Parish Council Finances and Precept



Over the next few weeks council members will be discussing the precept (the amount of money we take from you each year) in order to formulate a legal budget. This year is going to be more difficult than ever before.

Government austerity policies have put great pressure on local authorities in terms of service delivery. Cuts are being made in many areas and services scrapped or greatly reduced. Many Town and Parish Councils have raised precepts in order to take responsibility for those services no longer provided by the borough councils. An example of this is the Parish Council now having to pay for maintenance of The Pasture.

In addition to the above the government's decision on the council tax reduction scheme will result in the Parish Council losing £1,328 in the next financial year. On top of this the government is now proposing to extend council tax referendum principles to local parish and town councils. This means that the Parish Council would have to hold a referendum if it proposed to increase the precept above a certain level. It would be likely that the cost of a referendum would exceed any income derived from an increased precept.

In effect the budget would be frozen and subject to inflation and increased costs. In these circumstances very difficult decisions will have to be taken.

In this financial year nearly £16,500 was spent just to allow the council to function. This figure does not include the £6,000 budgeted for The Pasture maintenance.

A considerable amount of money is spent each year to maintain the council office i.e. insurance, electricity, phone, water rates, maintenance. A facility that is used by a number of community groups free of charge.

We have committed money from the reserves to match fund the Pasture drainage scheme and improve Coronation Gardens. We have gone as far as we can in terms of the reserve. Good fiscal management requires us to maintain a reserve fund and this is an area examined during the annual audit.

The future will be difficult and we hope that you will understand that some things may change in terms of what the Parish Council can do in our community.

Shaun Cooper Vice-Chairman

3 November 2016