

ELDON PARISH COUNCIL

11th January 2022

Budget and Precept 2022 to 2023

REPORT OF CLERK

INTRODUCTION

1. The Parish Council needs to determine its budget and precept for 2022-23. The current year's budget (2021-22) is £12,950 (£13,950 less a £1,000 contribution from reserves). Taking into account the LCTRS grant of £1,047 for 2021-2022, this resulted in a precept of £11,903 and a current Band D Council Tax rate of £118.32. The Band D tax rate in the previous year (2020-21) was £117.65.

LIKELY INFLUENCES ON SPENDING IN 2022-2023

2. There are a number of factors which could increase demands upon the Council's forthcoming budget, including pay increases. Additionally, it needs to be remembered that (a) the County Council could decide not to passport any LCTRS grant in future years as many other principal councils have done nationally, and (b) the Parish Council budget of £12,950 in the current year was reduced by a £1,000 contribution from reserves, a position which cannot be sustained indefinitely. It also needs to be remembered that the Government has announced for the coming budget year there will be no caps or requirements for referenda for local councils if precepts rise above a certain level, but this could change in future years, restricting the ability of the Parish Council to raise the budget and precept if needed. Other factors to take into account in determining the 2022-2023 budget include the cost of inflation, which was over 5% in October 2022. The Council should also be aware that expenditure in the last two years has reduced as a result of events being cancelled (Village Fete and Garden Competition) because of the pandemic, although this expected to be reinstated as we move out of restrictions.

3. 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.

OPTIONS FOR 2022-2023

4. The Parish Council has been advised that the tax base (on which the precept is calculated) will fall from 100.6 Band D properties in 2021-22 to 99.1 Band D properties in 2022-23 - a fall of 1.5 properties.

5. The LCTRS grant provided by the County Council to Eldon Parish Council has generally fallen year on year in the past, to £1047.00 in 2021-2022. However, the LCTRS grant for 2022-2023 will be £1,422. The net effect is that, if the Parish Council maintained a standstill budget (after the deduction of £1,000 from reserves), it would be £197.53 better off in 2022-2023.

6. If members wished to maintain a standstill budget (i.e. £13,950 without **any** contribution from reserves, then, after the £1,422 LCTRS grant, the Band D Tax Rate for 2022-23 would need to increase to £126.42 (by £8.10 or 6.8%).

7. If a contribution to the budget from reserves of £1,000 was made, as in the current year, to reduce the budget to £12,950, after deduction of the LCTRS grant, the Band D Tax Rate for 2022-2023 would be £116.33, a reduction of £1.99 from the current year's Rate.

8. As an alternative, if the Parish Council chose only to make a contribution from reserves of £750 instead of £1,000 this would result in a budget of £13,200. Taking into account LCTRS of £1,422 this would result in a Band D Tax Rate of £118.85, (an increase of £0.52 per year (0.44%))

9. If the Parish Council chose to only make a contribution of £500 from reserves to allow for a budget of £13,450 less £1,422 LCTRS grant this would result in a tax rate of £121.37, an increase of £3.05 (2.7%).

BUDGET AND PRECEPT 2022-2023

10. A schedule showing the current budget is attached, together with options for different budget increases and varying contributions from reserves. 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.

	Budget 21/22	Budget 22/23 (1)	Budget 22/23 (2)	Budget 22/23 (3)
Item	£	£	£	£
Staffing Costs (inc. PAYE)	3650.00	3650.00	3650.00	3650.00
Staffing Expenses	450.00	450.00	450.00	450.00
Grants and Donations (inc. wreath)	250.00	250.00	250.00	250.00
Newsletter/postage/printing/stationery	200.00	200.00	200.00	200.00
Insurance	550.00	550.00	550.00	550.00
Audit Fees and Registration ICO	200.00	200.00	200.00	200.00
Subscriptions CDALC SLCC	200.00	200.00	200.00	200.00
Sundries/hire of hall etc	200.00	200.00	200.00	200.00
Environmental inc. seats, footpaths etc.	1000.00	1000.00	1000.00	1000.00
Grants/donations ECP	2200.00*	2200.00*	2200.00*	2200.00*
Contingency	100.00	100.00	100.00	100.00
Training	100.00	100.00	100.00	100.00
Community Events/competitions	2500.00	2500.00	2500.00	2500.00
Gateway Maintenance plus flower tubs	800.00	800.00	800.00	800.00
Land Registry Fees	NIL	NIL	NIL	NIL
Multi Sports Training	250.00	250.00	250.00	250.00
Youth Shelter Maintenance	NIL	NIL	NIL	NIL
Website Provision (DCC)	800.00	800.00	800.00	800.00
Christmas Tree	500.00	500.00	500.00	500.00
Total	£13,950.00 £12,950 after deducting *£1K from reserves £12,950 - £1047 LCTRS Grant	£13,950.00 £12,950 after deducting *£1K from reserves £12,950 - £1422 LCTRS grant	£13,950.00 £13,200 after deducting *£750 from reserves £13,200 - £1422 LCTRS grant	£13,950.00 £13,450.00 after deducting *£500 from reserves £13,450 - £1422 LCTRS grant
	£11,903 Precept Tax Base 100.6 Band D £118.32	£11,528 Precept Tax Base 99.1 Band D £116.33	£11,778 Precept Tax Base 99.1 Band D £118.85	£12,028 Precept Tax Base 99.1 Band D £121.37
Plus anticipated Income (grazing rent and VAT refund)		£2500	£2500	£2500
Reserves (estimated) Note – some of this is already earmarked for specific projects		£44,000	£44,000	£44,000