

Freston Parish Council

www.Freston.suffolk.gov.uk

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Precept and Budget 2021 -2022

I will put together the Precept and Budget for the Parish Council to consider.

The precept form needs to be approved by the Parish Council and returned to Babergh District Council by the 31/01/2021.

Due to the Covid -19 pandemic in 2020 Babergh District Council have just finalised the tax bases for 2021 -2022 (08/01/2021). Initially, the tax base for Freston was set at 55.55, however, it has now been finalised at 55.35. However, due to the unique circumstances additional grant funding was announced to provide support to authorities in respect of the impact on council tax bases arising from various increased costs in councils. Freston has been allocated £38.00 for the year. The £38.00 will be received with the first precept payment in April 2021.

What is the precept and how it is calculated?

Just to give you some background

Parish and town councils can raise revenue to help meet their spending requirements by issuing a 'precept'. This is the total amount to be raised through the council tax from all the dwellings within the parish area. The 'precept' is converted into an amount per council tax band and this forms part of the council tax bill.

Band D is used as the term that refers to the Average council tax and properties in the parish. There are 9 council tax Bands. Band A is the lowest up to Band H which is the highest.

Band D sits in the middle and is counted as one whole unit.

Band A is counted as 6/9 of one, Band B is 7/9, Band C is 8/9, Band E is 11/9, Band F is 13/9, Band G is 15/9 and Band H is 18/9.

So, when calculating the number of properties to include in the parish tax base, the first stage is to identify all of the properties and then put them into the relevant bands. This is done by reference to their values, as given by the government's department of the Valuation Office.

These figures are then adjusted for discounts, exemptions, reductions, premiums, growth etc to come to the final tax base figure. In 2020 there has been a rise in the local council tax reduction scheme and reduced collection rates.

2020 – 2021 Precept £2575.00 Tax base 55.55 = £2575.00 divided by 55.55 = £46.35

So, in Freston a 'typical band D property' (one property) paid £46.35 towards the spending requirements over the year to the parish council.

14.a Precept and Budget 2021 -2022 continued.

Before the precept can be finalised, the budget needs to be considered.

Close of Budget 2020 – 2021 (Predicated):

Savings Account £269.00 (December 2020 Bank Statement)
Current Account £3678.57 (December 2020 Bank Statement)
Interest 0.03p
VAT Reclaim £31.42
SUB TOTAL: £3979.02
Less £975.76 (Payments January 2021)
TOTAL: £3003.26 (End of the financial year March 2021)

Open of Budget 2021 - 2022

Opening Balance: £3000.36

Actual Close of Budget 2020-2021:

Savings Account £269.01
Current Account: £2702.81
TOTAL: £2971.82 (£31.44- AGAINST THE PREDICATED CLOSE)

Payments 2021 – 2022 (includes all increases)

Maytrees IT Services £120.00
Parish Protect Insurance £247.00
One Suffolk Annual Subscription £70.00
SALC Annual Subscription £147.00
Holbrook Academy Award £30.00
Freston Village Hall £180.00 (depending on legislation)
Poppy wreath £20.00
S Buxton £300.00
Expenses £180.00 (£15.00 per month)
SALC Payroll Cost £112.00
HMRC Payment £220.00
SALC Parish Councillor Training £100.00
ICO Payment £35.00
Parish Clerk's working from home allowance = £104.04 Annually
Parish Clerk Salary £8.91 (increased national minimum wage April 2021) 10 hours per month =
£1069.20
Parish Clerk Overtime at £8.72 x 17.5 hours = £152.60 (if approved at the PC Meeting 13/01/2021)
TOTAL: £3066.84

Receipts 2021 -2022

VAT Reclaim £40.00

Precept £2575.00 (if approved by the Parish Council 13/01/2021)

Grant (BDC) £38.00

Interest 0.16p

TOTAL: £2653.16

PREDICATED END OF YEAR 31/03/2022

£2971.82 + £2653.16 = £5624.98 - £3066.84 = £2558.14

START OF YEAR 01/04/2022 THE OPENING IS PREDICATED TO BE £2588.14