spin-off for Cllrs might be that they too would then have to spend less time and effort, remembering that Parish Councillors are unpaid.

**DECISION: to retain the contract hours for the Clerk as at present.**

An ideal scenario would be for a Clerk from a neighbouring Parish to take on Hannington at the same time, as much of the reading and work is the same for any Parish.

**ACTION: Clerk to identify neighbouring Parishes so they can be contacted.**

**14. Dates of Next Parish Council Meetings :**

**Council AGREED** the following dates based on second Tuesday in month:

Tuesday 21<sup>st</sup> Feb 2017;

Tuesday 9<sup>th</sup> May 2017;

Tuesday 12<sup>th</sup> Sept 2017;

Tuesday 12<sup>th</sup> Dec 2017;

**15. Date of Annual Parish Meeting:**

The meeting must be held between 1<sup>st</sup> March and 1<sup>st</sup> June 2017.

**Council AGREED to sponsor the meeting on Tuesday 11<sup>th</sup> April 2017 ie before the first Parish Council meeting in year 2017/18 to be held on 9<sup>th</sup> May 2017**