

Stinsford Parish Council – 13 January 2020

Budget 2020/21 - Report by Responsible Financial Officer

Reason for report

In order to comply with statutory deadlines for the setting of budgets and precepts (ie the amount of Council Tax to be levied by the Parish Council), it is necessary for the Council to agree these at the January meeting and submit the details to Dorset Council before the deadline of 31 January 2020.

Context

For 2018/19, the Parish Council agreed a precept of £5,000. The expenditure approved by the Parish Council for the full financial year 2018/19 totalled £7,135.83. This included expenditure totalling £3120.54 from the Groundwork UK grant for the development of a Neighbourhood Plan for the parish.

The Parish Council agreed to increase the precept to £5,500 for the current financial year, 2019/20. To date, the Parish Council has approved expenditure in 2019/20 of £4,419.13. Approval of further expenditure of £1,109.21 is sought at this meeting. Assuming that this is agreed, the total amount approved to date in the current financial year will be £5,495.27. This includes expenditure from the Groundwork UK grant for the development of a Neighbourhood Plan for the parish. A further £2,000 has been added to the Parish Council's earmarked reserves in the current year.

Assuming that this expenditure is approved, the Parish Council currently has reserves of **£19,733.78**. Of this, £13,179.08 is ring-fenced. The level of reserves held by the Parish Council in comparison to its current precept has been queried by the External Auditor during previous annual audits. However, an explanation was provided about the amounts ring-fenced for specific activity, in particular the development of the Neighbourhood Plan, and no recommendations were made in the Auditor's reports.

Recommendation

I have prepared budget estimates (attached). These total £5,530. Given the amount held in reserves, I propose that the precept be maintained at £5,500 for 2020/21 to meet the Parish Council's costs.

Dorset Council has confirmed the tax base to be used for Stinsford is 146.5; a decrease in 1% from that used for the current year. A precept of £5,500 would therefore equate to a Council Tax charge of £37.54 for a Band D property for 2020/21. In the current year this is £37.16.

I therefore recommend that the Parish Council consider:

- (i) the attached draft budget estimates for 2020/21; and**
- (ii) whether to issue a precept of £5,500 for 2020/21.**

Kirsty Riglar
Clerk and Responsible Financial Officer
January 2020