ELDON PARISH COUNCIL

10th January 2023

Budget and Precept 2023 to 2024

REPORT OF CLERK

INTODUCTION

1. The Parish Council needs to determine its budget and precept for 2023-24. The current year's budget (2022-23) is £13,200 (£13,950 less a £750 contribution from reserves). Taking into account the LCTRS grant of £1,422 for 2022-2023, this resulted in a precept of £11,778 and a current Band D Council Tax rate of £118,85. The Band D tax rate in the previous year (2021-22) was £118.32.

LIKELY INFLUENCES ON SPENDING IN 2023-2024

2. There are a number of factors which could increase demands upon the Council's forthcoming budget. 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 £13,950 in the current year was reduced by a £750 contribution from reserves, a position which cannot be sustained indefinitely. 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 in determining the 2023-2024 budget include the cost of inflation, which was over 10% in Autumn 2023, but is expected to fall as we move into the next financial year. Although expenditure during the pandemic reduced because of the cancellation of events such as the Village Fete and Garden Competition, both are now likely to take place in the coming financial year. The national pay award for the Clerk for 2022-2023, backdated to April 2022 resulted in additional costs of £300 and CDALC has advised Councils to budget in the coming year for a possible increase (because the Eldon Clerk is paid towards the bottom of the scale) of 8% (£305.52) with other costs across the board increasing by 5%. The Parish Council 3 year insurance tie-in will also need to be renewed from April 2023 and it is likely, with additional items following a review of the Council's Assets, that this could increase by say 10-15%. The joint ASB project with Eldon Lane will require an input of £6,600 and the replacement Gateway sign will require some £3,000 to £4,000 expenditure next year, although an insurance settlement of just under £5,000 has been received in the current financial year which has gone into reserves. It is suggested that £10,000 be drawn down from reserves in 2023-2024 to meet these additional costs. There are areas where some savings could be made. The cost for the Christmas tree in the current year was £520. As there are existing trees within the Community Centre grounds, these could be utilised with the existing battery powered lights, or, alternatively a suitable live tree could be planted in the grounds which would grow year on year. For the coming year, income from rents and interest is likely to be in the order of £450.

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 2023-2024

4. The Parish Council has been advised that the tax base (on which the precept is calculated) will increase from 99.1 Band D properties in 2022-23 to 99.8 Band D properties in 2023-24 – an increase of 0.7 properties.

5. The LCTRS grant provided by the County Council to Eldon Parish Council has generally fallen year on year in the past, but in 2022-2023 rose to £1,422. In 2023-2024 it will rise further to £1,526. The net effect is that, if the Parish Council maintained a standstill budget (including a deduction of £750 from reserves), it would be £187.20 better off in 2022-2023.

6. If no specific contribution to the budget from reserves was made as in the £750 in the current year (Option 2 below), after deduction of the LCTRS grant, the Band D Tax Rate for 2023-2024 would be £125.30, an increase of £6.45 or 5.42% from the current year's Rate. It should be remembered that this increase would be significantly less for Band A and B properties which make up most of the Parish.

7. If the Parish Council chose to make a contribution from reserves of £500 (£250 less from the current £750) as in Option 3 below, this would result in a budget of £13,530. Taking into account LCTRS of £1,526 this would result in a Band D Tax Rate of £120.28 (an increase of £1.43 per year (1.2%)

BUDGET AND PRECEPT 2022-2023

8. 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 23/24 (2)	Budget 23/24 (3)
Item	£	£	£	£
Staffing Costs (inc. PAYE)	3650.00	3650.00	4125.00	4125.00
Staffing Expenses	450.00	450.00	470.00	470.00
Grants and Donations (inc. wreath)	250.00	250.00	270.00	270.00
Newsletter/postage/printing/stationery	200.00	200.00	210.00	210.00
Insurance	550.00	550.00	640.00	640.00
Audit Fees and Registration ICO	200.00	200.00	200.00	200.00
Subscriptions CDALC SLCC	200.00	200.00	250.00	250.00
Sundries/hire of hall etc	200.00	200.00	210.00	210.00
Environmental inc. seats, footpaths etc.	1000.00	1000.00	11000.00*	11000.00*
Grants/donations ECP	2200.00*	2200.00*	2300.00	2300.00
Contingency	100.00	100.00	100.00	100.00
Training	100.00	100.00	105.00	105.00
Community Events/competitions	2500.00	2500.00	2700.00	2700.00
Gateway Maintenance plus flower tubs	800.00	800.00	850.00	850.00
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	NIL	NIL
Total	£13,950.00 £12,950 after deducting *£1K from reserves £12,950 - £1047 LCTRS Grant £11,903 Precept Tax Base 100.6 Band D £118.32	£13,950.00 £13,200 after deducting *£750 from reserves £13,200 - £1422 LCTRS grant £11,778 Precept Tax Base 99.1 Band D £118.85	£24,480.00 *Less £10,000 from Reserves = £14,480 after deducting projected income of £450.00 = £14,030 £14,030 minus £1526 LCTRS Grant = £12,504 £12,504 Precept Tax Base 99.8 Band D £125.30 (5.42% increase from 2022-23)	£24,480.00 *Less £10,000 from Reserves = £14,480, minus £500 contribution from reserves = £13,980 After deducting Projected income of £450.00 = £13,530 £13,530 minus £1526 LCTRS Grant = £12,004 £12,004 Precept Tax Base 99.8 Band D £120.28 (1.2% increase from 2022-23)

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