
Report To: Full Council **Date:** 30 October 2023

Contact Officer: Paula Harrison

Subject: Precept Planning

1. Precept Setting

- 1.1 The Council's income is from the Precept budget. The Precept is an amount that resident households within the Parish pay as part of their Council Tax bill.
- 1.2 The Parish Council sets an annual budget in order to determine what the Precept amount for that year needs to be. This should be a realistic projection of the costs the Parish Council is likely to incur in the next financial year. It can also include budgets for future savings pots (Reserves). Timeframes are as follows:
 - Budget setting discussions November to December
 - Receipt of confirmed tax base – end of November
 - Public meeting for setting the Precept and formal submission of a demand for the Precept to Swindon Borough Council - end of January
 - Receipt of Precept – April
- 1.3 The Parish Council must approve the budget and the Precept amount by its Full Council meeting at the end of the January. There is no flexibility in this date as Swindon Borough Council will require the information in order to set and distribute the Council Tax bills for the next financial year (April to March).
- 1.4 When setting the budget, the Parish Council has a figure provided by Swindon Borough Council which is known as the tax base. A copy of the letter from the previous year is attached as Appendix A. For West Swindon, the tax base is generally the same from one year to the next due to the low levels of new home building.
- 1.5 The tax base is calculated by adding together the 'relevant amounts' (the number of dwellings) for each valuation band, then multiplying the result by the Council's estimate of its collection rate for the year. It is not an exact number of households.
- 1.6 The Parish Council uses the tax base in order to understand The tax base is used to indicate the amount of Council Tax required for the Parish to cover the precept by performing the following calculation: 1. Divide the overall precept amount by the Council tax base for the Parish. This will provide a figure for the Precept element of the Council Tax for a Band D property. It helps the Parish Council understand the financial impact of any precept changes on an individual property.

- 1.7 The Parish Council will need to review expenditure to date alongside any planned projects or anticipated changes in costs for the next financial year e.g. rising fuel costs in order to set a budget. This work is sometimes initiated by a working party in the first instance.
- 1.8 The Precept must be approved by Full Council in a public meeting.

2. Recommendations

- 2.1 The Committee is asked to note the timeframe for setting the Precept and instruct the Clerk for any additional information or budget meetings.

Report Author:
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