

Process for setting the Budget/Precept

Background

As members are aware, the Town Council is funded in the main by a supplement (precept) added to the bills of Council taxpayers living within the Town Council boundaries. The Town Council needs to calculate the level of funding required to operate in the following year and draw up a budget plan. The Clerk notifies Chelmsford City Council of the amount, which they collect with the Council tax. Chelmsford City Council pays the total amount to the Town Council in town instalments in May and September

Plans for Next Year

Members are reminded in the autumn that the budget process is approaching and they are encouraged to bring forward any ideas for projects in the following year. The Committees needs to debate the proposals and agree whether to proceed before the budget is set, so that if they are agreed, enquiries can be made about the likely project cost and a realistic amount can be included in the budget proposals and presented to Finance & Projects Committee.

Each committee has the opportunity to submit budget proposals to the Finance & Projects Committee for consideration. In the case of the annual grants, the current policy is that every application which falls within the rules is approved, which is the reason that the grants process starts so early. The agreed amount forms part of the following year's budget.

Budget System

In conjunction with the Committee Chairman, the Clerk draws up budget proposals based on the Council's responsibilities and decisions taken on projects to be carried out in the following year.

All members will receive a copy of the proposals to be put before the Finance & Projects Committee for consideration and are invited to table amendments in advance of the F&P Committee meeting. The Committee makes a recommendation to the Council on the budget/precept.

The F&P Committee's budget proposals are then submitted to Council for consideration as a full agenda item and members are able to table amendments. Members are encouraged to notify the Clerk of proposed amendments in advance of the meetings so that the viability/legality of the proposals can be checked out before the debate. If the amendments are not tabled until the Council meeting, it may be necessary to defer the final decision on the budget to the following meeting, if further information or legal advice is required. For this reason, it is preferable to receive notification of the amendments in advance.

The date of agreeing the precept/budget is subject to receipt of confirmation of the tax base allocation from Chelmsford City Council and is normally taken at the December/January Full Council meeting.

The timetable for the whole process is outlined overleaf.

Timetable

October/November	The Committee meeting papers including the budget proposals are issued to committee members. The budget proposals are issued to all other Council members.
November	Meeting of F&P Committee. The date of the meeting is subject to confirmation.
November	F&P budget proposals are posted /emailed to all members with the Council meeting papers.
December/January	Council meeting when the budget and precept will be agreed as a full agenda item, subject to confirmation of the level of the council tax relief grant.
January	The precept / budget is confirmed when the tax base calculation is known and subsequently requested from South Woodham Ferrers Town Council.