

Notes regarding PRECEPT item 23/019(b)

You will need to bear in mind when setting the precept that £42K of the parish council's reserves is earmarked for projects (capital expenditure). Therefore, it is my considered advice that you will need to replenish your general reserves this year, in order to cover the council against financial risk and to meet the auditors' strict requirements. The recommendation for a council of this size is to have 50%-100% of your annual expenditure in general reserve.

The number of Band D equivalents (known as the Taxbase) in the parish for 2023-24 is 378.90. To show a 0% increase on the 2023-24 Council Tax Demand Notices, your precept requirement would be £13271.

If the draft budget is agreed (total annual expenditure £14998), then the following are examples of precept amounts you could request.

Obviously, the parish council may decide on any precept amount.

	£
Estimated closing balance March 2023	48866
Earmarked reserves	(42000)
Remaining general reserves March 2023	6866
Predicted annual spend as per draft budget	14998

Precept to replenish general reserve to 50% of annual expenditure (minimum recommended). Reserve would be £7499.

Shortfall in reserves	633
Plus budgeted expenditure	14998
Minus predicted receipts	(1000)
Precept required	14631

This equates to £38.61 per average household per year, which is an increase of £3.59 (10.3%) compared to 2022-23.

Precept to replenish general reserve to 75% of annual expenditure (average recommended). Reserve would be £11249.

Shortfall in reserves	4383
Plus budgeted expenditure	14998
Minus predicted receipts	(1000)
Precept required	18381

This equates to £48.51 per average household per year, which is an increase of £13.49 (38.5%) compared to 2022-23.