

**Precept: Extra-ordinary meeting of Gt Coxwell Parish Council held on 5<sup>th</sup> December 2016**

**The RFO reported that:**

- The precept figure will be in the range £5k-£8.9k
- This is based on three figures derived from the two budget spread-sheets recently sent to you all:
- 1/ In the first spread-sheet, I used a notional figure of £5k for the precept as it seemed to be a reasonable inflation-linked hike from the current year's figure (£4635). This would cost £31.85 per band D household.
- 2/ As you will recall, according to my predictions, this would have led to a c. £3.6k reduction in our reserves by the end of the financial year 2017-8. So, adding the deficit (£3.9k) to the notional (£5k) precept leads to a figure of £8.9k. (Or £56.70 per band D household)
- 3/ The second spread-sheet was based on OpEx only and assumes no income aside from the precept. My prediction is that we need £7225 just to meet these costs. (=£46 per D household).
- Clearly the decision is for the Councillors - my role is simply to provide advice.
- In my view, basing the precept on the OpEx is logical, defensible and future-proof (it will result in much less navel-gazing next year if we have an agreed formula for making the decision next time and thereafter).
- It has the disadvantage that it will add to quite a big hike to the average householder's bill for the first year. You may feel that this would be difficult to implement and defend to parishioners - and, if that were your decision, then I wouldn't try to persuade you away from that position.

I suggest that you might all like to look carefully at the OpEx budget and identify any errors/overestimates. If we do go down the OpEx route, then we need to ensure that the OpEx budget is as accurate as we can make.

**After a discussion, it was decided that the principle for setting the precept would be to cover all our operational costs.**

**Capital costs are covered by grants, fundraising and carry forward money.**