

## **COPYTHORNE PARISH COUNCIL MEETING – TUESDAY JANUARY 12<sup>TH</sup> 2021**

### **ITEM NO: 16 – Consideration of the 2021/22 Precept request to NFDC**

At the December 8<sup>th</sup> 2020 meeting (agenda item 15 – minute 209/20) I presented to the Council, on behalf of the Finance Advisory Committee, a suggested spending budget for 2021/22 of £23,360. This budget was approved as presented.

The funding requirement of £23,360, if covered fully by precept, would mean an increase in the Parish Council Precept for 2021/22 of £344 over the Precept set for 2020/21.

NFDC have supplied to us the 2021/22 “Tax Base” for the Parish of Copythorne which was approved by them on December 7<sup>th</sup> 2020 which is the equivalent of 1221.0 Band D properties (an increase of 1.30 Band D properties over 2020/21).

The £344 increase equates to an extra 26p per annum (£1.64 pa in 2020/21) for a Band D property or roughly 15p per annum per registered elector.

At the lowest end a “Band A” property would pay 67% of this increase (17p per annum), at the highest end a “Band H” property would pay 200% of this increase (52p per annum).

It remains the case that no Government cap applies currently on Town/Parish Council percentage increases. There is no guarantee that this will continue and for Councils such as Copythorne who start from a very low Precept value, in part due to historical decision making in respect of past Precept calculations, any cap could make it very difficult for the Council to raise funding to cover projects and costs in the future, as our administration costs would progressively rise, consuming the majority of the budget, leaving no funds for any development activity.

Last year, the Council approved a budget of £24,516 of which £23,016 was covered by Precept and £1,500 by transfer from Reserves.

The Council’s General Reserves as at March 31 2020 stood at £8,191. Our Internal Auditor suggests for a council of our size General Reserves should be maintained at between 33%-50% of the annual budget. Currently ours stand at the lower end of this recommended range at 35% of the proposed 2021/22 Budget. Therefore, as Responsible Financial Officer of the Council, I do not feel that any of the approved 2021/22 Budget should be covered by a transfer from Reserves.

On December 15<sup>th</sup> 2020, the Parish Council’s Finance Advisory Committee agreed to recommend to Council that it submits to NFDC a 2021/22 Precept request of £23,360

#### **Recommendation**

That Council approves the submission to NFDC of a 2021/22 Precept request of £23,360.

**David Rigby, Parish Clerk & Responsible Financial Officer**  
**January 4<sup>th</sup> 2021**