

ELDON PARISH COUNCIL

16th January 2018

Budget and Precept 2018-19

REPORT OF CLERK

INTRODUCTION

1. The Parish Council needs to determine its budget and precept for 2018-19. The budget and precept in 2017-18 was £12,375. Taking into account the LCTRS grant of £2,468 for 2017-18, this resulted in a precept of £9,907 and a Band D Council Tax rate of £117.66, an increase of 1.9% from the previous year's rate.

POSITION IN 2018-19

2. The Parish Council has been advised that the tax base (on which the precept is calculated) will rise from 84.2 Band D properties in 2017-18 to 91.2 Band D properties in 2018-19 - a rise of 7 properties.

3. The LCTRS grant provided by the County Council to Eldon Parish Council has generally fallen year on year and the grant for 2018-19 will reduce to £1,910 (compared to £2,468 in 2017-18) partly offsetting the increase arising from the council tax base. The net result is that the Parish Council will be £265.62 better off at a standstill position in 2018-19.

4. If members wished to maintain a standstill budget (i.e. £12,375, as in 2017-18) there would be no need for an increase in the precept for 2018-19. However, it would be prudent to note that there are a number of factors which are likely to increase demands upon the Council's forthcoming budget, including the cost of website hosting, pay increases, and new commitments, including meeting the requirements of the new General Data Protection Regulations which come into force in May 2018. Members are reminded that the LCTRS grant passported to the Parish Council will generally still continue to fall year on year over the coming years and in a worst case scenario could be withdrawn altogether. Other factors to take into account in determining the 2018-19 budget include the cost of inflation (approximately 3% in recent months) and potential rises in other precepting authorities (the Police, Victim and Crime Commissioner has recently announced proposals for a 7.09% increase in Council Tax).

5. Members should note that, in setting the budget and precept for 2018-19, it is not believed that any capping will be introduced, but this may not be the case in future years.

6. In submitting its precept request to the County Council, the Parish Council will need to request **only** that sum required, once the LCTRS grant has been subtracted from the overall budget figure.

BUDGET AND PRECEPT 2018-19

7. A schedule showing the current year's budget and estimated expenditure will be circulated at the meeting, together with options for a standstill budget and different budget increases. A decision is sought on the budget and precept.

Tom Bolton
Clerk to Eldon Parish Council

Note. Members are reminded that in England and Wales, Section 106 of the Local Government Finance Act 1992 prohibits a local councillor in council tax arrears for at least two months from voting on the setting of a precept or any recommendation, resolution or other decisions which might affect the calculation of the precept.