

West Rainton Parish Council - 19 January 2017

Agenda Item 8: Precept 2017-2018

Joint Report of Parish Clerk/Project Officer

To comply with an absolute deadline of 27 January 2017 set by Durham County Council (the administering Authority), the Parish Council is required to agree, set and request the precept for the financial year 2017-2018.

Tax Base 2017/18

The County Council has updated its tax base modelling taking into account the updated position in terms of new build and incidence of other discounts and exemptions impacting on the tax base calculation.

The table below shows the position for West Rainton Parish Council.

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| Current tax base 2016/17 (A) | 674.8 |
| Tax base for 2017/18 (B) | 675.2 |
| Tax Base Increase from 2016/17 (C) (B-A) | 0.6 |
| Current Band D Council Tax 2016/17 (D) | £37.92 |
| Increase in Council Tax Yield (E) (Cx D) | £22.75 |
| Local Council Tax Reduction Scheme (LCTRS) Grant 2016/17 (F) | £2972.00 |
| Local Council Tax Reduction Scheme (LCTRS) Grant 2017/18 (G) | £2734.00 |
| *Net Position (E-F+G) | -£215.25 |

* This is the amount the Parish Council would have to increase its precept by to give a standstill position in terms of resource availability.

To assist the Parish Council consider the setting of the 2017/18 precept please refer to the attached Appendix.

This summarises:

Actual expenditure and income 2015/16

Forecast expenditure and income for 2016/17

Draft budget for 2017/18 based on standstill position i.e. no increase in precept.

Draft budget for 2017-2018

In drawing up the proposed budget for 2017-2018, careful consideration has been given to anticipated spending based upon experience gained in the current financial year. The budget forecast incorporates:

- provision for the full council elections to be held in May 2017

- Increased spend associated with the desire for enhanced cemetery maintenance.
- The current level of staff resource (20 hours per week)
- The funding of all grant applications received
- New annual cost of DCC to support Website
- A significant estimated amount of VAT payable in 2016/17 that can be reclaimed in 2017/18
- £12,000 earmarked reserve for Cemetery Capital Improvements (Layout and Landscaping following consideration of Cemetery Development Services Recommendations)
- £345 earmarked reserve for the Heritage Garden (remaining balance of £3,400 DCC grant funding)
- An estimated general reserve position as at 31/3/2017 of £3715 with £715 being used in 2017/18 leaving a balance of £3,000 to carry forward for contingencies.

Conclusion

In conclusion, despite the slight reduction in funding from DCC and increased budget pressures next year, a balanced budget can be maintained without the need to consider an increase in the annual precept for 2017/18.

Parish Council is asked to receive this report and appendix and consider the draft budget for 2017/18 in order to agree the precept requirement for 2017-2018.

15 Jan 2017