

ELDON PARISH COUNCIL

26th January 2016

Budget and Precept

REPORT OF CLERK

INTRODUCTION

1. The Parish Council needs to determine its budget and precept for 2016-17. The budget and precept in 2015-16 was £12,120 (this consisted of £2,806 Local Council Tax Reduction Support Scheme Grant (LCTRS) passported to the Parish Council by Durham County Council from the grant it received from Government and £9,314 precept levied by the Parish Council).

NEW ARRANGEMENTS

2. There will be a further reduction in the LCTRS grant in 2016-17. This is because the County Council is assuming that the LCTRS grant from Government within the County Council's overall settlement figure continues to be reduced proportionately in line with the diminished settlement it receives.
3. The LCTRS grant provided by the County Council to Eldon Parish Council for 2016-17 will now be £2,248.00, a shortfall of £558 from the current year's grant. This is ameliorated because of an increase in the tax base of the Parish for the next financial year with an additional 7.2 Band D properties in the Parish (80.6 to 87.8). The net result is that the Parish Council will be £274.03 better off.
4. If members wished to maintain a standstill budget (i.e. £12,120, as in 2015-16) no increase in the precept for 2016-17 would be required. However, members are reminded that the LCTRS passported to the Parish Council will continue to fall year on year over the coming years and in a worst case scenario could be withdrawn altogether.
5. Members should note that, in setting the budget and precept, whilst there is currently no capping of Parish Council budgets/precepts, the Government has indicated that it may look at this 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 2016-17

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 budget increases. A decision is sought on the budget and precept.

Tom Bolton

Clerk to Eldon Parish Council