



# Peterstow Parish Council

## **Peterstow Parish Council Finances 2021/2022**

By now everyone should have received their Council Tax Bill for 2021/2022. You will have seen that the Peterstow Parish Gross Precept is £9,618.26 for the financial year, a 6.1% change on last year. The Parish Council after considering the proposed budget for 2021/2022 requested a 5% increase in precept. (Planned spending will be covered later). I wrote to Herefordshire Council asking why the precept had increased by 6.1% and not by the requested 5%. Their answer is that the difference is due to the reduced tax base and I have included their response in full:

For clarification, the tax base is “the number of Band D equivalent dwellings in an area, taking into account the number of assessed dwellings in each council tax band (the ratio of each band to Band D) the number of discounts and the allowance for non-collection”.

We’ve had many years where the tax base has either remained the same or slightly increased due to new properties or a lower requirement for discounts in parishes and so the county. Unfortunately the tax base has reduced this time between 2020/21 and 2021/22 due to the over 25% increase in working age council tax reduction claimants (reflecting part of the economic impact of Covid-19) and only a fraction of new homes coming online this year.

For Peterstow Parish Council, despite only increasing your total precept requirement by 5% on your 2020/21 total, a reduction in your tax base of 1.04% (from 194.39 to 192.37) means that the increase in precept payable is 6.10% (from £47.12 for a Band D property to £50.00). This is a national issue being faced by all councils (parishes and local authorities) and tax bases are expected to recover in a couple of years’ time.

### **Planned Peterstow Parish Council spending in 2021/2022:**

1. Second Speed Indicator Device including installation £4,000 plus VAT.
2. Lengthsman activities and tree maintenance £3,800 plus VAT.
3. Clerks salary, payroll services, taxes and expenses £3,300.
4. Herefordshire Association of Local Councils membership £360 plus VAT.
5. Insurance, community hall rent, website support, fees and other expenses £940.
6. Community scheme £800 plus VAT.

Total planned expenditure for the financial year is £13,200

The Community Scheme is new for this year and it aims to support projects that will benefit the local community. If you have a project, please get in touch with any of the councillors or myself as clerk.

*Paul Hayden*

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