

Kingston Parish Council options for setting of the precept 2023-2024

- Following the clerks review of the budget based on the current expenditure the estimated spend next year will be approximately £84,270. However, £22,650 will be from reserves for agreed projects. The budget for the running costs of the council next year is £61,620. This equates to approximately a 23.24% increase on last year's precept. An increase of £11,620 or £27.36 per household.

The current economic climate will increase the running costs of the council and the council will need to consider increasing the precept this year to cover the costs.

The table below shows the financial effect this will have per household. The council could use reserves to make up part of the deficit, but this is not sustainable in the long term.

% increase	£amount of increase	Precept request	Approximate cost per household*	Increase on last year per household* (figure in brackets is per month)
0%	£0	£50,000	£117.76	£0
10.1% (current inflation)	£4400	£55,050	£129.65	£11.89 (0.99p)
15%	£7500	£57,500	£135.42	£17.66 (1.47p)
23.24%	£11,620	£61,620	£145.12	£27.36 (2.28)

*Precept request divided by 424.6 houses

The first step in arriving at a charge per property is to calculate a tax base. This is calculated by LDC and is worked out by multiplying the estimated number of properties within each band by the 'Band D Ratio' and adding the results together. This produces an equated tax base, i.e. as if all properties were in band D. To work out the exact cost per household, we need to know the figure of the tax base for 2023-2024 from LDC. The figures will not be published until later in November, because their Regulations state that it must be supplied between 1st December and 31st January. So, I can only base it on the tax base figures of 2022-2023, which was 424.6. This gives an approximate figure which is unlikely to change greatly.

Workings: For the period of 2022-2023 the proportion of council tax for the parish council, based on a Band D property was £117.76. Precept amount of £50,000 divided by 424.6 (houses/tax base) = £117.76 (based on Band D property).

Julie O'Donnell
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