

Histon & Impington Parish Council

REPORT TO:	Council	16 January 2014
AUTHOR/S:	Denis Payne	

Precept 2014-2015

National/District decisions

Central government has moved to a position where responsibility for council tax support is managed locally rather than centrally. Whilst funding is provided to SCDC (and other Councils) to meet the costs, the sum provided is less than the full cost.

The mechanism for handling this is that the Band D figure (the sum raised by a £1 rate on the Parish) is reduced having taken into account all the claims in the Parish. For 2013-2014 SCDC passed on to the parishes a sum to cover the resulting shortfall, the necessary money having been provided by Central Government.

SCDC made it clear last year that the passing on of the Government money would be a one off event, even though they have continued to get money which, in the terms of Brandon Lewis, Parliamentary Under Secretary of State "*I have been clear that I expect billing authorities to carry on passing on support to town councils and parishes to help mitigate any reduction in their tax base due to the local council tax support scheme*".

In 2013-2014, the sum passed to the Council in mitigation was £19,288.

SCDC (minuted meeting between Cabinet and Parishes in 2012) recommended that Parishes increased their precept (and therefore Council Tax rate) to cover the shortfall. In more recent correspondence, they have made it clear that this was still their expectation.

Budget development

All Committees submitted budget plans to Finance, Legal and Admin. These have been subject to rigorous review and some adjustments.

The adjustments included:

- moving to a single Council contingency sum, rather than contingencies per committee
- removing duplication
- deferring spend on some potential projects, removing some contributions to specified reserves where projects appear infeasible

The outcome is:

- a total budget spend of £462,126
- income of £58,085 (and therefore a nett budget spend of £404,041)
- spend of £117,350 from specified and general reserves (a major portion of which is budgeted for community facilities, ie ByPass Farm)

Recommendations

1. That Council Tax rates are equalised between the Parishes
2. That Council should follow the recommendation of SCDC to increase its precept to cover the shortfall arising from localised council tax support, but that the impact of other increased costs, and investments in further community facilities should, this year, be met from reserves.

Therefore, that the Precept should be £282,488 (an increase of £19,288, ie 7.33%), giving a uniform Council Tax rate (at Band D) of £87.67

- a. This would be split Histon £152,817.06; Impington £129,670.94
- b. And that the Council Tax rises would therefore be Histon (from £81.87) - £5.80, ie 7.08%; and Impington (from £81.58) £6.09, ie 7.47%