

PRECEPT MEETING – CLERK’S REPORT

Meeting – Monday 14th January 2013

Time – 7.00 pm

Venue – Village Hall, Council Meeting Room, Pinfold Lane, Holton-le-Clay

Section 41 of the 1992 Local Government Act determines that Parishes may precept for each financial year upon the billing authority which for us is the East Lindsey District Council. The precept must state the amount payable for the year (being the amount calculated as its budget requirement for the year), and the precept must be issued before 1st March in the financial year preceding that for which it is issued.

If a Council does not issue a precept at all, the charging authority is under no obligation to pay any monies. The District Council has requested our return by the Monday 28th January 2013.

The timetable for the payment of Parish Precepts will be as follows:

Precepts not exceeding £10,000 – Full payment during week commencing 15th April 2013

Precepts over £10,000 – 50% during week commencing 15th April 2013

50% during week commencing 16th September 2013

All monies allocated will be paid directly into the Parish Council’s bank account by electronic transfer. Advice notes will be sent to the Parish Council by the District Council when the money is transferred to the respective bank accounts.

As an informative guide the Council Tax System, which is essentially a property based tax, whereby the charges for the Council Tax are based on Band “D” dwellings with taxpayers in other bands paying a proportionate amount, more or less depending on which band the dwelling has been placed.

For the FY 2013/14 there is a District Grant of £4,365.00. This is part of a grant that has been worked out amongst all Parish/Town Councils in East Lindsey District Council – an overall grant received by the Government. This grant has been provided because of the changes to the Council Tax Support scheme. The Tax Base Rate has been reduced by 113 to 1154.

Calculation: Net Precept £50,000 divided by 1154 (tax Base Rate) = £43.33.

Calculation: Gross Precept £50,000 less Grant £4,365 = Precept payable £45,635.00 divided by 1154 = £39.55 up by 9 pence.

So monies from ELDC at a Net Precept £45,635.00 and Grant of £4,365.00
= Total £50,000.00

Taxpayers in Bands A to C will pay less while those in Bands E to H will pay more.

The Government has made an Order to the effect that under the Section 137 Allowance (LGA 1972) local Parish Councils have the power to undertake activities on behalf of local communities. This means that local Councils may spend up to £6.80 per elector (2012-13) after the 1st April 2013 on projects that directly improve the quality of life in the local area, but which are not covered under other responsibilities. In Holton-le-Clay at the 1st June 2011 there were 3051 local electors. The members may wish to take this into account when considering the precept for FY 2013/14. (Last Precept figure £50,000).

As you are already aware, the Parish Councils Income and Expenditure for the Financial Year 1st April 2011 to 31st March 2012 have now been checked and signed by the internal Auditors. These papers, together with the Statement of Accounts and Supporting Explanatory Notes, have been examined and scrutinised by the External Auditors. The Audit Certificate was signed with the one matter arising about the fixed assets register should not have been revalued but remain at cost value until disposal.

The financial papers for the current Financial Year 1st April 2012 to 31st March 2013 will be subject to Internal Audit as usual after which the papers will be forwarded to the External Auditors when the instructions are received. (We still need to book the internal auditor). Year End Accounts are completed by RBS software in April.

The precept is based on the expected spend calculated, at the Finance Committee meeting held on 4th December 2012, less the expected income of the Parish Council and also taking into account the balances at the bank. Consideration also for monies set aside in reserves for a. Repayment of PWLB loan £21,692.92. b. Equipment to Clerks office and store £950. c. 8 Acres and Village Hall project £10,000. The projected spend to the end of the current year must also be taken into consideration.

The Lincolnshire County Council – Parish Council Highway Grass Cutting Agreement for the FY 2011/12 was £5,574.75. The FY 2012/13 has not yet been agreed for any funding.

The amount in the bank at the end of December 2012 is as follows:

Account 1 - General Account - £76,322.04 (2011 - £46,200.59)

Account 2 – Burial Account – £4,958.90 (2011 - £1,602.02)

According to the Finance Act a Parish Council should hold three months running costs in reserve, which for this council is approximately £12,000.

The Parish Council needs to precept for sufficient funds to cover their expected expenditure, to implement the fundamental services agreed by the Council, and this is detailed in the computer report taking into account the balances at the Bank with adjustments for inflation.

The Council must priorities the services, functions and commitments offered and set the precept at this meeting.

BETTY L GASH

CLERK TO THE COUNCIL AND RESPONSIBLE FINANCIAL OFFICER