



# MELTON PARISH COUNCIL

**MPC(18)07.03**

## **TO AGREE THE PRECEPT REQUEST FOR 2018/19**

Melton Parish Council has to notify Suffolk Coastal DC of its precept requirement by 19 January 2018.

Paper MPC(18)07.02 (the budget spreadsheet) sets out both the latest projected outturn figure for 2017/18, and the budget for 2018/19. The budget spreadsheet has assumed as a basis for constructing the budget a precept of £73,366.30, i.e. imposing the same Band D charge as in 2017/18 (£42.93) *plus* 1.9% increase. Detailed modelling is set out below.

Melton's tax base for the coming year will be £1,677.11 Band D equivalent properties.

This means that if the Council's overall precept requirement is kept the same as that for 2017/18 (i.e. £71,416.61), this would result in a charge of £42.58 for a Band D property, i.e. a reduction of 0.82% (**Option 1**).

If Melton wishes to keep its tax charge on a Band D property exactly the same as 2017/18 (i.e. £42.93) which would show as a 0% change then a precept of £71,998.33 needs to be requested (**Option 2**).

On 19 December 2017 the Secretary of State for Communities and Local Government announced that he will defer the setting of referendum principles for town and parish councils for the next 3 years, provided that increases are mitigated by e.g. the use of reserves, wherever possible, and that councils act with restraint. However the average council tax increase set by local councils last year was 6.3%.

If Melton wishes to go with Option 2 (above) as a base, *and then apply a 1.9% uplift*, then a precept of £73,366.30 needs to be requested (as per the modelling for the draft budget spreadsheet referred to above) (**Option 3**).

If Melton wishes to go with Option 2 (above) as a base, *and then apply a 2% uplift*, then a precept of £73,438.29 needs to be requested (**Option 4**).

### Summary of Options for 2017/18

1. £71,416.61 = Band D charge £42.58 (i.e. -0.82% change due to increase in the tax base)
2. £71,998.33 = Band D charge £42.93 (same as 2017/18 – this would show as a 0% change on the 2018/19 Council Tax bill)
3. £73,366.30 = Option 2 + 1.9%. This represents a net increase of £1,949.69 on 2017/18 and an increase of £1,367.97 over Option 2. It would increase the Band D charge by approximately 81p.
4. £73,438.29 = Option 2 + 2.0%. This represents a net increase of £2,021.68 on 2017/18 and an increase of £1,439.96 over Option 2. It would increase the Band D charge by approximately 85p.

### **Recommendation**

Members are requested to consider and agree one of the above options.

William Grosvenor

Clerk to the Council

8 January 2018